



Mercer Super Trust

# Quarterly report

to 31 March 2022

welcome to brighter

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## Economy and markets

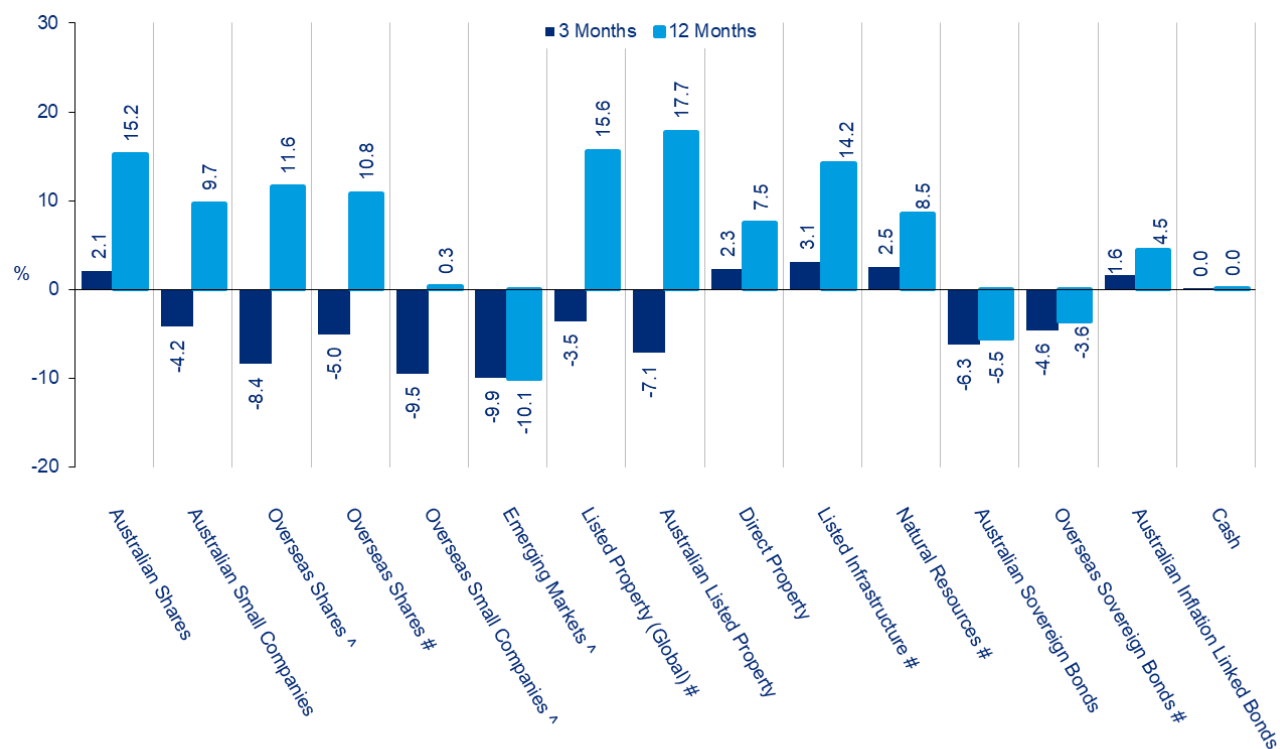
Over the first quarter of 2022, markets faced challenges stemming from the Russia – Ukraine conflict, higher inflation and higher volatility leading to significant declines in global equity and bond markets. Investors remain cautious to how the Russia – Ukraine conflict may impact the economy, as commodity prices soar and whether inflation can be brought back to a sustainable level.

Hedged Developed Market Overseas Shares returned -5.0% for the quarter. Australian shares outperformed over the quarter given their exposure to more defensive sectors, such as materials and energy. The tech heavy Nasdaq underperformed the S&P 500 over the quarter and reflected overall sentiment towards technology over the quarter. Emerging market equities underperformed both overseas and Australian equities, returning -9.9% for the quarter. This was largely due to the Chinese market, in which the country is battling new lockdowns and slowing economic growth. The collapse of the Russian stock market also detracted. Booming commodity prices benefiting Latin American stock markets was not enough to mitigate the declines in China and Russia.

Hedged Overseas Government Bonds returned -4.8% over the quarter as 10-year government bond yields for major developed markets increased. Australian 10-year government bond yields increased 117bps to 2.8%. In spite of the elevated market volatility brought about by the Russia-Ukraine crisis, government bonds did not exhibit their usual safe haven characteristics. Instead yields have continued to rise due to higher expected inflation and hawkish monetary policy expectations.

The Australian share market outperformed its overseas counterparts over the March quarter. The S&P/ASX300 returned 2.1% for the quarter. The strongest domestic index was the ASX 50, returning 4.0%. The strongest performing sectors over the quarter were Energy (28.4%) and Materials (15.2%), whilst the worst performing sectors were IT (-13.7%) and Consumer Discretionary (-10.4%).

# Financial market returns to 31 March 2022



## NOTE:

**Past performance is not a reliable indicator of future performance.**

Performance shown only for asset classes that are applicable to sector Mercer Funds benchmarked against a single index.

# Fully hedged return.

^ Unhedged return.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Mercer SmartPath® Ready-Made Investment Option

Born 2004-2008

### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling seven year periods. This objective for the seven years to quarter end was n/a.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.9	9.3	n/a	n/a
Benchmark return*	-2.5	9.0	n/a	n/a
Excess Returns	-0.4	+0.3	n/a	n/a

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.4	7.8	n/a	n/a

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	36.6
	Australian Shares - Small Cap	3.0	3.8
	International Shares - Large Cap	23.0	24.0
	International Shares - Low Vol	6.0	4.1
	Global Shares - Small Cap	5.0	4.8
	Emerging Markets Shares	8.0	4.8
Real Assets	Global Listed Property	0.0	1.1
	Australian Direct Property	7.0	6.1
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	4.6
	Natural Resources	1.0	1.4
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.9
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.2
	High Yield Debt	0.0	1.0
	Emerging Markets Debt	2.9	2.3
Defensive Fixed Interest & Cash	Absolute Return Bonds	0.0	0.0
	Global Credit	0.0	0.2
	Australian Sovereign Bonds	0.0	0.1
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	2.1
		100.0	100.0
FX Exposure		37.0	31.1

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Mercer SmartPath® Ready-Made Investment Option

### Born 1999-2003

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling seven year periods. This objective for the seven years to quarter end was 6.0% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.9	9.3	9.7	8.2
Benchmark return*	-2.5	9.0	8.9	7.7
Excess returns	-0.4	+0.3	+0.8	+0.5

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.5	8.4	8.2	7.1

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	36.6
	Australian Shares - Small Cap	3.0	3.8
	International Shares - Large Cap	23.0	24.0
	International Shares - Low Vol	6.0	4.1
	Global Shares - Small Cap	5.0	4.8
	Emerging Markets Shares	8.0	4.8
Real Assets	Global Listed Property	0.0	1.1
	Australian Direct Property	7.0	6.1
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	4.6
	Natural Resources	1.0	1.4
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.9
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.2
	High Yield Debt	0.0	1.0
	Emerging Markets Debt	2.9	2.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Credit	0.0	0.2
	Australian Sovereign Bonds	0.0	0.1
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	2.1
		100.0	100.0
FX Exposure		37.0	31.1

### Born 1994-1998

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling seven year periods. This objective for the seven years to quarter end was 6.0% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.9	9.3	9.7	8.2
Benchmark return*	-2.5	9.0	8.9	7.7
Excess returns	-0.4	+0.3	+0.8	+0.5

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.5	8.5	8.5	7.3

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	36.6
	Australian Shares - Small Cap	3.0	3.8
	International Shares - Large Cap	23.0	24.0
	International Shares - Low Vol	6.0	4.1
	Global Shares - Small Cap	5.0	4.8
	Emerging Markets Shares	8.0	4.8
Real Assets	Global Listed Property	0.0	1.1
	Australian Direct Property	7.0	6.1
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	4.6
	Natural Resources	1.0	1.4
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.9
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.2
	High Yield Debt	0.0	1.0
	Emerging Markets Debt	2.9	2.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Credit	0.0	0.2
	Australian Sovereign Bonds	0.0	0.1
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	2.1
		100.0	100.0
FX Exposure		37.0	31.1

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Mercer SmartPath® Ready-Made Investment Option

### Born 1989-1993

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling seven year periods. This objective for the seven years to quarter end was 6.0% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.9	9.4	9.7	8.3
Benchmark return*	-2.5	9.0	8.9	7.7
Excess returns	-0.4	+0.4	+0.8	+0.6

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.6	8.5	8.5	7.3

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	36.6
	Australian Shares - Small Cap	3.0	3.8
	International Shares - Large Cap	23.0	23.9
	International Shares - Low Vol	6.0	4.1
	Global Shares - Small Cap	5.0	4.7
	Emerging Markets Shares	8.0	4.8
Real Assets	Global Listed Property	0.0	1.1
	Australian Direct Property	7.0	6.1
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	4.6
	Natural Resources	1.0	1.4
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.9
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.2
	High Yield Debt	0.0	1.0
	Emerging Markets Debt	2.9	2.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Credit	0.0	0.2
	Australian Sovereign Bonds	0.0	0.1
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	2.3
		100.0	100.0
FX Exposure		37.0	31.0

### Born 1984-1988

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling seven year periods. This objective for the seven years to quarter end was 6.0% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-3.0	9.4	9.8	8.4
Benchmark return*	-2.5	9.0	8.9	7.7
Excess returns	-0.5	+0.4	+0.9	+0.7

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.6	8.6	8.6	7.4

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	35.7
	Australian Shares - Small Cap	3.0	3.6
	International Shares - Large Cap	23.0	24.4
	International Shares - Low Vol	6.0	4.0
	Global Shares - Small Cap	5.0	4.7
	Emerging Markets Shares	8.0	5.0
Real Assets	Global Listed Property	0.0	1.2
	Australian Direct Property	7.0	6.4
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	4.9
	Natural Resources	1.0	1.5
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	0.9
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.3
	High Yield Debt	0.0	0.9
	Emerging Markets Debt	2.9	2.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Credit	0.0	0.2
	Australian Sovereign Bonds	0.0	0.1
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	2.1
		100.0	100.0
FX Exposure		37.0	32.2

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Mercer SmartPath® Ready-Made Investment Option

### Born 1979-1983

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling seven year periods. This objective for the seven years to quarter end was 6.0% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-3.0	9.5	9.8	8.4
Benchmark return*	-2.5	9.0	8.9	7.7
Excess returns	-0.5	+0.5	+0.9	+0.7

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.6	8.7	8.6	7.4

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	35.7
	Australian Shares - Small Cap	3.0	3.7
	International Shares - Large Cap	23.0	24.3
	International Shares - Low Vol	6.0	4.0
	Global Shares - Small Cap	5.0	4.6
	Emerging Markets Shares	8.0	4.8
Real Assets	Global Listed Property	0.0	1.2
	Australian Direct Property	7.0	6.5
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	4.9
	Natural Resources	1.0	1.5
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	1.0
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.3
	High Yield Debt	0.0	0.9
	Emerging Markets Debt	2.9	2.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Credit	0.0	0.2
	Australian Sovereign Bonds	0.0	0.1
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	2.1
		100.0	100.0
FX Exposure		37.0	32.0

### Born 1974-1978

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling seven year periods. This objective for the seven years to quarter end was 6.0% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.9	9.5	9.8	8.3
Benchmark return*	-2.5	9.0	8.9	7.7
Excess returns	-0.4	+0.5	+0.9	+0.6

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.6	8.7	8.6	7.4

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	35.6
	Australian Shares - Small Cap	3.0	3.6
	International Shares - Large Cap	23.0	24.0
	International Shares - Low Vol	6.0	4.1
	Global Shares - Small Cap	5.0	4.7
	Emerging Markets Shares	8.0	5.0
Real Assets	Global Listed Property	0.0	1.2
	Australian Direct Property	7.0	6.6
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	5.0
	Natural Resources	1.0	1.5
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	1.0
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.3
	High Yield Debt	0.0	0.9
	Emerging Markets Debt	2.9	2.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Credit	0.0	0.2
	Australian Sovereign Bonds	0.0	0.1
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	2.0
		100.0	100.0
FX Exposure		37.0	32.0

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.



NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Mercer SmartPath® Ready-Made Investment Option

### Born 1969-1973

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 4.0% per annum over rolling seven year periods. This objective for the seven years to quarter end was 6.0% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.9	9.6	9.7	8.3
Benchmark return*	-2.5	9.0	8.9	7.7
Excess returns	-0.4	+0.6	+0.8	+0.6

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.5	8.8	8.6	7.4

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	32.0	36.3
	Australian Shares - Small Cap	3.0	3.5
	International Shares - Large Cap	23.0	23.8
	International Shares - Low Vol	6.0	4.1
	Global Shares - Small Cap	5.0	4.7
	Emerging Markets Shares	8.0	4.9
Real Assets	Global Listed Property	0.0	1.2
	Australian Direct Property	7.0	6.6
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.0
	Natural Resources	1.0	1.5
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	0.5	1.0
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	2.1	1.3
	High Yield Debt	0.0	0.9
	Emerging Markets Debt	2.9	2.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0
	Global Credit	0.0	0.0
	Australian Sovereign Bonds	0.0	0.2
	Global Sovereign Bonds	0.0	0.0
	Australian Inflation Plus	0.0	0.0
	Cash	1.5	1.8
		100.0	100.0

FX Exposure 37.0 32.0

### Born 1964-1968

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.75% per annum over rolling seven year periods. This objective for the seven years to quarter end was 5.7% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.8	9.0	9.1	7.8
Benchmark return*	-2.5	8.7	8.2	7.2
Excess returns	-0.3	+0.3	+0.9	+0.6

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.5	8.2	8.0	6.9

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	29.2	32.4
	Australian Shares - Small Cap	2.3	2.9
	International Shares - Large Cap	20.7	22.6
	International Shares - Low Vol	6.0	4.1
	Global Shares - Small Cap	4.1	3.7
	Emerging Markets Shares	6.7	3.6
Real Assets	Global Listed Property	0.6	1.7
	Australian Direct Property	7.0	6.7
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	7.9	5.1
	Natural Resources	1.0	1.6
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	1.5
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	3.0	1.6
	High Yield Debt	1.4	2.0
	Emerging Markets Debt	3.1	2.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.3	1.1
	Global Credit	0.0	0.0
	Australian Sovereign Bonds	1.5	1.0
	Global Sovereign Bonds	1.5	1.0
	Australian Inflation Plus	0.6	0.7
	Cash	1.6	3.5
		100.0	100.0

FX Exposure 35.0 29.4

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.



NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Mercer SmartPath® Ready-Made Investment Option

### Born 1959-1963

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.25% per annum over rolling seven year periods. This objective for the seven years to quarter end was 5.2% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.7	7.8	8.1	7.0
Benchmark return*	-2.4	7.3	7.2	6.4
Excess returns	-0.3	+0.5	+0.9	+0.6

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.5	7.0	7.1	6.2

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	23.6	27.6
	Australian Shares - Small Cap	1.4	2.2
	International Shares - Large Cap	17.1	17.6
	International Shares - Low Vol	6.0	4.2
	Global Shares - Small Cap	2.2	2.1
	Emerging Markets Shares	5.2	3.3
Real Assets	Global Listed Property	1.1	2.3
	Australian Direct Property	7.0	7.0
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	7.9	5.3
	Natural Resources	1.0	1.6
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	1.5
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	4.7	2.2
	High Yield Debt	3.5	4.1
	Emerging Markets Debt	4.3	3.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	1.8	2.4
	Global Credit	0.0	1.9
	Australian Sovereign Bonds	3.4	2.2
	Global Sovereign Bonds	3.4	2.2
	Australian Inflation Plus	1.1	1.2
	Cash	3.8	4.8
		100.0	100.0
FX Exposure		31.0	27.1

### Born 1954-1958

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.75% per annum over rolling six year periods. This objective for the six years to quarter end was 4.8% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.6	6.3	7.2	6.3
Benchmark return*	-2.3	5.9	6.3	5.7
Excess returns	-0.3	+0.4	+0.9	+0.6

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.4	5.6	6.3	5.5

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	18.8	22.3
	Australian Shares - Small Cap	0.7	1.6
	International Shares - Large Cap	13.1	11.7
	International Shares - Low Vol	6.0	4.2
	Global Shares - Small Cap	0.7	0.7
	Emerging Markets Shares	3.7	3.7
Real Assets	Global Listed Property	1.7	3.0
	Australian Direct Property	6.9	7.3
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	7.9	5.5
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.2
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.2	3.2
	High Yield Debt	5.4	6.3
	Emerging Markets Debt	5.4	4.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	3.3	4.0
	Global Credit	0.0	1.8
	Australian Sovereign Bonds	5.3	2.6
	Global Sovereign Bonds	5.3	4.1
	Australian Inflation Plus	1.7	2.9
	Cash	5.4	6.0
		100.0	100.0
FX Exposure		27.5	25.3

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Mercer SmartPath® Ready-Made Investment Option

### Born 1949-1953

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.8	5.3	6.4	5.6
Benchmark return*	-2.3	5.2	5.5	5.1
Excess returns	-0.5	+0.1	+0.9	+0.5

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.6	4.8	5.5	4.9

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	20.5
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	11.5
	International Shares - Low Vol	6.0	4.0
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	3.3
Real Assets	Global Listed Property	2.0	3.4
	Australian Direct Property	7.0	6.6
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	5.5
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.2
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.4
	High Yield Debt	6.1	7.1
	Emerging Markets Debt	6.1	5.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.9
	Global Credit	0.0	3.6
	Australian Sovereign Bonds	6.0	4.3
	Global Sovereign Bonds	6.0	5.4
	Australian Inflation Plus	2.0	1.3
	Cash	6.0	5.2
		100.0	100.0
FX Exposure		26.0	24.7

### Born 1944-1948

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.7	5.4	6.3	5.5
Benchmark return*	-2.3	5.2	5.5	5.0
Excess returns	-0.4	+0.2	+0.8	+0.5

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.4	4.8	5.4	4.8

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	20.4
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	11.4
	International Shares - Low Vol	6.0	4.2
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	3.1
Real Assets	Global Listed Property	2.0	3.6
	Australian Direct Property	7.0	6.1
	Global Listed Infrastructure	0.0	0.9
	Global Unlisted Infrastructure	8.0	5.6
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.2
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.6
	High Yield Debt	6.1	7.1
	Emerging Markets Debt	6.1	5.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.9
	Global Credit	0.0	3.6
	Australian Sovereign Bonds	6.0	3.8
	Global Sovereign Bonds	6.0	5.4
	Australian Inflation Plus	2.0	1.2
	Cash	6.0	6.0
		100.0	100.0
FX Exposure		26.0	24.6

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Mercer SmartPath® Ready-Made Investment Option

### Born 1939-1943

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.7	5.4	6.3	5.5
Benchmark return*	-2.3	5.2	5.5	5.0
Excess returns	-0.4	+0.2	+0.8	+0.5

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.6	4.7	5.4	4.8

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	20.1
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	11.4
	International Shares - Low Vol	6.0	4.1
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	3.1
Real Assets	Global Listed Property	2.0	3.4
	Australian Direct Property	7.0	6.7
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	6.0
	Natural Resources	1.0	1.5
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.1
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.5
	High Yield Debt	6.1	7.1
	Emerging Markets Debt	6.1	5.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.9
	Global Credit	0.0	3.3
	Australian Sovereign Bonds	6.0	4.3
	Global Sovereign Bonds	6.0	5.4
	Australian Inflation Plus	2.0	1.3
	Cash	6.0	5.6
		100.0	100.0
FX Exposure		26.0	24.5

### Born 1934-1938

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.8	5.5	6.4	5.5
Benchmark return*	-2.3	5.2	5.5	5.1
Excess returns	-0.5	+0.3	+0.9	+0.4

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.6	4.8	5.5	4.8

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	19.9
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	12.2
	International Shares - Low Vol	6.0	4.2
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	2.9
Real Assets	Global Listed Property	2.0	3.4
	Australian Direct Property	7.0	6.1
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.4
	Natural Resources	1.0	1.7
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.1
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.6
	High Yield Debt	6.1	7.1
	Emerging Markets Debt	6.1	5.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.9
	Global Credit	0.0	3.5
	Australian Sovereign Bonds	6.0	4.3
	Global Sovereign Bonds	6.0	5.2
	Australian Inflation Plus	2.0	1.4
	Cash	6.0	5.8
		100.0	100.0
FX Exposure		26.0	24.0

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Mercer SmartPath® Ready-Made Investment Option

### Born 1929-1933

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.8	5.4	6.5	5.5
Benchmark return*	-2.3	5.2	5.5	5.1
Excess returns	-0.5	+0.2	+1.0	+0.4

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.6	4.7	5.6	4.8

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	19.9
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	12.4
	International Shares - Low Vol	6.0	4.1
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	3.1
Real Assets	Global Listed Property	2.0	3.3
	Australian Direct Property	7.0	6.9
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.2
	Natural Resources	1.0	1.6
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.0
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.5
	High Yield Debt	6.1	7.0
	Emerging Markets Debt	6.1	5.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.8
	Global Credit	0.0	3.4
	Australian Sovereign Bonds	6.0	4.2
	Global Sovereign Bonds	6.0	4.6
	Australian Inflation Plus	2.0	1.3
	Cash	6.0	6.5
		100.0	100.0
FX Exposure		26.0	25.0

### Born prior to 1929

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.25% per annum over rolling five year periods. This objective for the five years to quarter end was 4.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.8	5.2	6.3	5.4
Benchmark return*	-2.3	5.2	5.5	5.0
Excess returns	-0.5	0.0	+0.8	+0.4

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs (p.a.)
Total returns	-2.6	4.5	5.5	4.7

Asset allocation (%)		B'mark	Actual
Shares	Australian Shares - Large Cap	16.5	19.2
	Australian Shares - Small Cap	0.0	0.0
	International Shares - Large Cap	12.0	12.0
	International Shares - Low Vol	6.0	4.1
	Global Shares - Small Cap	0.0	0.0
	Emerging Markets Shares	3.0	3.3
Real Assets	Global Listed Property	2.0	3.3
	Australian Direct Property	7.0	6.9
	Global Listed Infrastructure	0.0	1.0
	Global Unlisted Infrastructure	8.0	5.2
	Natural Resources	1.0	1.6
Alternatives	Private Equity	0.0	0.0
	Sustainable Opportunities	0.0	0.0
	Diversified Growth Funds	1.5	2.0
	Diversified Alternatives	0.0	0.0
Growth Fixed Interest	Private Debt	6.8	3.5
	High Yield Debt	6.1	7.0
	Emerging Markets Debt	6.1	5.2
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	4.8
	Global Credit	0.0	3.4
	Australian Sovereign Bonds	6.0	4.2
	Global Sovereign Bonds	6.0	4.9
	Australian Inflation Plus	2.0	1.3
	Cash	6.0	7.1
		100.0	100.0
FX Exposure		26.0	25.1

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Other Ready-Made Investment Options

### Mercer Diversified Shares

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.5% per annum over rolling ten year periods. This objective for the ten years to quarter end was 5.5% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	10 yrs <sup>^</sup> (p.a.)
Total returns	-4.2	10.5	10.7	11.8
Benchmark return*	-3.4	10.7	10.5	11.7
Excess returns	-0.8	-0.2	+0.2	+0.1

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	10 yrs <sup>^</sup> (p.a.)
Total returns	-3.6	9.7	9.6	10.4
Peer group median <sup>2</sup>	-2.5	9.3	8.4	10.4
Excess returns vs peer group	-1.2	+0.4	+1.2	-0.0

<sup>^</sup> Time horizon for this investment option's objective (refer above)

<sup>2</sup> Super Ratings High Growth (91-100)

Asset allocation (%)	B'mark	Actual at quarter end		
		Growth	Defensive	Total
Australian Shares - Large Cap	40.0	42.0	0.0	42.0
Australian Shares - Small Cap	5.0	4.9	0.0	4.9
International Shares - Large Cap	31.0	30.2	0.0	30.2
International Shares - Low Vol	10.0	10.4	0.0	10.4
Global Shares - Small Cap	7.0	6.5	0.0	6.5
Emerging Markets (U#)	7.0	6.0	0.0	6.0
Cash	0.0	0.0	0.0	0.0
	100.0	100.0	0.0	100.0

FX Exposure 42.0 40.1

Performance attribution this quarter (%)	
Asset allocation	0.0
Stock/manager selection	-0.8
<b>Excess return for this quarter - before fees &amp; taxes</b>	<b>-0.8</b>

### Mercer High Growth

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.5% per annum over rolling seven year periods. This objective for the seven years to quarter end was 5.5% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs <sup>^</sup> (p.a.)
Total returns	-2.8	9.7	10.0	8.7
Benchmark return*	-2.4	9.1	8.9	7.9
Excess returns	-0.4	+0.6	+1.1	+0.8

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	7 yrs <sup>^</sup> (p.a.)
Total returns	-2.5	8.9	8.8	7.6
Peer group median <sup>2</sup>	-2.7	8.9	8.3	7.1
Excess returns vs peer group	+0.2	+0.0	+0.5	+0.5

<sup>^</sup> Time horizon for this investment option's objective (refer above)

<sup>2</sup> Super Ratings Growth (77-90)

Asset allocation (%)	B'mark	Actual at quarter end		
		Growth	Defensive	Total
Australian Shares - Large Cap	31.0	35.6	0.0	35.6
Australian Shares - Small Cap	3.0	3.1	0.0	3.1
International Shares - Large Cap	23.0	24.9	0.0	24.9
International Shares - Low Vol	6.0	4.2	0.0	4.2
Global Shares - Small Cap	6.0	5.4	0.0	5.4
Emerging Markets Shares	6.0	2.4	0.0	2.4
Global Listed Property	0.0	1.2	0.0	1.2
Australian Direct Property	7.0	3.8	3.7	7.5
Global Listed Infrastructure	0.0	0.9	0.0	0.9
Global Unlisted Infrastructure	8.0	3.6	1.5	5.1
Natural Resources	1.0	1.8	0.0	1.8
Private Equity	0.0	0.0	0.0	0.0
Sustainable Opportunities	0.0	0.0	0.0	0.0
Diversified Growth Funds	1.0	0.5	0.5	1.0
Diversified Alternatives	0.0	0.0	0.0	0.0
Private Debt	3.0	1.1	1.0	2.1
High Yield Debt	0.0	0.5	0.4	0.9
Emerging Markets Debt	3.0	1.0	1.0	2.0
Global Absolute Return Bonds	0.0	0.0	0.0	0.0
Global Credit	0.0	0.0	0.0	0.0
Australian Sovereign Bonds	0.0	0.0	0.0	0.0
Global Sovereign Bonds	0.0	0.0	0.0	0.0
Australian Inflation Plus	0.0	0.0	0.0	0.0
Cash	2.0	0.0	1.9	1.9
	100.0	90.0	10.0	100.0

FX Exposure 34.0 28.2

Performance attribution this quarter (%)	
Asset allocation	0.0
Stock/manager selection	-0.4
<b>Excess return for quarter - before fees &amp; taxes</b>	<b>-0.4</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Other Ready-Made Investment Options

### Mercer Select Growth

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by a least 3.25% per annum over rolling six year periods. This objective for the six years to quarter end was 5.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	6 yrs <sup>^</sup> (p.a.)
Total returns	-2.2	8.8	9.5	n/a
Benchmark return*	-2.5	7.3	8.2	n/a
Excess returns	+0.3	+1.5	+1.3	n/a

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	6 yrs <sup>^</sup> (p.a.)
Total returns	-2.0	7.3	7.5	n/a
Peer group median <sup>2</sup>	-2.8	6.9	7.1	n/a
Excess returns vs peer group	+0.8	+0.4	+0.4	n/a

<sup>^</sup> Time horizon for this investment option's objective (refer above)

<sup>2</sup> Super Ratings Balanced (60-76)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	21.5	25.7	0.0	25.7
	Australian Shares - Small Cap	2.0	2.7	0.0	2.7
	International Shares - Lge Cap	14.5	15.8	0.0	15.8
	International Shares - Low Vol	5.0	3.2	0.0	3.2
	Global Shares - Small Cap	4.0	5.0	0.0	5.0
	Emerging Markets Shares	4.0	2.4	0.0	2.4
Real Assets	Global Listed Property	0.0	1.9	0.0	1.9
	Australian Direct Property	10.0	4.9	4.9	9.8
	Global Listed Infrastructure	0.0	1.1	0.0	1.1
	Global Unlisted Infrastructure	10.0	4.8	2.1	6.9
	Natural Resources	1.0	1.7	0.0	1.7
Alternatives	Private Equity	4.0	1.9	0.0	1.9
	Sustainable Opportunities	1.0	0.3	0.2	0.5
	Diversified Growth Funds	1.0	0.5	0.6	1.1
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	5.0	1.3	1.2	2.5
	High Yield Debt	2.0	1.4	1.5	2.9
	Emerging Markets Debt	4.0	1.6	1.7	3.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	0.0	0.0	2.2	2.2
	Global Credit	0.0	0.0	0.0	0.0
	Australian Sovereign Bonds	4.0	0.0	3.0	3.0
	Global Sovereign Bonds	4.0	0.0	2.7	2.7
	Australian Inflation Plus	0.0	0.0	0.6	0.6
	Cash	3.0	0.0	3.1	3.1
		100.0	76.2	23.8	100.0
FX Exposure		32.0			29.8

Performance attribution this quarter (%)	
Asset allocation	0.1
Stock/manager selection	0.1
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>+0.2</b>

### Mercer Moderate Growth

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.0% per annum over rolling four year periods. This objective for the four years to quarter end was 4.1% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	4 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-2.5	5.4	6.6	7.6
Benchmark return*	-2.1	4.8	6.1	7.0
Excess returns	-0.4	+0.6	+0.5	+0.6

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	4 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-2.2	4.8	5.7	6.5
Peer group median <sup>2</sup>	-2.6	4.7	n/a	6.3
Excess returns vs peer group	+0.4	+0.1	n/a	+0.2

<sup>^</sup> Time horizon for this investment option's objective (refer above)

<sup>2</sup> Super Ratings Conservative Balanced (41-59)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	18.5	21.5	0.0	21.5
	Australian Shares - Small Cap	0.0	0.0	0.0	0.0
	International Shares - Lge Cap	12.0	12.7	0.0	12.7
	International Shares - Low Vol	6.0	4.2	0.0	4.2
	Global Shares - Small Cap	0.0	0.0	0.0	0.0
	Emerging Markets Shares	4.0	2.3	0.0	2.3
Real Assets	Global Listed Property	0.0	1.0	0.0	1.0
	Australian Direct Property	5.5	2.7	2.7	5.4
	Global Listed Infrastructure	0.0	0.7	0.0	0.7
	Global Unlisted Infrastructure	5.5	2.6	1.1	3.7
	Natural Resources	1.0	1.7	0.0	1.7
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	0.0	0.0	0.0	0.0
	Diversified Growth Funds	1.0	0.5	0.6	1.1
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	5.4	1.3	1.2	2.5
	High Yield Debt	2.0	1.4	1.4	2.8
	Emerging Markets Debt	4.1	1.7	1.6	3.3
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	3.0	0.0	4.1	4.1
	Global Credit	2.5	0.0	4.8	4.8
	Australian Sovereign Bonds	7.0	0.0	6.8	6.8
	Global Sovereign Bonds	6.0	0.0	6.1	6.1
	Australian Inflation Plus	5.0	0.0	3.7	3.7
	Cash	11.5	0.0	11.6	11.6
		100.0	54.3	45.7	100.0
FX Exposure		23.5			20.7

Performance attribution this quarter (%)	
Asset allocation	-0.4
Stock/manager selection	0.1
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.3</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.



NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Other Ready-Made Investment Options

### Mercer Conservative Growth

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 1.0% per annum over rolling three year periods. This objective for the three years to quarter end was 3.3% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	3 yrs^ (p.a.)	7 yrs (p.a.)
Total returns	-2.0	3.6	4.9	6.0
Benchmark return*	-1.8	3.2	4.1	5.3
Excess returns	-0.2	+0.4	+0.8	+0.7

\*Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	3 yrs^ (p.a.)	7 yrs (p.a.)
Total returns	-1.9	3.2	4.1	5.1
Peer group median <sup>2</sup>	-2.8	2.2	3.2	4.5
Excess returns vs peer group	+0.9	+1.0	+0.9	+0.6

<sup>1</sup> Time horizon for this investment option's objective (refer above)

<sup>2</sup> Super Ratings Capital Stable (20-40)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	10.0	13.8	0.0	13.8
	Australian Shares - Small Cap	0.0	0.0	0.0	0.0
	International Shares - Lge Cap	6.1	5.9	0.0	5.9
	International Shares - Low Vol	5.9	4.2	0.0	4.2
	Global Shares - Small Cap	0.0	0.0	0.0	0.0
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	2.0	2.8	0.0	2.8
	Australian Direct Property	4.0	1.9	1.9	3.8
	Global Listed Infrastructure	0.0	0.7	0.0	0.7
	Global Unlisted Infrastructure	5.0	2.3	1.0	3.3
	Natural Resources	1.0	1.5	0.0	1.5
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	0.0	0.0	0.0	0.0
	Diversified Growth Funds	1.0	0.5	0.5	1.0
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	4.5	1.1	1.0	2.1
	High Yield Debt	2.0	1.3	1.4	2.7
	Emerging Markets Debt	2.0	0.8	0.8	1.6
Defensive Fixed Interest & Cash	Global Absolute Return Bonds	4.0	0.0	4.7	4.7
	Global Credit	3.0	0.0	7.4	7.4
	Australian Sovereign Bonds	11.0	0.0	8.9	8.9
	Global Sovereign Bonds	10.0	0.0	7.9	7.9
	Australian Inflation Plus	7.0	0.0	8.3	8.3
	Cash	21.5	0.0	19.4	19.4
FX Exposure		100.0	36.8	63.2	100.0
FX Exposure		12.0			11.7

Performance attribution this quarter (%)	
Asset allocation	-0.3
Stock/manager selection	0.1
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.2</b>

### Mercer Cash

#### Objectives

- To maintain the invested capital and achieve a return above that available on bank bills as measured by the Bloomberg AusBond Bank Bill Index on an annual basis.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs^ (p.a.)	10 yrs (p.a.)
Total returns	0.1	0.1	1.3	2.1
Benchmark return*	0.0	0.0	1.0	1.8
Excess returns	+0.1	+0.1	+0.3	+0.3

\* Bloomberg Bank Bill Index

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs^ (p.a.)	10 yrs (p.a.)
Total returns	0.0	0.0	1.0	1.7
Peer group median <sup>2</sup>	0.0	0.1	0.9	1.5
Excess returns vs peer group	-0.0	-0.1	+0.1	+0.2

<sup>1</sup> Super Ratings SR50 Cash Index

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Cash		100.0	0.0	100.0	100.0
FX Exposure		0.0			0.0

Performance attribution this quarter (%)	
Asset allocation	0.0
Stock/manager selection	0.0
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>0.0</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.



**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

# Learn more about the underlying investments

Uncover more detail on each asset class allocation of the ready-made investment options. The following example shows you how.

Suppose that you want more information about the allocation to Australian shares of one of the Mercer ready-made investment options. In this case, you can refer to the Australian shares section (see sample below) where you will find details on:

A. The performance of the Australian share market during the quarter and factors influencing it.

B. The investment option's benchmark allocation to the various Australian share market sectors (e.g. Financials, Energy, Utilities).

C. The variance from the sector benchmarks, whether 'overweight' (with a greater-than- benchmark exposure) or 'underweight' (with sub-benchmark exposure).

D. Benchmark returns for the quarter. Ideally, we want to be overweight in sectors with positive returns and underweight in those with negative returns.

E. The biggest holdings of individual company stocks.

F. Performance of the underlying investments in Australian shares. In other words, the performance of that part of the ready-made investment options that is allocated to Australian shares.

G. The underlying investment managers, including details of the proportion of assets they managed and their investment performance over various periods to quarter end. Please note that the details on the proportion of assets managed are only applicable to the allocations of the funds noted in the tables investment options. However, all other details are equally applicable to all the ready-made investment options.

Similarly, you can dig deeper with each of the other asset classes using the information provided in the following section of your quarterly report.

Mercer Super Trust Quarterly Report

**NOTE: Past performance is not a reliable indicator of future performance.**  
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.  
Refer to page 43 for Asset Class Benchmarks.

## Shares

### Australian Shares

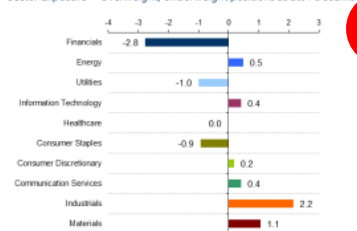
Australian shares were positive over Q4 2019 as the S&P/ASX 300 Accumulation Index returned 0.7% for the quarter. The market cap spectrum, with the largest positive contributors being the S&P/ASX 50, returning 2.3% for the quarter while the worst performer was the S&P/ASX 500, returning 0.4%. The best performing sectors were Healthcare and Energy, while the weakest performing sectors were Financials and Consumer Staples. The largest positive contributors to the return of the index were CSL, BHP and Fortescue. On the other hand, the most significant detractors from performance were Westpac, NAB and ANZ.

#### Ready-made options' allocations to Australian Shares

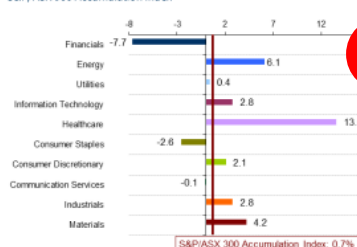
Benchmark weight by sector (%)  
S&P/ASX 300 Accumulation Index



#### Sector Exposure—Overweight/Underweight positions as at 31 December 2019 (%)



Benchmark sector returns for the three months to 31 December 2019 (%)  
S&P/ASX 300 Accumulation Index



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Quarter ended December 2019

**NOTE: Past performance is not a reliable indicator of future performance.**  
Refer to page 42 - 'Important notes about this report' - for further information on the calculation of returns.  
Refer to page 43 for Asset Class Benchmarks.

## Shares

### Australian Shares

#### Ready-made options' allocations to Australian Large Cap - Active Shares

##### Top 10 Australian share holdings

Listed (right) are the 10 largest Australian share holdings in aggregate within the Mercer ready-made investment options' allocations to Australian shares quarter end compared to the benchmark.

Stock	% of Fund	% of Benchmark
Commonwealth Bank	6.7	7.7
CSL	6.6	6.8
BHP Group Ltd	6.5	6.2
Westpac Banking Corporation	4.2	4.5
National Australia Bank	4.0	3.9
ANZ Banking Group	3.6	3.9
Macquarie Group Ltd	2.6	2.4
Aristocrat Leisure Ltd	2.4	1.2
Rio Tinto	2.4	2.0
Woolworths Group Ltd	2.4	2.6

##### Investment performance

Total & Excess Returns (%)	3 Months	1 Year	3 Years (p.a.)	7 Years (p.a.)	10 Years (p.a.)
Total Returns—Before fees & taxes:	1.0	24.3	10.8	10.6	7.8
Benchmark Return:	0.7	23.8	9.9	10.0	7.8
Excess Return—Before fees & taxes:	+0.3	+0.5	+0.9	+0.6	+0.0

1 Returns shown are for the Australian Shares allocation of the Mercer Growth investment option and are indicative only for other ready-made investment options.

##### Manager performance

Over the quarter, the portfolio outperformed its benchmark (S&P/ASX 300) by 0.3%, driven by strong performance from Firetrail, Greencape, Wavestone and Fidelity. Underweight positions to Financials was a key contributor to outperformance for these managers as this sector struggled. Greencape's overweight position in Materials also contributed to its strong quarter as raw materials prices, particularly iron ore, rose over the quarter. Firetrail was the strongest performer over the quarter, outperforming the S&P/ASX 300 index by 3.96%, with stock selection in Nufarm, Virgin Money and Worleyp being the key drivers to performance.

Proportion of assets managed at quarter end (Mercer Growth)		Manager Returns Relative to Fund Benchmark (+ or -) - Before fees					
Manager	%	Managers	3 Months	1 Year	3 Years (p.a.)	7 Years (p.a.)	10 Years (p.a.)
Ausbill Investment Management	5.5	Ausbill Investment Management	+0.1	+2.6	+0.9	+1.4	+0.6
Fidelity	2.3	Fidelity	+1.5	+6.3	+8.9	n/a	n/a
Yarra Capital Management	4.2	Yarra Capital Management	+0.3	+0.3	-0.8	n/a	n/a
Greencape	6.7	Greencape	+2.1	+3.5	+1.7	n/a	n/a
Plato	14.4	Plato	+0.1	-0.1	0.0	n/a	n/a
State Street Global Advisors	40.0	State Street Global Advisors	+0.1	+0.1	+0.1	n/a	n/a
Vinva Alpha	5.6	Vinva Alpha	+3.4	-1.3	n/a	n/a	n/a
Wavestone	5.4	Wavestone	+2.5	+3.8	n/a	n/a	n/a
Firetrail	3.1	Firetrail	+2.8	n/a	n/a	n/a	n/a

2 Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer Growth investment option and are indicative only for other ready-made investment options.

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NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

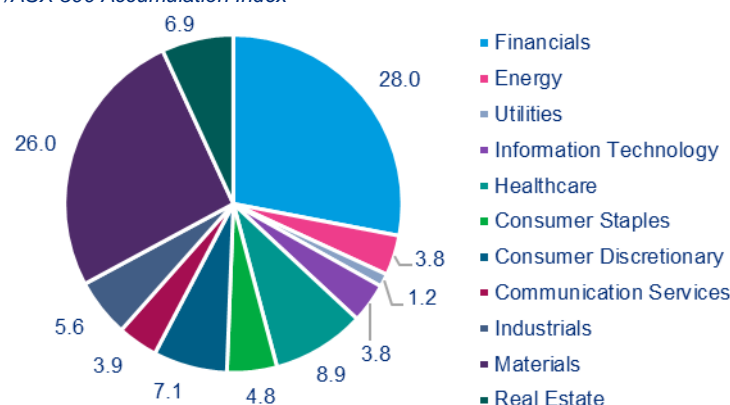
## Shares

### Australian shares

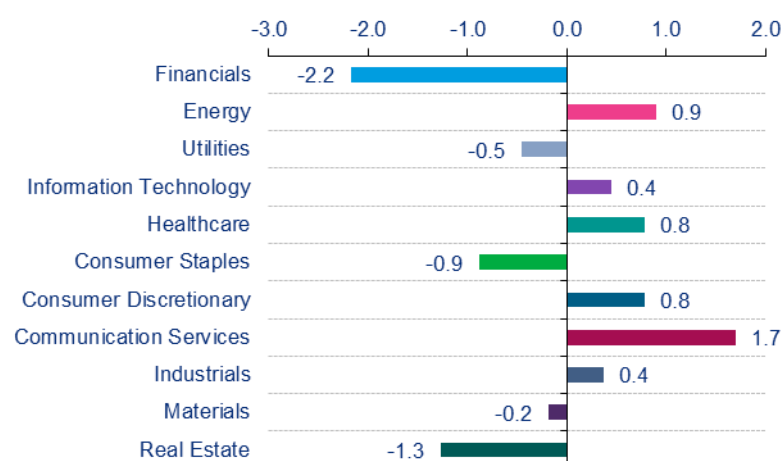
Australian shares were positive over Q1 2022 as the S&P/ASX 300 Index returned 2.1% for the period. The S&P/ASX 50 Accumulation Index was the best performer for the quarter returning 4.0%, while the worst performer was the S&P/ASX Small Ordinaries returning -4.2%. The best performing sectors were Energy and Materials, while the weakest performing sectors were IT and Consumer Discretionary. The largest positive contributors to the return of the index were BHP Group, Woodside Petroleum and NAB. On the other hand, the most significant detractors from performance were CSL, Wesfarmers and Goodman Group.

#### Ready-made options' allocations to Australian Shares

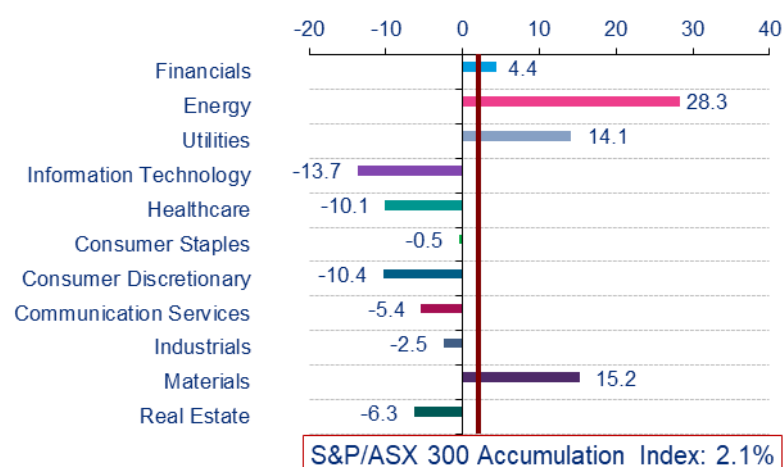
Benchmark weight by sector (%)  
S&P/ASX 300 Accumulation Index



Sector exposure — overweight/underweight positions as at 31 March 2022 (%)



Benchmark sector returns for the three months to 31 March 2022(%)  
S&P/ASX 300 Accumulation Index



NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Shares

# Australian shares

### Ready-made options' allocations to Australian Large Cap – Active Shares

#### Top 10 Australian share holdings

Listed (right) are the 10 largest Australian share holdings in aggregate within the Mercer ready-made investment options' allocations to Australian shares quarter end compared to the benchmark.

