

Member notice

27 OCTOBER 2022

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Mercy Super and HESTA merger - 1 December 2022

HESTA – the right partner to continue our proud legacy

You, our members, are at the heart of everything we do. Our merger with HESTA is about continuing to provide a strong and sustainable future for our members and the products and services you entrust with us along your retirement journey.

Mercy Super has a long and proud 60-year history of supporting our members from Mater’s South Brisbane hospital campus. We’ve always put the interests of our members first and believe it is now time for our members to benefit from being part of a larger fund.

With the merger, you’ll continue to be part of a leading, like-minded fund where the fit is strong. HESTA is a top performing fund¹ that shares the same commitment as Mercy Super to the health and community services sector and those working in it.

This notice will help you understand the merger and what it means for you.

When and how will the merger happen?

Mercy Super Pty Ltd (ABN 98 056 047 324) the Trustee for Mercy Super (ABN 11 789 425 178) and H.E.S.T. Australia Ltd (ABN 66 006 818 695) the Trustee for HESTA (ABN 64 971 749 321) have agreed to merge. On 1 December 2022 you will become a member of HESTA and your superannuation interest will be transferred into a **HESTA for Mercy** product. The merger is subject to satisfying certain agreed conditions. If for any reason there is a change to the merger date or details outlined in this notice, we’ll let you know.

The merger will happen through what is known as a successor fund transfer. This follows both trustee boards agreeing to proceed with the merger after completing extensive due diligence.

Note:

1 – Investment performance sourced from SuperRatings SR50 (60-76) Index within the SuperRatings Fund Crediting Rate Survey June 2022 publication. Past performance is not indicative of future performance.

Please continue over page



Scan the code

to hear a message from Wendy Tancred (Mercy Super CEO) and Debby Blakey (HESTA CEO) about the merger.



Achieving more together



Around 13,000 members.
Total assets of around \$1.6 billion

+

HESTA

Around 950,000 members
Total assets of around \$68 billion



You will be part of a larger fund, while continuing to enjoy the same friendly, Brisbane-based service valued by our members. By coming together as one fund our members may enjoy better retirement outcomes and a wider range of investment options.



There is nothing you need to do – your account will transfer automatically.

Important dates

24 November 2022	<ul style="list-style-type: none"> Last day to switch your current investment option within Mercy Super or initiate a withdrawal (commutation) from your Income Account via Member Online prior to the merger
25 November 2022	<ul style="list-style-type: none"> Last day for receipt of any contributions or forms for transaction instructions to be completed prior to the merger
29 November 2022	<ul style="list-style-type: none"> Member Online unavailable from 5:00 PM (AEDT)
30 November 2022	<ul style="list-style-type: none"> Last day of Mercy Super membership Process for converting records to HESTA for Mercy products commences
1 December 2022	<ul style="list-style-type: none"> You become a member of HESTA The Member Centre will be closed as the team gets set up on new systems and processes New website, Product Disclosure Statement documents, forms, available from hestaformercy.com.au
5 December 2022	<ul style="list-style-type: none"> Member Online access returned, available through hestaformercy.com.au Some transaction capability may still be unavailable until 7 December 2022.
7 December 2022	<ul style="list-style-type: none"> Full processing resumes
Mid December 2022	<ul style="list-style-type: none"> Communications issued confirming final transfer details, closing balance from Mercy Super and how to view your opening balance

Temporary disruption to member services during the transition

To ensure your account is properly transferred from Mercy Super to HESTA, there will be a short period where normal services are temporarily disrupted from the close of business on **24 November 2022** returning to 'business as usual' on **7 December 2022** (see *Important dates* on page 2). During this time normal member services will be disrupted while we are busy preparing final accounts and updating systems to reflect the transfer of your benefits.

What will be impacted?

This is a summary of member services that will be temporarily disrupted during this period:

What	When
<p>Processing of transactions received during the period:</p> <ul style="list-style-type: none"> • Contributions • Rollovers • Withdrawals – including commutations from Income Accounts • Investment switches • Changes to account details 	<p>Withdrawals (including rollovers to other super funds) will be processed after the end of this period with an effective date based on the date of payment. Other transactions will be processed after the end of the period with an effective date based on normal business rules.</p> <p>Note: Urgent withdrawals can still be made during this period. These will be limited to financial hardship or other special circumstances agreed by the trustee, with the amount that can be paid during this period capped at 80% of your last known account balance.</p>
<p>Activation of new Income Accounts</p>	<p>The first payments for any new Income Accounts activated after 24 November 2022 will be after the end of this period.</p>
<p>Member Online</p>	<p>Access to Member Online will cease from 5:00 PM (AEDT) on 29 November 2022 with access to your HESTA for Mercy Member Online service becoming available on 5 December 2022.</p>
<p>Information requests:</p> <ul style="list-style-type: none"> • Member Centre interactions • Family Law processes • Benefit quotes including information requests from financial advisers 	<p>Member Centre - 1300 368 891, information@mercysuper.com.au (information@hestaformercy.com.au from 1 December 2022) or on site at Mater's South Brisbane campus.</p> <p>The Member Centre will close temporarily from midday (Brisbane time) on Wednesday 30 November to close of business on Thursday 1 December 2022. This is to enable the team to get set up on new systems and processes, otherwise the Member Centre will be operating as normal.</p> <p>However, be aware that the information that team members have on your account during this time will be limited to the details of your account at close of business on 24 November 2022.</p> <p>Any Family Law information and other benefit detail requests will be processed as soon as the information becomes available at the end of this period.</p>
<p>Insurance claims:</p> <ul style="list-style-type: none"> • New and ongoing income protection claim payments. • Claim assessments 	<p>Income protection claim payments will be unaffected by this period of service disruption and, if approved, will be paid as scheduled. This includes any new income protection claims approved during this period and existing claim payments.</p> <p>Any total and permanent disablement or death claim payments approved during this period may be subject to capped payment amounts until the end of the period.</p>

