

Mercer CoreSeries Passive Portfolios

Fund Update

December 2024

For Financial Advisers only

Overview of the changes:

As the investment manager of the Mercer CoreSeries Passive Portfolios, Mercer Investments (Australia) Limited has redeemed from the following investment funds and reallocated the current strategic asset allocation to the new funds in the table below during December 2024.

Asset Class	Previous Funds	New Funds	Previous Benchmark	New Benchmark
International shares	BlackRock Indexed Hedged International Equity Fund (APIR: BGL0044AU)	Mercer Passive Hedged International Shares Fund (APIR: NCL0006AU)	MSCI World ex Australia, 100% AUD Hedged	MSCI World Index (ex Australia, ex tobacco, ex controversial weapons) in A\$ (Hedged)
International property	BlackRock iShares Global Listed Property Index Fund (APIR: BLK9419AU)	Mercer Passive Global Listed Property Fund (APIR: NCL0010AU)	FTSE EPRA Nareit Developed hedged in AUD Net TRI (AUD)	FTSE EPRA/NAREIT Developed Index - in A\$ (Hedged)

Why were the changes made?

As a result of a recent review, it was determined that fund and underlying manager changes were required for two asset classes in the Mercer CoreSeries Passive Portfolios, namely international shares (hedged) and international property. More information on the new funds is included in the table below.

Asset Class	New Fund
International shares	<p>Mercer Passive Hedged International Shares Fund</p> <p>The Fund provides exposure to international shares, typically via a single investment manager. This strategy is designed to offer lower cost access to a diverse range of shares in a range of countries and industry sectors, by investing according to the benchmark's market-cap weighted index. Derivatives may be used in implementing the investment strategy. The Fund has currency hedging arrangements in place to minimise the impact of fluctuations in the Australian dollar against other currencies.</p> <p>Investment manager Legal & General Investment Management (LGIM)</p>
International property	<p>Mercer Passive Global Listed Property Fund</p> <p>The Fund provides exposure to global listed property returns, generally via a single investment manager. The Fund invests in a strategy incorporating global listed property exposure and a swap arrangement or other derivatives with the appointed investment manager to achieve benchmark-like returns. Returns are fully hedged for currency movements.</p> <p>Investment manager Macquarie Asset Management</p>

Which Portfolios are impacted by these changes?

The following Mercer CoreSeries Passive Portfolios are impacted by these changes.

Wholesale portfolios	APIR / Platform code
Mercer CoreSeries Passive High Growth Portfolio	WFS0569AU
Mercer CoreSeries Passive Growth Portfolio	WFS0568AU
Mercer CoreSeries Passive Balanced Portfolio	WFS0567AU
Mercer CoreSeries Passive Moderate Portfolio	WFS0566AU
Mercer CoreSeries Passive Defensive Portfolio	WFS0565AU

Retail portfolios	APIR / Platform code
Mercer Passive High Growth Portfolio	WFS0585AU
Mercer Passive Growth Portfolio	WFS0584AU
Mercer Passive Balanced Portfolio	WFS0587AU
Mercer Passive Moderate Portfolio	WFS0586AU
Mercer Passive Defensive Portfolio	WFS0583AU

For more information on the new funds, you can refer to the relevant Product Disclosure Statement ('PDS') available at mercer.com.au/mercerfunds.

Is there an impact to fees and costs?

No, there is no material change.

What do you need to do?

You do not need to do anything.

We are here to help

Please contact your Mercer State Manager if you have any questions:

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Alternatively, you can email MercerAdviserSolutions@mercer.com

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