Stock	% Allocation	% of Benchmark
BHP Group Ltd	10.8	11.4
CSL	5.8	5.6
Commonwealth Bank	5.7	7.8
National Australia Bank	4.5	4.6
ANZ Banking Group	3.9	3.4
Macquarie Group Ltd	3.2	3.2
Telstra Corporation	2.6	2.0
Santos Ltd	2.2	1.0
Aristocrat Leisure Ltd	2.1	1.1
Wesfarmers	2.0	2.5

#### Investment performance

Total & excess returns <sup>1</sup> (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	1.6	15.4	11.3	9.8	8.3	n/a
Benchmark return	2.1	15.2	10.9	9.4	7.9	n/a
Excess return — before fees & taxes	-0.5	+0.2	+0.5	+0.4	+0.4	n/a

<sup>1</sup> Returns shown are for the Australian Shares allocation of the Mercer SmartPath investment option and will vary for other investment options

#### Manager performance

During the quarter both stock selection and asset allocation detracted from performance. Underweight positions in Woodside Petroleum and Westpac, and an overweight position in Aristocrat Leisure were key drivers of underperformance. This was partially offset by overweight holdings in Santos and IGO which both contributed positively. From an asset allocation perspective, overweight exposure to consumer discretionary and communications services sectors detracted, while overweight exposure to the energy sector and underweight exposure to real estate contributed positively to performance.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>2</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
State Street Global Advisors	54.8	0.0	+0.1	+0.2	+0.2	+0.1	n/a
Greencape	7.5	-2.3	-1.4	+3.2	+2.4	n/a	n/a
WaveStone Capital	7.0	-0.4	+2.9	+1.7	+3.0	n/a	n/a
Vinva Investment Management	6.0	+1.7	-0.1	-0.8	-1.2	n/a	n/a
Plato Investment Management	5.8	0.0	+0.3	+0.7	+0.6	n/a	n/a
Ausbil Investment Management	5.7	+1.1	+5.0	+5.7	+4.1	+3.3	+4.7
Firetrail	4.2	-0.6	-1.6	+1.0	n/a	n/a	n/a
Fidelity	3.5	-6.3	-1.7	-0.6	+5.8	n/a	n/a
Acadian Asset Management	2.2	+0.5	+2.1	+1.8	+1.8	n/a	n/a
Alphinity Investment Management	1.7	-1.9	+1.1	n/a	n/a	n/a	n/a
Pendal Group Limited	1.7	-1.4	-1.0	+2.5	+2.3	+1.7	+2.8

<sup>2</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other readymade options.

NOTE: Past performance is not a reliable indicator of future performance.

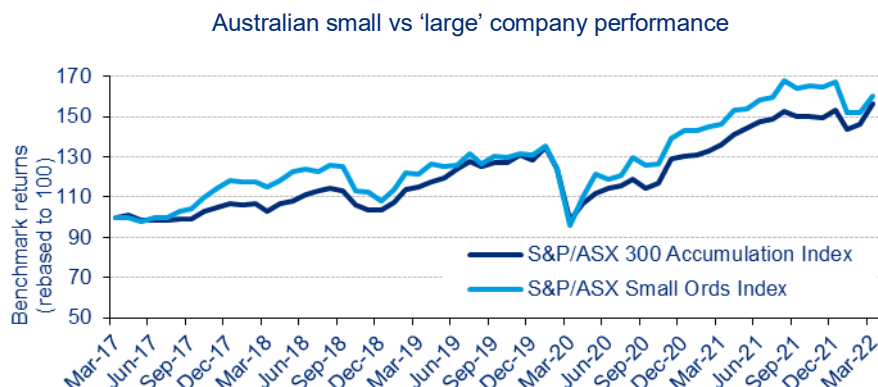
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Shares

### Australian shares – small companies

Australian Small Companies performance was negative over the March quarter with the asset class returning -4.2% for the period. Australian Small Companies underperformed the broad capitalisation index over the quarter.



#### Ready-made options' allocations to Australian Small Companies

##### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-4.4	12.7	17.0	14.2	11.8	n/a
Benchmark return	-4.2	9.7	9.6	9.9	9.5	n/a
Excess return — before fees & taxes	-0.2	+3.0	+7.4	+4.3	+2.3	n/a

##### Manager performance

During the first quarter of 2022, both stock selection and asset allocation drove underperformance with stock selection being the most significant. At the sector level, overweights to financials and industrials provided positive returns. This was offset by underweights to materials and real estate sectors which detracted from performance. At the security level, an overweight to SRG Global and an underweight to Chalice Mining were significant contributors to performance while an underweight to Whitehaven Coal and Coronado Global Resources were detractors.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
First Sentier Investors	38.5	+1.2	+5.7	+10.9	+8.9	n/a	n/a
Longwave Capital Partners	25.5	+2.7	+4.4	n/a	n/a	n/a	n/a
Perennial Value Management	25.3	-3.4	+1.5	+8.5	+6.6	+5.6	+6.1
Firetrail	10.7	-4.4	n/a	n/a	n/a	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other readymade options.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Shares

### International shares

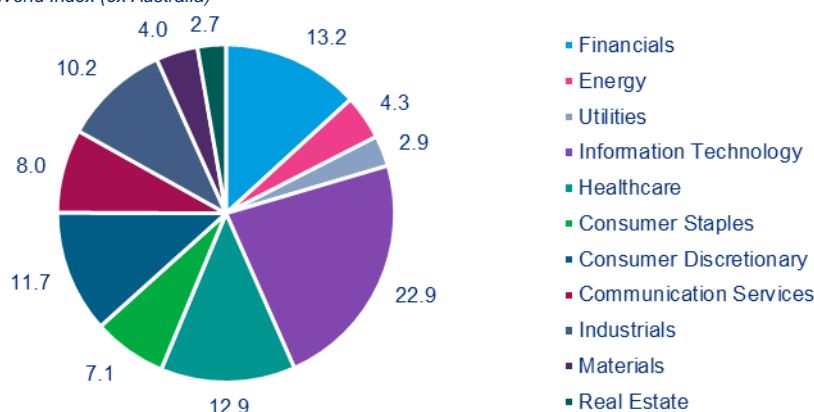
The broad MSCI World ex Australia (NR) decreased -5.0% in hedged terms and decreased -8.4% in unhedged terms over the quarter, as the AUD appreciated against major currencies over the period. The strongest performing sectors were Energy (26.4%) and Utilities (-2.0%), while Consumer Discretionary (-13.5%) and Communication Services (-13.3%) were the worst performers. Other global shares were negative as the MSCI Small Caps (TR) Index returned -9.4% and the MSCI Emerging Markets (NR) Index returned -9.9% over the quarter, all in AUD terms.

Over the March quarter, the NASDAQ decreased -9.1%, the S&P 500 Composite Index decreased -4.6% and the Dow Jones Industrial Average decreased -4.1%, all in USD terms. European markets experienced mixed returns, with the FTSE 100 (United Kingdom) increasing 2.9%, the CAC 40 (France) decreasing -6.7% and the DAX 30 (Germany) decreasing -9.3%, all in local currency terms.

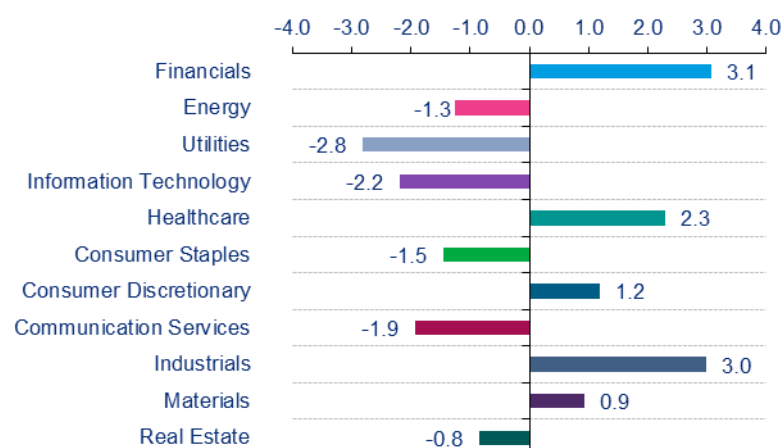
#### Ready-made options' allocations to International Shares

##### Benchmark weights by sector (%)

MSCI World Index (ex Australia)

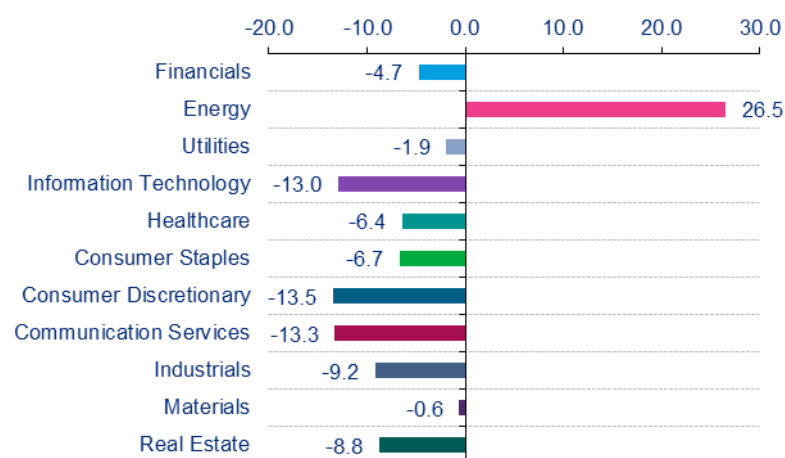


##### Sector exposure - overweight/underweight positions as at 31 March 2022 (%)



##### Benchmark sector returns for the three months to 31 March 2022 (%)

MSCI World Index (ex Australia)



NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

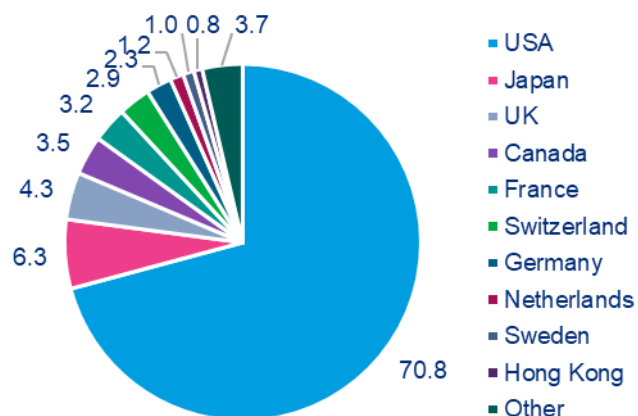
## Shares

### International shares

#### Ready-made options' allocations to International Shares

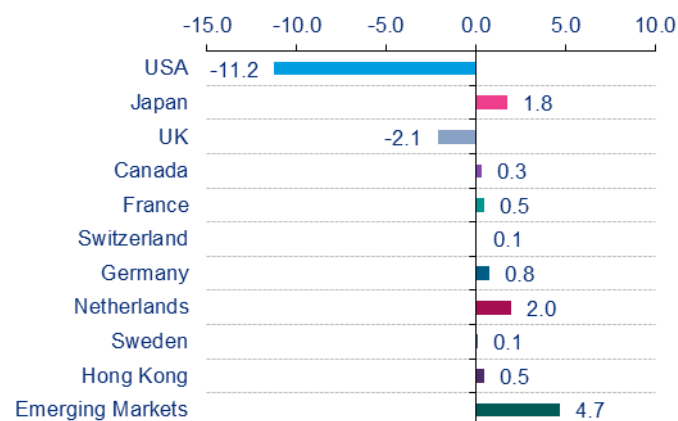
##### Benchmark weights – top 10 countries (%)

MSCI World Index (ex Australia) - in A\$ with net dividends reinvested



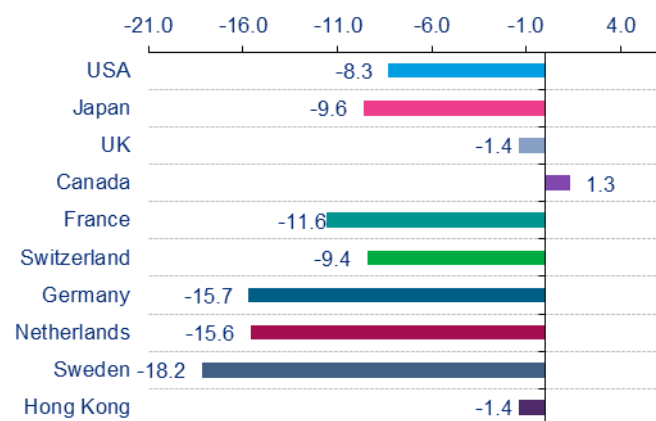
##### Exposure to top 10 countries

Over/Under weight positions as at 31 March 2022 (%)



##### Top 10 countries' benchmark returns, three months to 31 March 2022 (%)

MSCI World Index (ex Australia) - in A\$ with net dividends reinvested



#### Top 10 International share holdings

Listed (right) are the 10 largest International share holdings in aggregate within the active component of Mercer ready-made investment options' allocations to International shares quarter end compared to the benchmark.

Stock	% Allocation	% of Benchmark
Microsoft Corp	2.7	3.8
Charles Schwab Corp	1.9	0.2
Intact Financial Corp	1.8	0.0
Meta Platforms Inc	1.6	0.9
Alphabet Inc	1.3	2.8
Samsung Electronics Co Ltd	1.3	0.0
AIA Group Ltd	1.2	0.2
Sony Group Corp	1.1	0.2
Amazon	1.1	2.6
Medical Properties Trust Inc	1.0	0.0

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Shares

# International shares

### Ready-made options' allocations to International Shares

#### Investment performance

International Shares Unhedged - Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-9.5	10.1	11.9	11.8	10.3	14.3
Benchmark return	-8.4	11.6	12.9	12.9	10.7	14.6
Excess return — before fees & taxes	-1.1	-1.5	-1.0	-1.1	-0.3	-0.3

#### Manager performance

The fund underperformed the benchmark over the quarter by 1.1%. Both asset allocation and stock selection detracted from performance. At an asset allocation level, an overweight exposure to financials contributed to performance, whilst overweight exposure to consumer discretionary and underweight exposure to energy detracted. An overweight holding in Intact Financial Corp contributed to performance, whilst overweight exposure to Meta and an underweight holding in Apple detracted.