We're planning on making the transition as seamless as possible. If you are looking to make changes to your super, consider planning ahead and act on these changes before the commencement of the limited service period.

If you need any help, just get in touch by calling 1300 368 891, email information@mercysuper.com.au or drop in and see us in person at the Potter Building on the Ground Floor at the Mater South Brisbane Campus on Annerley Road, South Brisbane.



HESTA will contact you in mid December to confirm the transfer of your account is complete.

Your investments in HESTA for Mercy

Effective from 1 December 2022 your Mercy Super account balance and underlying investments will be transferred into the **HESTA for Mercy** investment option that most closely matches your current Mercy Super investment option (as shown below).

If your account is invested in more than one investment option, your balance will transfer in the same proportions. Future contributions to super accounts and drawdowns from income stream accounts will be applied in the same proportions.

mercy super		HESTA for mercy super	
Investment option	Growth asset allocation / Risk level ¹	Investment option	Growth asset allocation / Risk level ²
Growth	84.5% / High	<i>will move to</i>	High Growth 88% / High
Socially Responsible	75% / High	<i>will move to</i>	Sustainable Growth 75% / High
MySuper Balanced / Balanced	73% / High	<i>will move to</i>	Balanced Growth³ 70% / High
Conservative	54% / Medium to High	<i>will move to</i>	Conservative 37% / Medium
Stable	37% / Medium	<i>will move to</i>	Conservative 37% / Medium
Australian Shares	100% / Very High	<i>will move to</i>	Australian Shares 100% / Very High
International Shares	100% / Very High	<i>will move to</i>	International Shares 100% / Very High
Cash	0% / Very Low	<i>will move to</i>	Cash and Term Deposits 0% / Very Low

Option where most members are invested

HESTA for Mercy's Conservative option has a different profile to Mercy Super's Conservative option – see below.

Notes:

1 - Investment option growth asset allocation and risk levels for current Mercy Super options sourced from the Mercy Super Product Disclosure Statement for Super and Income Accounts (dated 1 August 2022).

2 - Investment option details for HESTA for Mercy options are based on HESTA's current investment options sourced from the HESTA Super and Income Stream Product Disclosure Statements (dated 30 September 2022). From 1 December 2022 you'll be able to see full details of HESTA for Mercy investment options at hestaformercy.com.au

3 - Balanced Growth is the HESTA for Mercy MySuper (default) investment option.

More detailed information regarding the risk profile, investment strategy and strategic asset allocation for all the **HESTA for Mercy** investment options can be found in *Appendix A* of this document.



Important note for members invested in Mercy Super's Conservative option

The **HESTA for Mercy** Conservative option is different to Mercy Super's Conservative option. It is closer to the Mercy Super Stable option in terms of risk profile and allocation to growth assets as you can see in the table above.

If you are currently in Mercy Super's Conservative option and you don't want to be invested in **HESTA for Mercy's** Conservative option after the merger, you may want to consider switching now ahead of the merger, or after the merger has been completed.



more options opening up

HESTA offers some additional investment options to Mercy Super. You may want to check out these extra options which will be available to **HESTA for Mercy** members after the merger.

Cash/Enhanced Cash assets

In preparation for the merger, the Enhanced Cash assets held within Mercy Super's investment options will be redeemed in November 2022 and allocated to the existing Cash assets held by the Fund.

Thinking of switching your investments?

Just like Mercy Super, daily switching between investment options will be available to **HESTA for Mercy** members at no extra cost and with no buy/sell margins applied. Following the temporary disruption of service, you will be able to switch between your **HESTA for Mercy** investment options by logging into your account and making a change.

If you wish to switch your current investment option within Mercy Super prior to the merger, you'll need to do so before 24 November 2022.