Proportion of assets managed at quarter end (Mercer High Growth)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
LGIM	46.3	+0.1	+0.3	n/a	n/a	n/a	n/a
Schroder Investment Management	16.9	-0.5	+0.6	-1.1	-2.0	-0.8	-1.2
LGIM Passive Sustainable International Shares	8.5	n/a	n/a	n/a	n/a	n/a	n/a
Mercer Dublin	7.9	-4.4	-5.7	-1.4	-1.6	n/a	n/a
Arrowstreet	6.4	+1.1	-1.4	+1.7	+3.9	+3.3	n/a
Wellington	5.1	+2.3	-2.9	-3.9	n/a	n/a	n/a
Maj Invest	4.2	-3.2	-8.9	n/a	n/a	n/a	n/a
AllianceBernstein	2.9	-8.1	-10.2	n/a	n/a	n/a	n/a

### Ready-made options' allocations to International Shares - Low Volatility

#### Investment performance

Low Volatility - Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-5.9	13.2	6.7	8.2	8.3	n/a
Benchmark return	-5.5	11.3	6.3	10.1	8.7	n/a
Excess return — before fees & taxes	-0.4	+1.9	+0.4	-1.8	-0.4	n/a

#### Manager performance

The Fund underperformed the benchmark over the quarter by 0.4%. Asset allocation contributed to performance, whilst stock selection detracted from performance. At an asset class level, an underweight to IT and Consumer Discretionary contributed to performance, whilst overweights to Health Care and Materials detracted. Stock selection was positively affected by the underweight position in Gilead Sciences and Masimo, whilst overweight exposure to Ecolab and Alphabet were detractors.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Acadian	100.0	-0.4	+1.9	+0.4	0.0	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other readymade options



**NOTE: Past performance is not a reliable indicator of future performance.**

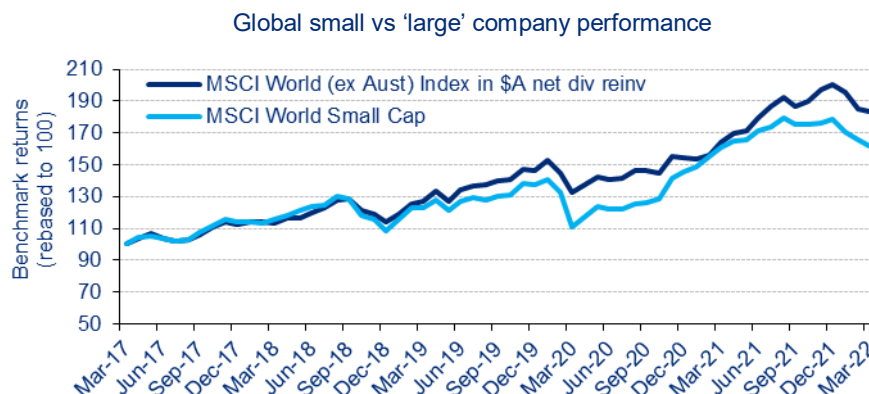
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Shares

# Global shares – small companies

In unhedged AUD terms, the Global Small Cap sector returned -9.4%, underperforming Global Large Cap stocks.



## Ready-made options' allocations to Global Small Companies

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-10.1	-2.4	10.1	10.7	8.9	n/a
Benchmark return	-9.5	0.3	9.6	10.1	9.0	n/a
Excess return — before fees & taxes	-0.7	-2.8	+0.4	+0.6	-0.1	n/a

### Manager performance

The fund underperformed versus its benchmark over the quarter. Stock selection was the key driver, with Nuance Communications Inc, Hornbach Baumarkt and Dadx contributing positively. Yangling Metron New Material Ltd, Adairs Ltd and Oneconnect Financial Technology Ltd were the key detractors.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Arrowstreet	35.8	+2.3	+4.7	+7.5	+7.8	+5.9	+10.7
Lazard Asset Management	25.8	-2.1	+0.3	-1.0	n/a	n/a	n/a
Kempen Global Small Co Mandate	25.2	n/a	n/a	n/a	n/a	n/a	n/a
Baillie Gifford	13.2	-9.1	-29.7	-1.7	n/a	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other readymade options

NOTE: Past performance is not a reliable indicator of future performance.

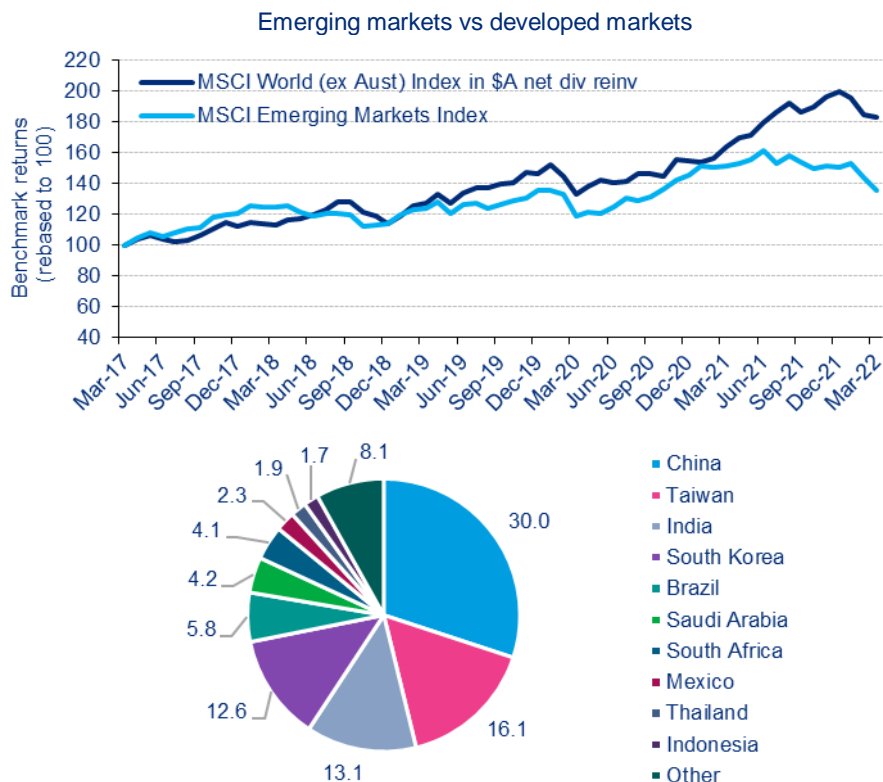
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Shares

### Emerging markets shares

In unhedged AUD terms, Emerging Markets (NR) returned -9.9%, underperforming developed markets.



#### Ready-made options' allocations to Emerging Markets Shares

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-11.0	-10.6	3.1	6.4	5.2	n/a
Benchmark return	-9.9	-10.1	3.0	6.3	5.0	n/a
Excess return — before fees & taxes	-1.1	-0.5	+0.1	+0.1	+0.2	n/a

#### Manager performance

The fund underperformed the index over the quarter. Stock selection was the main detractor to performance while asset allocation weighed negatively as well. From a country perspective, the Russian market sold off heavily over the quarter and the overweight position held in Russia was the main detractor for relative performance. An overweight exposure to the information technology sector contributed negatively, whereas an underweight to the healthcare sector helped offset some of the underperformance. At the security level, an overweight holding in Sberbank contributed negatively to performance while an underweight to Meituan was the top contributor.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - Before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Macquarie Investment Management	60.0	-0.1	-0.1	-0.1	-0.1	n/a	n/a
BlackRock Investment Management	13.8	+0.1	-1.5	-0.5	-0.1	+1.2	+1.8
William Blair	11.6	-0.8	-2.9	+3.5	n/a	n/a	n/a
GMO	10.8	-12.1	n/a	n/a	n/a	n/a	n/a
AQR	3.9	+3.6	+3.0	+3.5	+3.9	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other readymade options.

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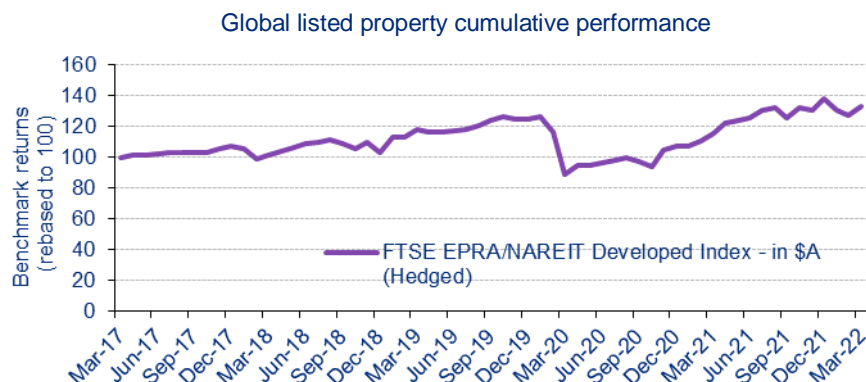
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Real assets

### Global listed property

Domestic listed property experienced poor performance over the quarter and returned -6.7%. Global REIT's returned -3.4% (in AUD hedged terms) over the March quarter.



#### Ready-made options' allocations to Global Listed Property

##### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-3.5	15.6	4.5	6.1	4.9	n/a
Benchmark return	-3.5	15.6	4.2	5.9	4.8	n/a
Excess return — before fees & taxes	+0.0	-0.1	+0.3	+0.2	+0.1	n/a

##### Manager performance

The Fund performed in line with the benchmark over the quarter.

Proportion of assets managed at quarter end (Mercer High Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Macquarie Investment Management	100.0	0.0	-0.1	0.0	0.0	-0.1	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer High Growth investment option and are indicative only for other readymade options.

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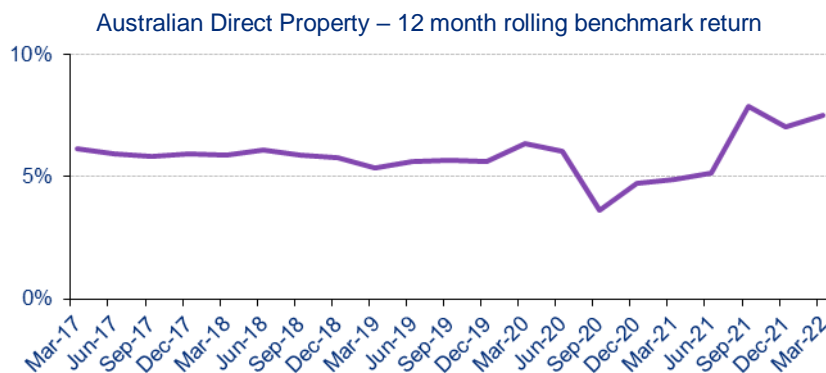
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Real assets

### Australian direct property

The Australian unlisted property sector (NAV) increased 4.4% over the quarter (on a one-month lagged basis).



**Note** The indices used in the graph (above) are: Before 1/9/2009: Mercer Unlisted Property Funds Index  
After 1/9/2009: Mercer/IPD Australian Pooled Property Fund Index. Effective January 2016 CPI+4%

#### Ready-made options' allocations to Direct Property

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	7.9	18.8	10.6	11.3	11.9	n/a
Benchmark return	2.3	7.5	6.2	6.1	6.9	n/a
Excess return — before fees & taxes	+5.6	+11.3	+4.4	+5.2	+5.0	n/a

#### Manager performance

The fund significantly outperformed the Mercer/MSCI Wholesale Property Fund Index (YFYS benchmark) over all time periods. It outperformed the CPI+4% benchmark over all periods since inception.

The COVID pandemics effects on the portfolio have eased significantly, with all tenants in occupation and trading. New leasing remains more challenging for Office assets than prior to the pandemic. Portfolio occupancy remains high at 97%.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Charter Hall Industrial	26.9	+12.1	+23.5	+13.9	+11.5	+10.6	n/a
Investa Property Group	21.6	+0.7	+3.3	+4.2	+7.1	+7.8	+6.7
Dexus Wholesale Property Fund	14.5	+1.7	+5.5	+0.4	+4.1	n/a	n/a
Charter Hall Retail	11.4	+10.5	+15.3	+3.3	+3.9	n/a	n/a
Investa SPV	9.5	-5.4	-2.6	+3.1	+5.2	n/a	n/a
Goodman Funds Management	8.2	+16.1	+30.9	+17.0	+16.8	+16.9	+15.2
GPT Wholesale Office Fund	5.2	+3.2	+7.8	n/a	n/a	n/a	n/a
AMP Capital Shopping Centre Fund	1.4	-0.9	-0.3	-11.7	n/a	n/a	n/a
Lend lease Investment Management (APPF Retail)	1.4	-0.8	+1.2	-12.7	-7.2	-6.2	-6.3

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other readymade options.

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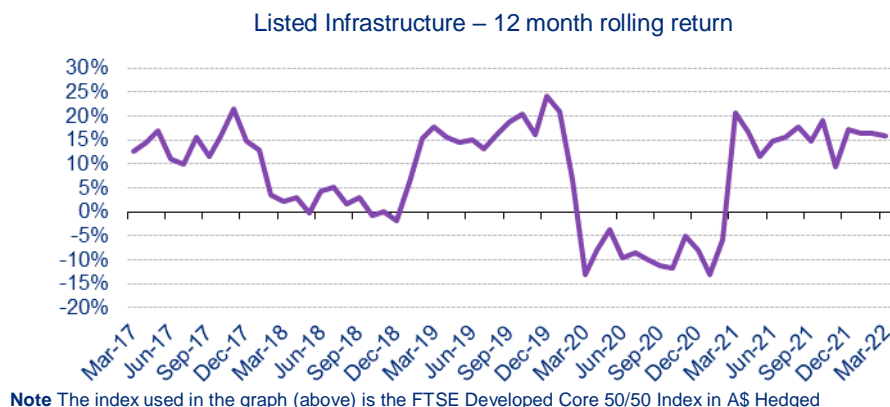
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Real assets

### Global listed infrastructure

Global Core Listed Infrastructure 50/50 index increased 3.3% for the quarter in hedged terms.



#### Ready-made options' allocations to Listed Infrastructure

##### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	3.6	15.9	6.8	7.9	8.0	n/a
Benchmark return	3.6	15.9	6.7	7.9	7.9	n/a
Excess return — before fees & taxes	+0.0	-0.1	+0.0	+0.0	+0.1	n/a

##### Manager performance

The Fund performed in line with the benchmark over the quarter.

Proportion of assets managed at quarter end (Mercer High Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Macquarie Investment Management	100.0	0.0	0.0	+0.1	+0.1	+0.2	-0.3

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer High Growth investment option and are indicative only for other readymade options.

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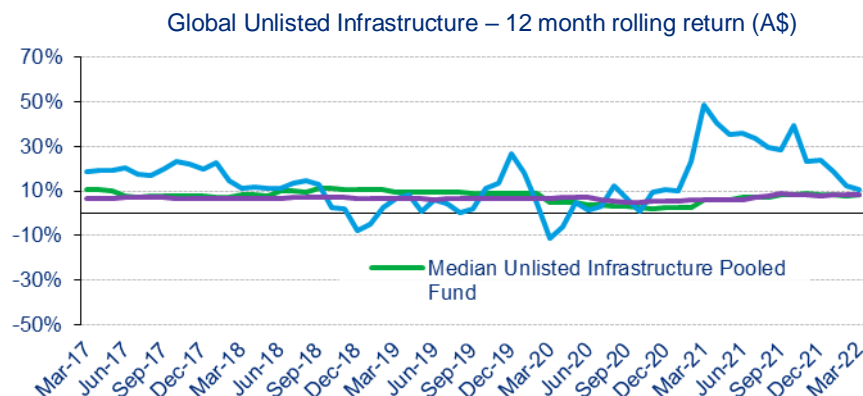
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Real assets

### Global unlisted infrastructure

The Unlisted Infrastructure sector generated positive returns over the quarter as inflationary pressures continue to build globally.



#### Ready-made options' allocations to Global Unlisted Infrastructure

##### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	3.6	15.3	15.0	14.5	15.8	n/a
Benchmark return	2.5	8.5	7.3	7.1	6.9	n/a
Excess return — before fees & taxes	+1.1	+6.8	+7.8	+7.5	+8.9	n/a

##### Manager performance

The fund's return for the quarter was above the benchmark return, which is expressed in gross terms. Important contributors were First Sentier Investors Infrastructure Income Fund, KKR-managed co-investments and Stonepeak Infrastructure. Distributions were received from JP Morgan Infrastructure Investments Fund, KKR Global Infrastructure Fund II ("KKR GIF II"), KKR-managed co-investment Viridor, Macquarie Asia Infrastructure Fund and Stonepeak Infrastructure. Calls were paid to fund new co-investments in strategically important liquid storage business Geosel (France), managed by Ardian, and a drawdown of a previous commitment to renewable energy business Terra Gen (USA), managed by Energy Capital Partners.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
First Sentier Investors	15.8	+6.1	+5.8	+4.9	+7.0	+6.6	+6.8
IFM Investors	13.3	-0.3	+2.7	+0.3	+3.3	+7.5	n/a
Macquarie Asia Infrastructure Fund	12.6	-0.7	+0.8	+5.0	+3.0	n/a	n/a
KKR	11.8	+5.0	+24.5	+22.8	+18.9	n/a	n/a
Stonepeak Infrastructure Partners	8.6	+5.1	+33.7	+17.0	n/a	n/a	n/a
KKR Diversified Core Infrastructure	7.9	+4.0	n/a	n/a	n/a	n/a	n/a
JP Morgan Infrastructure Investments Fund	7.9	-2.5	-4.6	n/a	n/a	n/a	n/a
Macquarie Specialised Asset Management IMA	4.7	-2.5	n/a	n/a	n/a	n/a	n/a
DigitalBridge	4.0	-3.7	n/a	n/a	n/a	n/a	n/a
Axiom Infrastructure	3.9	-3.0	+8.5	+0.1	n/a	n/a	n/a
First Sentier Investors	3.1	-1.8	-2.1	+4.8	+4.6	n/a	n/a
Energy Capital Partners	2.6	+1.9	0.0	n/a	n/a	n/a	n/a
Ardian Infrastructure	2.1	n/a	n/a	n/a	n/a	n/a	n/a
I-Squared Capital	1.9	-2.6	-2.5	-11.3	n/a	n/a	n/a

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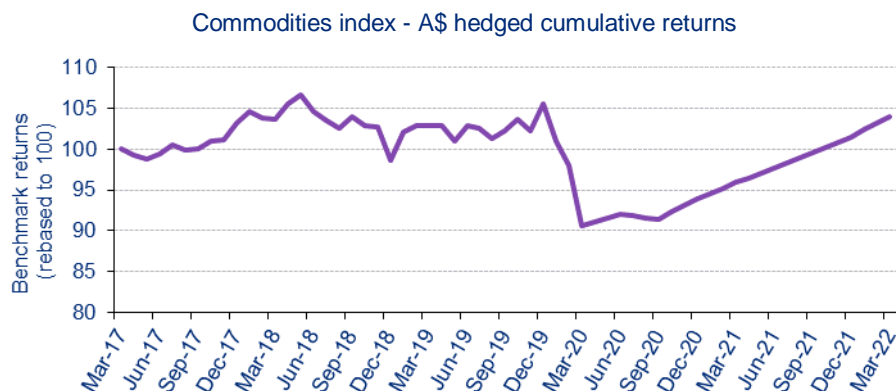
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Real Assets

### Natural resources

The GSCI Commodity Total Return Index increased by 28.9% over the quarter. Gold prices finished the quarter at US\$1,941.15 per ounce with a 6.5% increase. Meanwhile, Iron Ore prices increased by 31.9% to US\$153.0 per metric tonne over the period and Oil increased by 37.1% to US\$107.46 per barrel.



**Note** The indices used in the graph (above) include:

From 1/03/2012: 45% Bloomberg Commodity Index (hedged to A\$); 15% S&P Goldman Sachs Agricultural Index; and 40% CPI + 5%.

### Ready-made options' allocations to Natural Resources

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	0.6	21.9	25.1	17.7	12.6	n/a
Benchmark return	2.5	8.5	0.4	0.8	0.3	n/a
Excess return — before fees & taxes	-1.9	+13.4	+24.8	+16.9	+12.3	n/a

#### Manager performance

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) – before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
New Forests Asset Management	100.0	-1.7	+12.0	+17.7	+17.9	+15.4	+13.9

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other readymade options.



**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Growth fixed interest

## Private debt

Ready-made options' allocations to Private Debt

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	0.8	6.6	6.0	6.7	6.2	n/a
Benchmark return	0.7	3.0	3.5	4.1	4.0	n/a
Excess return — before fees & taxes	+0.1	+3.5	+2.6	+2.7	+2.2	n/a

### Manager performance

The Fund has returned 0.8%, outperforming its Cash + 3% benchmark by 0.03% over the quarter to March 2022, with positive contributions from most managers in the portfolio. The outperformance was primarily driven by ICG, which generated 2.7%. The portfolio has been markedly resilient with a strong focus on defensive sectors and senior debt in the capital structure. Over the longer-term, the fund has achieved positive excess returns over the 3 year time period to March 2022, exceeding the benchmark by 2.6%.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Metrics Credit Partners Secured Private Debt Fund	27.2	+1.4	+7.2	+7.8	+7.8	n/a	n/a
Audax Credit BDC Inc.	19.5	+0.3	+7.2	+4.5	+4.7	n/a	n/a
HPS Australian Loan Platform	14.9	-0.6	+5.4	n/a	n/a	n/a	n/a
Metrics Credit Partners Secured Private Debt Fund II	9.8	+1.8	+6.4	n/a	n/a	n/a	n/a
Park Square Credit Opportunities IV	9.4	+0.1	n/a	n/a	n/a	n/a	n/a
ICG Australia Senior Loan Fund	8.5	+1.3	+4.7	n/a	n/a	n/a	n/a
ICG Senior Debt Partners Fund 2	4.8	+2.7	+12.8	+8.5	+9.8	n/a	n/a
Westbourne Mercer Yield Fund	3.3	+1.8	+4.5	+5.9	+6.2	+6.3	+6.3
Ares European Credit Investments (IV) A	1.4	-3.9	+11.0	n/a	n/a	n/a	n/a
Related Real Estate Debt Fund LP	1.2	-0.6	n/a	n/a	n/a	n/a	n/a

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Refer to page 44 for Asset class benchmarks.

## Growth fixed interest

## High yield debt

Ready-made options' allocations to High Yield Debt

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-4.5	-0.2	5.0	4.7	5.1	n/a
Benchmark return	-4.5	-1.2	3.2	3.9	4.9	n/a
Excess return — before fees & taxes	+0.0	+0.9	+1.8	+0.8	+0.2	n/a

### Manager performance

The Fund returned -4.5% in the March quarter, performing in line with its benchmark. The Fund invests into the Dublin Global High Yield Fund, which has two underlying managers, Nomura and PGIM. The Dublin Fund is managed against an up-in-quality benchmark (excluding CCC's and EM), however, we have allowed our managers a c. 15% "flex" into CCC where they deem appropriate.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Mercer (Dublin)	100.0	0.0	+1.5	+1.0	+0.5	-0.2	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other readymade options.

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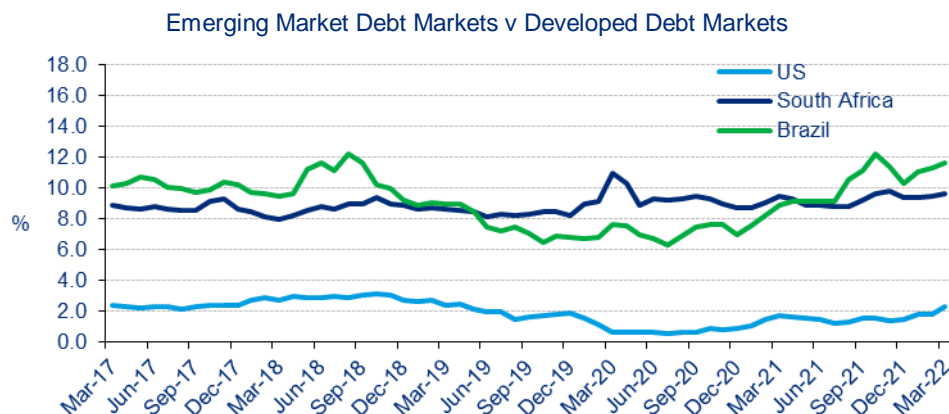
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Growth fixed interest

## Emerging markets debt

Emerging Market Debt returns were negative over the March quarter, returning -9.9% on an unhedged basis.



Ready-made options' allocations to Emerging Markets Debt

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-8.7	-4.8	-1.8	0.7	1.4	n/a
Benchmark return	-9.4	-7.2	-2.9	0.5	0.9	n/a
Excess return — before fees & taxes	+0.8	+2.5	+1.1	+0.2	+0.5	n/a

### Manager performance

The Fund returned -8.7% over the March quarter, outperforming the benchmark index by 0.8%. All three managers produced positive excess returns over the quarter, with Wellington being the primary contributor to the Fund's outperformance. Over the past year, the Fund returned -4.8%, outperforming the benchmark index by 2.5%, with all three managers contributing positively. Russia's invasion of Ukraine cause significant volatility in Emerging Markets with Russian Government Bonds being removed from the JP Morgan indices at the end of March at a price of zero.

Proportion of assets managed at quarter end (Mercer Smartpath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Colchester Global Investors	33.6	+0.6	+2.9	+1.5	+1.4	n/a	n/a
Wellington Management	33.5	+1.5	+3.8	+1.8	n/a	n/a	n/a
BlackRock	32.9	+0.2	+1.1	+0.4	-0.9	n/a	n/a

1 Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other readymade options.

**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Defensive fixed interest

# Global absolute return bonds

Ready-made options' allocations to Global Absolute Return Bonds

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-1.6	-1.7	2.0	1.9	2.0	n/a
Benchmark return	0.3	1.0	1.5	2.0	2.1	n/a
Excess return — before fees & taxes	-1.9	-2.8	+0.5	-0.1	-0.0	n/a

### Manager performance

The Fund returned -1.6% over the March quarter, underperforming its Cash + 1% benchmark by 1.8%. PIMCO, Newton and Payden & Rygel delivered negative excess returns for the quarter as rising yields and widening credit spreads detracted from performance. Ardea outperformed the benchmark and contributed positively for the quarter, taking advantage of market dislocation during the volatile quarter..

Proportion of assets managed at quarter end (Mercer Moderate Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Adrea Investment Management	30.7	+2.0	-0.1	n/a	n/a	n/a	n/a
Newton Investment Management	29.6	-3.5	-2.2	+0.8	n/a	n/a	n/a
Payden & Rygel	20.1	-2.4	-1.3	+0.4	n/a	n/a	n/a
PIMCO	19.6	-3.3	n/a	n/a	n/a	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer Moderate Growth investment option and are indicative only for other readymade options.

**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Defensive fixed interest

## Global credit

Global Credit returns were negative, returning -6.7% on a hedged basis over the March quarter.



Ready-made options' allocations to Global Credit

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-6.3	-4.2	1.9	2.7	3.1	4.9
Benchmark return	-6.5	-4.6	1.5	2.4	2.8	4.4
Excess return — before fees & taxes	+0.2	+0.4	+0.4	+0.3	+0.2	+0.5

### Manager performance

The Fund delivered a -6.3% return over the March quarter, outperforming its benchmark by 0.2%. Over both the 1 and 3 years, the Fund outperformed the benchmark by 0.4% p.a respectively. Over the quarter, Robeco and Wellington delivered positive alpha while AXA generated benchmark-like returns. All managers have outperformed their benchmarks over the past year. Credit markets struggled in the quarter as bond yields rose sharply and credit spreads widened.

Proportion of assets managed at quarter end (Mercer Moderate Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Wellington Management	42.7	+0.2	+0.2	+0.5	+0.5	+0.5	+1.0
Robeco	31.0	+0.3	+0.8	+1.2	n/a	n/a	n/a
AXA Investment Managers	26.2	0.0	+0.2	-0.5	-0.4	-0.4	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer Moderate Growth investment option and are indicative only for other readymade options.

**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Defensive fixed interest

### Australian sovereign bonds

Domestically, the Australian 10-year bond yield (+117bps to 2.84%), five-year bond yield (+126bps to 2.60%) and two-year bond yield (+143bps to 1.80%) all increased. The Bloomberg Ausbond indices returned negative results over the quarter, with the Bloomberg Ausbond Bank producing returning flat, while the Bloomberg Ausbond Treasury Index returned -6.3%.



Ready-made options' allocations to Australian Sovereign Bonds

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-6.3	-5.3	-0.3	2.1	2.0	3.5
Benchmark return	-6.3	-5.5	-0.7	1.8	1.7	3.1
Excess return — before fees & taxes	+0.0	+0.2	+0.4	+0.3	+0.3	+0.3

#### Manager performance

The Fund returned -6.3% over the quarter, performing in-line with the benchmark. Over 1 and 3 years, the Fund has outperformed the benchmark by 0.2% and 0.4% p.a. respectively. The March quarter saw significant rises in Australian Government bond yields (i.e. falling bond prices) as markets began pricing in numerous RBA rate hikes to combat the rising inflation pressures.

Proportion of assets managed at quarter end (Mercer High Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Macquarie Investment Management	50.0	0.0	0.0	-0.1	-0.1	n/a	n/a
Challenger	28.3	+0.2	+0.7	+0.8	+0.8	n/a	n/a
Jamieson Coote Bonds	10.9	-0.2	n/a	n/a	n/a	n/a	n/a
Challenger	5.8	+0.2	+0.7	+0.7	+0.8	+0.7	+1.1
Macquarie True Index	5.0	0.0	0.0	0.0	0.0	0.0	0.0

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer High Growth investment option and are indicative only for other readymade options.

**NOTE: Past performance is not a reliable indicator of future performance.**

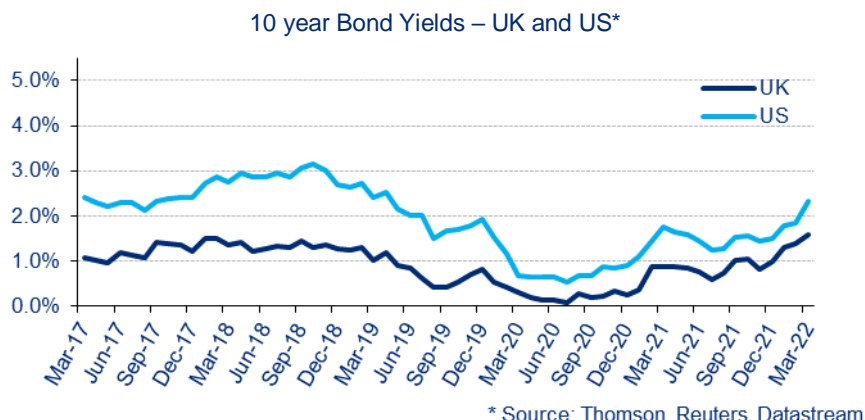
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Defensive fixed interest

# Global sovereign bonds

Global sovereign bonds produced negative returns over the March quarter for hedged Australian investors. Ten-year bond yields increased in the US (+83bps to 2.33%), Germany (+69bps to 0.51%), UK (+61bps to 1.59%) and Japan (+14 bps to 0.21%). Two-year bond yields increased in the US (+161bps to 2.27%), Germany (+47bps to 0.19%), UK (+68bps to 1.36) and Japan (+5bps to -0.04%). In terms of global bond indices, the Barclays Capital Global Aggregate Bond Index returned -5.0% and the FTSE World Government Bond (ex-Australia) Index decreased by 4.8% over the March quarter, both on a fully hedged basis.



## Ready-made options' allocations to Global Sovereign Bonds

### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	-3.9	-2.9	1.7	3.0	3.1	4.8
Benchmark return	-4.6	-3.6	0.9	2.0	2.3	3.9
Excess return — before fees & taxes	+0.7	+0.7	+0.8	+1.0	+0.9	+1.0

### Manager performance

The Fund returned -3.9% over the quarter, outperforming the benchmark by 0.7%. Over 1 and 3 years, the Fund has outperformed the benchmark by 0.7% and 0.8% p.a. respectively. T. Rowe Price was appointed to the Fund in February 2022 and was responsible for the majority of the value added in the quarter. Since inception, the manager has returned 2.2%, outperforming its benchmark by 3.8%. Colchester returned -4.2% in the quarter, outperforming its benchmark by 0.4%. Global Government bond yields rose sharply in the quarter as rising inflation risks have prompted markets to price in significant rate hikes in the US and other developed markets.

Proportion of assets managed at quarter end (Mercer Moderate Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
LGIM	63.1	0.0	+0.1	0.0	n/a	n/a	n/a
Colchester Global Investors	19.5	+0.4	+0.1	+0.4	+0.3	n/a	n/a
T Rowe Price	17.3	n/a	n/a	n/a	n/a	n/a	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer Moderate Growth investment option and are indicative only for other readymade options.

**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

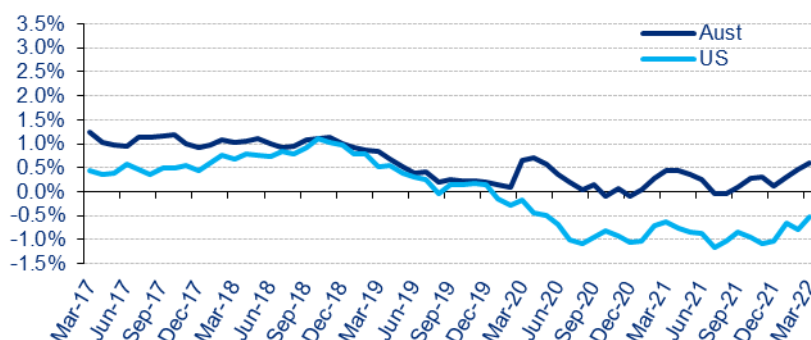
Refer to page 44 for Asset class benchmarks.

## Defensive fixed interest

# Australian inflation plus

The Inflation Plus Fund achieved positive returns over the March quarter. Index returns representing Australian CPI +1% (lagged) delivered 1.6% over the March quarter.

Australian vs US Indexed Bond Yields\*



\* Source:  
- Reserve Bank of Australia  
- Thomson Reuters Datastream

Ready-made options' allocations to Australian Inflation Plus

## Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	1.4	1.8	3.8	3.8	3.2	3.3
Benchmark return	1.6	4.5	3.2	3.1	2.8	2.8
Excess return — before fees & taxes	-0.2	-2.7	+0.6	+0.7	+0.3	+0.4

## Manager performance

The Fund returned 1.4% in the March quarter, underperforming its benchmark by 0.2%. Over 1 year, the Fund returned 1.8%, underperforming its benchmark by 2.7%. However, over 3 years, the Fund has return 3.8% p.a. and has outperformed its benchmark by 0.6% p.a. While yields on fixed income instruments have increased over the quarter, we note that the benchmark for the Fund is CPI + 1% p.a., which has been rising sharply due to rising inflationary pressures. As such, it has been difficult to outperform the benchmark in the near term.

Proportion of assets managed at quarter end (Mercer Moderate Growth)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Ardea Investment Management	100.0	-0.1	-2.7	+1.2	+1.8	+1.2	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer Moderate Growth investment option and are indicative only for other readymade options.



**NOTE: Past performance is not a reliable indicator of future performance.**

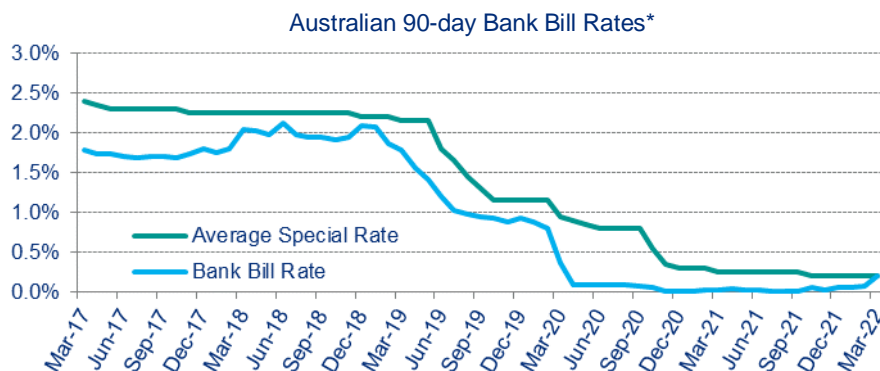
Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Cash

## Cash

The RBA has maintained the cash rate to 0.1% until the end of quarter. Australian Dollar (AUD) appreciated against major developed market currencies over the March quarter, finishing at US\$0.75. The AUD appreciated against the USD (3.3%), the Pound Sterling (6.3%), the Japanese Yen (8.9%) and the Euro (5.6%). On a trade-weighted basis, the local currency appreciated 4.1% over the quarter.



\* Source: Reserve Bank of Australia (Aust.), Thomson Reuters Datastream

### Ready-made options' allocations to Cash

#### Investment performance

Total & excess returns (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Total returns — before fees & taxes	0.0	0.1	0.6	1.2	1.5	n/a
Benchmark return	0.0	0.0	0.5	1.0	1.1	n/a
Excess return — before fees & taxes	+0.0	+0.1	+0.2	+0.2	+0.3	n/a

#### Manager performance

The Fund performed to the benchmark over the quarter. Over 1 and 3 years, the Fund has outperformed the benchmark by 0.01% and 0.2% p.a. respectively.

Proportion of assets managed at quarter end (Mercer SmartPath)		Manager returns relative to benchmark (+ or - %) - before fees					
Manager	% <sup>1</sup>	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
BlackRock	100.0	0.0	+0.1	+0.2	+0.2	+0.2	n/a

<sup>1</sup> Percentages may vary slightly from investment option to investment option. The percentages shown here are based on actual percentages applying to the Mercer SmartPath investment option and are indicative only for other readymade options.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

# Select-Your-Own Options – Mercer Sustainable Plus

## Mercer Sustainable Plus Shares

### Objectives

- To achieve a return, (after tax and investment fees) that exceeds CPI increased by at least 3.5% per annum over rolling ten year periods. This objective for the ten years to quarter end was 5.5% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	10 yrs <sup>^</sup> (p.a.)
Total returns	-6.2	9.7	11.2	12.3
Benchmark return*	-2.8	13.4	11.4	12.3
Excess returns	-3.4	-3.7	-0.2	0.0

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs (p.a.)	10 yrs <sup>^</sup> (p.a.)
Total returns	-5.6	8.7	9.7	10.5

<sup>^</sup>Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	45.0	47.1	0.0	47.1
	Australian Shares - Small Cap	0.0	0.0	0.0	0.0
	International Shares - Lge Cap	55.0	52.6	0.0	52.6
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	0.0	0.0	0.0
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	0.0	0.0	0.0	0.0
	Australian Direct Property	0.0	0.0	0.0	0.0
	Global Listed Infrastructure	0.0	0.0	0.0	0.0
	Global Unlisted Infrastructure	0.0	0.0	0.0	0.0
	Natural Resources	0.0	0.0	0.0	0.0
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	0.0	0.0	0.0	0.0
	Diversified Growth Funds	0.0	0.0	0.0	0.0
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	0.0	0.0	0.0	0.0
	High Yield Debt	0.0	0.0	0.0	0.0
	Emerging Markets Debt	0.0	0.0	0.0	0.0
Defensive Fixed Interest & Cash	Absolute Return Bonds	0.0	0.0	0.0	0.0
	Global Credit	0.0	0.0	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0	0.0	0.0
	Global Sovereign Bonds	0.0	0.0	0.0	0.0
	Australian Inflation Plus	0.0	0.0	0.0	0.0
	Cash	0.0	0.0	0.3	0.3
		100.0	99.7	0.3	100.0
FX Exposure		32.0			30.7

Performance attribution this quarter (%)	
Asset allocation	0.0
Stock/manager selection	-3.4
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-3.4</b>

## Mercer Sustainable Plus Growth

### Objectives

- To achieve a return, (after tax and investment fees) that exceeds CPI increased by at least 3.0% per annum over rolling five year periods. This objective for the five years to quarter end was 5.0% per annum.

Total & excess returns - before fees & taxes (%)	3 months	1 year	5 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-4.1	8.8	8.9	9.8
Benchmark return*	-2.5	9.1	8.4	9.2
Excess returns	-1.6	-0.3	+0.5	+0.6

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	5 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-3.9	7.7	7.6	8.2

<sup>^</sup>Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	26.5	28.7	0.0	28.7
	Australian Shares - Small Cap	0.0	0.1	0.0	0.1
	International Shares - Lge Cap	32.5	31.5	0.0	31.5
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	0.9	0.0	0.9
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	1.0	2.1	0.0	2.1
	Australian Direct Property	6.0	2.6	2.7	5.3
	Global Listed Infrastructure	0.0	1.0	0.0	1.0
	Global Unlisted Infrastructure	8.0	3.7	1.6	5.3
	Natural Resources	1.0	1.7	0.0	1.7
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	3.0	1.0	0.4	1.4
	Diversified Growth Funds	1.0	0.5	0.6	1.1
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	2.6	0.6	0.7	1.3
	High Yield Debt	0.0	0.0	0.0	0.0
	Emerging Markets Debt	3.9	1.9	1.8	3.7
Defensive Fixed Interest & Cash	Absolute Return Bonds	2.0	0.0	1.4	1.4
	Global Credit	0.0	0.0	0.0	0.0
	Australian Sovereign Bonds	4.9	0.0	5.2	5.2
	Global Sovereign Bonds	4.0	0.0	4.6	4.6
	Australian Inflation Plus	1.0	0.0	1.7	1.7
	Cash	2.6	0.0	3.0	3.0
		100.0	76.3	23.7	100.0
FX Exposure		27.0			25.0

Performance attribution this quarter (%)	
Asset allocation	0.0
Stock/manager selection	-1.7
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-1.7</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Select-Your-Own Options – Mercer Sustainable Plus

### Mercer Sustainable Plus Australian Shares

#### Objectives

- To exceed the benchmark, after investment fees, over the medium to long term.

Total & excess returns - before fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)
Total returns	-0.2	14.4	n/a	n/a
Benchmark return*	2.1	15.2	n/a	n/a
Excess returns	-2.3	-0.8	n/a	n/a

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)
Total returns	0.4	13.6	n/a	n/a

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	100.0	99.8	0.0	99.8
	Australian Shares - Small Cap	0.0	0.0	0.0	0.0
	International Shares - Lge Cap	0.0	0.0	0.0	0.0
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	0.0	0.0	0.0
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	0.0	0.0	0.0	0.0
	Australian Direct Property	0.0	0.0	0.0	0.0
	Global Listed Infrastructure	0.0	0.0	0.0	0.0
	Global Unlisted Infrastructure	0.0	0.0	0.0	0.0
	Natural Resources	0.0	0.0	0.0	0.0
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	0.0	0.0	0.0	0.0
	Diversified Growth Funds	0.0	0.0	0.0	0.0
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	0.0	0.0	0.0	0.0
	High Yield Debt	0.0	0.0	0.0	0.0
	Emerging Markets Debt	0.0	0.0	0.0	0.0
Defensive Fixed Interest & Cash	Absolute Return Bonds	0.0	0.0	0.0	0.0
	Global Credit	0.0	0.0	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0	0.0	0.0
	Global Sovereign Bonds	0.0	0.0	0.0	0.0
	Australian Inflation Plus	0.0	0.0	0.0	0.0
	Cash	0.0	0.0	0.2	0.2
		100.0	99.8	0.2	100.0
FX Exposure		0.0			0.0

Performance attribution this quarter (%)	
Asset allocation	0.0
Stock/manager selection	-2.3
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-2.3</b>

### Mercer Sustainable Plus Global Shares

#### Objectives

- To exceed the benchmark by 1.5% per annum (before investment fees) on a rolling five year basis.

Total & excess returns - before fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	5 yrs^ (p.a.)
Total returns	-12.9	5.8	n/a	n/a
Benchmark return*	-8.2	11.7	n/a	n/a
Excess returns	-4.7	-5.9	n/a	n/a

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)
Total returns	-11.3	4.5	n/a	n/a

^Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	0.0	0.0	0.0	0.0
	Australian Shares - Small Cap	0.0	0.0	0.0	0.0
	International Shares - Lge Cap	100.0	99.6	0.0	99.6
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	0.0	0.0	0.0
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	0.0	0.0	0.0	0.0
	Australian Direct Property	0.0	0.0	0.0	0.0
	Global Listed Infrastructure	0.0	0.0	0.0	0.0
	Global Unlisted Infrastructure	0.0	0.0	0.0	0.0
	Natural Resources	0.0	0.0	0.0	0.0
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	0.0	0.0	0.0	0.0
	Diversified Growth Funds	0.0	0.0	0.0	0.0
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	0.0	0.0	0.0	0.0
	High Yield Debt	0.0	0.0	0.0	0.0
	Emerging Markets Debt	0.0	0.0	0.0	0.0
Defensive Fixed Interest & Cash	Absolute Return Bonds	0.0	0.0	0.0	0.0
	Global Credit	0.0	0.0	0.0	0.0
	Australian Sovereign Bonds	0.0	0.0	0.0	0.0
	Global Sovereign Bonds	0.0	0.0	0.0	0.0
	Australian Inflation Plus	0.0	0.0	0.0	0.0
	Cash	0.0	0.0	0.4	0.4
		100.0	99.6	0.4	100.0
FX Exposure		100.0			99.6

Performance attribution this quarter (%)	
Asset allocation	0.0
Stock/manager selection	-4.7
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-4.7</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Select-Your-Own Options – Mercer Sustainable Plus

### Mercer Sustainable Plus High Growth

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.5% per annum over rolling seven year periods. This objective for the seven years to quarter end was n/a.

Total & excess returns - before fees & taxes (%)	3 months	1 year	7 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-4.7	9.9	n/a	n/a
Benchmark return*	-2.4	11.3	n/a	n/a
Excess returns	-2.3	-1.4	n/a	n/a

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	7 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-4.1	8.5	n/a	n/a

<sup>^</sup>Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	34.0	34.0	0.0	34.0
	Australian Shares - Small Cap	0.0	1.1	0.0	1.1
	International Shares - Lge Cap	40.5	41.3	0.0	41.3
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	1.1	0.0	1.1
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	0.0	1.1	0.0	1.1
	Australian Direct Property	6.5	2.8	2.7	5.5
	Global Listed Infrastructure	0.0	0.7	0.0	0.7
	Global Unlisted Infrastructure	6.0	2.9	1.2	4.1
Alternatives	Natural Resources	1.0	1.3	0.0	1.3
	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	3.0	0.6	0.2	0.8
	Diversified Growth Funds	1.0	0.4	0.4	0.8
Growth Fixed Interest	Diversified Alternatives	0.0	0.0	0.0	0.0
	Private Debt	2.0	0.5	0.5	1.0
	High Yield Debt	0.0	0.0	0.0	0.0
	Emerging Markets Debt	3.0	1.5	1.5	3.0
Defensive Fixed Interest & Cash	Absolute Return Bonds	0.0	0.0	0.0	0.0
	Global Credit	0.0	0.0	0.0	0.0
	Australian Sovereign Bonds	1.0	0.0	1.2	1.2
	Global Sovereign Bonds	1.0	0.0	0.9	0.9
	Australian Inflation Plus	0.0	0.0	0.0	0.0
	Cash	1.0	0.0	2.1	2.1
FX Exposure		100.0	89.3	10.7	100.0
		31.5			30.8

Performance attribution this quarter (%)	
Asset allocation	-0.1
Stock/manager selection	-2.1
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-2.2</b>

### Mercer Sustainable Plus Moderate Growth

#### Objectives

- To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.0% per annum over rolling four year periods. This objective for the four years to quarter end was n/a.

Total & excess returns - before fees & taxes (%)	3 months	1 year	4 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-3.7	5.3	n/a	n/a
Benchmark return*	-2.4	6.0	n/a	n/a
Excess returns	-1.3	-0.7	n/a	n/a

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	4 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-3.4	3.9	n/a	n/a

<sup>^</sup>Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	17.5	16.2	0.0	16.2
	Australian Shares - Small Cap	0.0	0.9	0.0	0.9
	International Shares - Lge Cap	21.5	23.4	0.0	23.4
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	1.3	0.0	1.3
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	1.0	1.9	0.0	1.9
	Australian Direct Property	5.0	2.1	2.2	4.3
	Global Listed Infrastructure	0.0	0.8	0.0	0.8
	Global Unlisted Infrastructure	6.0	2.7	1.1	3.8
Alternatives	Natural Resources	1.0	1.2	0.0	1.2
	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	3.0	0.3	0.2	0.5
	Diversified Growth Funds	0.5	0.3	0.3	0.6
Growth Fixed Interest	Diversified Alternatives	0.0	0.0	0.0	0.0
	Private Debt	4.1	1.0	1.1	2.1
	High Yield Debt	0.0	0.0	0.0	0.0
	Emerging Markets Debt	3.9	2.0	2.0	4.0
Defensive Fixed Interest & Cash	Absolute Return Bonds	4.0	0.0	3.4	3.4
	Global Credit	3.0	0.0	3.7	3.7
	Australian Sovereign Bonds	7.1	0.0	6.9	6.9
	Global Sovereign Bonds	6.0	0.0	5.1	5.1
	Australian Inflation Plus	5.0	0.0	4.6	4.6
	Cash	11.4	0.0	15.3	15.3
FX Exposure		100.0	54.1	45.9	100.0
		22.0			20.6

Performance attribution this quarter (%)	
Asset allocation	-1.1
Stock/manager selection	-0.2
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-1.3</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

NOTE: Past performance is not a reliable indicator of future performance.

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Select-Your-Own Options – Mercer Sustainable Plus

### Mercer Sustainable Plus Conservative Growth

#### Objectives

- To exceed the benchmark (after tax and investment fees) that exceeds CPI increased by at least 1.0% per annum over rolling three year periods. This objective for the three years to quarter end was n/a.

Total & excess returns - before fees & taxes (%)	3 months	1 year	3 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-2.6	3.6	n/a	n/a
Benchmark return*	-2.0	3.5	n/a	n/a
Excess returns	-0.6	+0.1	n/a	n/a

\* Composite benchmark of relevant indices

Total returns - after fees & taxes (%)	3 months	1 year	3 yrs <sup>^</sup> (p.a.)	10 yrs (p.a.)
Total returns	-2.4	2.6	n/a	n/a

<sup>^</sup>Time horizon for this investment option's objective (refer above)

Asset allocation (%)		B'mark	Actual at quarter end		
			Growth	Defensive	Total
Shares	Australian Shares - Large Cap	9.5	10.4	0.0	10.4
	Australian Shares - Small Cap	0.0	0.6	0.0	0.6
	International Shares - Lge Cap	11.5	11.6	0.0	11.6
	International Shares - Low Vol	0.0	0.0	0.0	0.0
	Global Shares - Small Cap	0.0	0.7	0.0	0.7
	Emerging Markets Shares	0.0	0.0	0.0	0.0
Real Assets	Global Listed Property	2.0	2.9	0.0	2.9
	Australian Direct Property	4.0	1.7	1.8	3.5
	Global Listed Infrastructure	0.0	0.7	0.0	0.7
	Global Unlisted Infrastructure	6.0	2.9	1.3	4.2
	Natural Resources	1.0	1.4	0.0	1.4
Alternatives	Private Equity	0.0	0.0	0.0	0.0
	Sustainable Opportunities	2.0	0.3	0.1	0.4
	Diversified Growth Funds	1.0	0.2	0.2	0.4
	Diversified Alternatives	0.0	0.0	0.0	0.0
Growth Fixed Interest	Private Debt	4.4	0.9	0.9	1.8
	High Yield Debt	0.0	0.0	0.0	0.0
	Emerging Markets Debt	2.1	1.0	1.0	2.0
Defensive Fixed Interest & Cash	Absolute Return Bonds	4.0	0.0	4.0	4.0
	Global Credit	3.0	0.0	5.2	5.2
	Australian Sovereign Bonds	11.0	0.0	11.6	11.6
	Global Sovereign Bonds	10.0	0.0	9.7	9.7
	Australian Inflation Plus	7.0	0.0	7.5	7.5
	Cash	21.5	0.0	21.4	21.4
		100.0	35.3	64.7	100.0
FX Exposure		13.0			12.6

Performance attribution this quarter (%)	
Asset allocation	-0.6
Stock/manager selection	0.0
<b>Excess return for quarter – before fees &amp; taxes</b>	<b>-0.6</b>

NOTE: Foreign currency exposure under key statistics includes unhedged allocation to International Shares Large Cap, Global Low Volatility Shares, Global Small Companies, Emerging Markets Shares, Emerging Markets Debt, Private Equity and Sustainable Opportunities.

**NOTE: Past performance is not a reliable indicator of future performance.**

Refer to page 43 - 'Important notes about this report' - for further information on the calculation of returns.

Refer to page 44 for Asset class benchmarks.

## Select-Your-Own Options – Other Investment Options

Total returns (%) — after fees and taxes

Investment option	3 months	1 year	3 yrs (p.a.)	5 yrs (p.a.)	7 yrs (p.a.)	10 yrs (p.a.)
Mercer Australian Shares	1.7	14.5	11.1	9.5	8.1	9.8
Mercer International Shares	-9.9	6.2	10.6	11.0	9.5	12.4
Mercer International Shares - Hedged	-6.4	5.4	10.8	9.6	8.9	10.7
Mercer Property	0.8	14.0	6.3	7.7	7.3	8.3
Mercer Fixed Interest	-5.0	-4.0	0.2	1.8	1.8	3.2
Mercer Passive Australian Shares	2.7	14.8	10.4	9.0	7.8	9.5
Mercer Passive International Shares	-7.9	11.2	12.2	12.1	10.1	13.2
Mercer Passive Australian Listed Property	-6.7	16.2	4.8	7.0	7.0	10.2
Mercer Enhanced Passive Growth	-2.8	8.4	8.2	8.0	7.0	9.3
Mercer Enhanced Passive Conservative Growth	-2.8	2.4	4.2	4.8	4.2	5.7

# Important notes about this report

- **Past performance is not a reliable indicator of future performance.**
- Only Mercer Super Trust (MST) investment options that were invested in at the end of the quarter are reported on (and in the case of the Mercer SmartPath investment options only the 'Paths').
- **Total returns** are based on exit prices. Total returns are shown both before and allowing for the deduction of taxes and investment fee. Returns greater than one year are shown on an annualised basis.
- **Excess returns** relative to benchmark are calculated by the difference between performance (before investment management fees and taxes) and the asset-weighted benchmark return.

Asset weights used are those shown in the Product Disclosure Statements (PDS) for your employer's plan in the Corporate Superannuation Division in the Mercer Super Trust, and Investment Policy Statement (IPS) as relevant.

The applicable benchmark is noted in the summary of before fees and taxes performance. As noted, for certain investment options (i.e. those invested in multiple sectors such as the ready-made options) a composite of the relevant benchmarks applies.

- **Benchmark** refers to an asset allocation benchmark that currently applies only to certain investment options. In this report, the Benchmark is used in respect of the asset allocations for the following investment options:
  - Ready-made options (excluding Mercer Cash)
  - Mercer Sustainable Plus Shares
  - Mercer Sustainable Plus Growth

The Benchmark falls within the asset allocation benchmark range specified in the PDS.

- **Performance attribution** refers to another way of deriving the excess return. With performance attribution, performance above or below the benchmark return can be "attributed" to two factors:
  1. **Asset allocation:** the degree to which actual asset allocation varies from the benchmark asset allocation.
  2. **Stock/manager selection:** the degree to which returns achieved by underlying managers in the various asset classes vary from the relevant benchmark returns for those asset classes.
- Performance (before investment fees and taxes) may be provisional depending on information available at the time of publication and may be subject to adjustment.
- As mentioned in the PDS, some investment options may also include "opportunistic" investments. However, no such investments were held at quarter end.
- Returns throughout this report may be subject to rounding error.



# Asset class benchmarks

Shares	
Australian Shares	S&P/ASX 300 Accumulation Index <i>This benchmark is used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Australian Small Companies	S&P/ASX Small Ordinaries Accumulation Index <i>This benchmark is used for the MST ready-made options' allocations to this asset class.</i>
International Shares	Unhedged: MSCI World Index (ex Australia) in A\$ with net dividends reinvested Hedged: MSCI World Index (ex Australia) - in A\$ (Hedged) with net dividends reinvested Low Volatility: MSCI Min Vol \$A Optimised in \$A unhedged <i>This benchmark is used for the MST ready-made options' allocations to this asset class.</i>
Global Small Companies	MSCI World Small Cap Index <i>Prior to July 2014 the benchmark was S&amp;P Developed Small Cap Index. Therefore, calculations for longer period benchmark returns are inclusive of this data.</i>
Emerging Markets	MSCI Emerging Markets Index (ex Tobacco and Controversial Weapons) in A\$ <i>This benchmark is used for the MST ready-made options' allocations to this asset class.</i>
Socially Responsible Australian Shares	S&P/ASX 300 Accumulation Index
Socially Responsible Global Shares (Unhedged)	MSCI World (NRD) Index in A\$
Real Assets	
Global Listed Property	FTSE EPRA/NAREIT Developed Index in A\$ (Hedged) <i>Prior to October 2012 the benchmark was UBS Investors Index - in A\$ (Hedged). Therefore, calculations for longer period benchmark returns are inclusive of this data. This benchmark is used for the MST ready-made options' allocations to this asset class.</i>
Australian Direct Property	CPI + 4% <i>Prior to January 2016 Mercer/IPD Australian Pooled Property Fund Index. These are/were the benchmarks used for the MST ready-made options' allocations to this asset class.</i>
Global Listed Infrastructure	FTSE Global Core 50/50 Index in A\$ Hedged <i>These benchmarks are/were used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Global Unlisted Infrastructure	CPI + 5% (lagged one quarter) <i>During the period January 2016 to December 2018 the benchmark was CPI + 3%. Benchmark used in this report is lagged one quarter. This benchmark is used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Natural Resources	Lagged CPI+5% <i>From January 2018 to April 2020 the benchmark was composite 60% Bloomberg Commodity Index in A\$ (Hedged), plus 40% Consumer Price Index + 5%. From March 2012 to December 2017 the benchmark was composite benchmark made up of 45% Bloomberg Commodity Index in A\$ (Hedged); 15% S&amp;P Goldman Sachs Agricultural Index; 40% CPI + 5%. Therefore, calculations for longer period benchmark returns are inclusive of this data. These benchmarks are/were used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Growth Fixed Interest	
Emerging Markets Debt	JP Morgan GBI-EM Global Diversified Index (Unhedged)
Private Debt	Bloomberg AusBond Bank Bill Index +3%
High Yield Debt	BofA Merrill Lynch Global High Yield Constrained Index <i>Prior to August 2016: Bank of America BB-B Developed Markets High Yield Constrained Index in A\$ (Hedged).</i>
Defensive Fixed Interest	
Australian Sovereign Bonds	Bloomberg Australian Treasury Bond Index 0+ (All Maturities) <i>These are/were the benchmarks used for the MST ready-made options' allocations to this asset class.</i>
Global Sovereign Bonds	JP Morgan Global Sovereign Bond Index in A\$ (Hedged) <i>From December 2013 to January 2017, the benchmark was JP Morgan Global Sovereign Bond Index (Customised) in A\$ (Hedged). Therefore, calculations for longer period benchmark returns are inclusive of this data. These are/were the benchmarks used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Australian Inflation Plus	CPI +1% <i>This benchmark is used for the MST ready-made options' allocations to this asset class.</i>
Global Credit	60% Barclays Global Aggregate - Corporate Index in A\$ (Hedged) 40% Barclays Capital Global Aggregate ex Government ex Treasuries Index in A\$ (Hedged) <i>These are/were the benchmarks used for the MST ready-made options' allocations to this asset class. Alternate benchmarks may apply to managers individually.</i>
Global Absolute Return Bonds	Bloomberg AusBond Bank Bill Index +1%
Cash	
Cash	Bloomberg AusBond Bank Bill Index <i>This benchmark is used for the MST ready-made options' allocations to this asset class</i>

## For further information

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