Our team of in-house financial advisers are available until 11 November 2022 to help you make an appropriate investment choice before the merger. Likewise, HESTA has a team of in-house financial advisers that can help you make an investment choice after the merger.



a top performer

While past performance doesn't guarantee future performance, it's good to know that HESTA's Balanced Growth option - the default option where most members are invested - has achieved an average annual return of 8.53% p.a. over 10 years to 30 June 2022.*

It's one of Australia's top performing investment options with returns in the top 10 across 1, 3, 5, 7, 10, 15 and 20-year time frames (to 30 June 2022), according to third party ratings agency SuperRatings.^

* Annualised returns for the period. Investments may go up or down. Past performance is not a reliable indicator of future performance. Returns are net of investment fees and costs, transaction costs and taxes.

^ Investment performance sourced from SuperRatings SR50 (60-76) Index within the SuperRatings Fund Crediting Rate Survey June 2022 publication. Visit SuperRatings at superratings.com.au for information about investment performance.

Your fees and costs in HESTA for Mercy

Fees and costs are charged to cover the costs of managing the fund. Here's how the fees and costs compare: ^{1,2}



Administration fees and costs		
Current	From 1 December 2022	From 1 February 2023 ³
Super and Income Accounts:	Super accounts:	Super accounts:
0.25% p.a. of your account balance (subject to a cap of \$600 per year) – deducted from your account	<ul style="list-style-type: none"> • \$1.25 per week, plus • 0.08% p.a. Balanced Growth, or 0.10% p.a. for all other investment options (capped at balance of \$350,000) – deducted from your account 	<ul style="list-style-type: none"> • \$1.00 per week, plus • 0.15% p.a. (capped at balance of \$500,000) – deducted from your account
	Income Stream accounts:	Income Stream accounts:
	<ul style="list-style-type: none"> • \$1.75 per week, plus • 0.28% p.a. (balances up to \$250,000), or 0.23% p.a. (balances of \$250,000 and over) – deducted from your account 	<ul style="list-style-type: none"> • \$1.50 per week, plus • 0.23% p.a. (capped at balance of \$600,000) – deducted from your account
	Additional costs:	Additional costs:
	0.06% p.a. additional administration costs which may be paid from fund assets (not your account)	0.06% p.a. additional administration costs which may be paid from fund assets (not your account)

Investment fees and costs ⁴		
	Super and Transition to Retirement Income Stream accounts	Retirement Income Stream accounts
1.075% p.a. – Growth	0.81% p.a. – High Growth	0.42% p.a. – High Growth
0.738% p.a. – Socially Responsible	0.94% p.a. – Sustainable Growth	0.94% p.a. – Sustainable Growth
0.947% p.a. – MySuper Balanced/Balanced	0.67% p.a. – Balanced Growth	0.41% p.a. – Balanced Growth
0.924% p.a. – Conservative	0.05% p.a. – Indexed Balanced Growth	0.05% p.a. – Indexed Balanced Growth
0.763% p.a. – Stable	0.40% p.a. – Conservative	0.37% p.a. – Conservative
0.686% p.a. – Australian Shares	0.25% p.a. – Australian Shares	0.21% p.a. – Australian Shares
0.808% p.a. – International Shares	0.40% p.a. – International Shares	0.40% p.a. – International Shares
0.363% p.a. – Cash	0.79% p.a. – Property and Infrastructure	0.70% p.a. – Property and Infrastructure
	0.27% p.a. – Diversified Bonds	0.27% p.a. – Diversified Bonds
	0.02% p.a. – Cash and Term Deposits	0.02% p.a. – Cash and Term Deposits

Transaction costs ⁴		
	Super and Transition to Retirement Income Stream accounts	Retirement Income Stream accounts
0.034% p.a. – Growth	0.07% p.a. – High Growth	0.05% p.a. – High Growth
0.021% p.a. – Socially Responsible	0.03% p.a. – Sustainable Growth	0.03% p.a. – Sustainable Growth
0.031% p.a. – MySuper Balanced/Balanced	0.06% p.a. – Balanced Growth	0.06% p.a. – Balanced Growth
0.026% p.a. – Conservative	0.00% p.a. – Indexed Balanced Growth	0.00% p.a. – Indexed Balanced Growth
0.020% p.a. – Stable	0.04% p.a. – Conservative	0.04% p.a. – Conservative
0.024% p.a. – Australian Shares	0.07% p.a. – Australian Shares	0.06% p.a. – Australian Shares
0.027% p.a. – International Shares	0.04% p.a. – International Shares	0.04% p.a. – International Shares
0.000% p.a. – Cash	0.09% p.a. – Property and Infrastructure	0.09% p.a. – Property and Infrastructure
	0.00% p.a. – Diversified Bonds	0.00% p.a. – Diversified Bonds
	0.00% p.a. – Cash and Term Deposits	0.00% p.a. – Cash and Term Deposits

Notes:

1 – Fees and cost details for Mercy Super sourced from the Mercy Super Product Disclosure Statement for Super and Income Accounts (dated 1 August 2022).

2 – Fees and cost details for HESTA for Mercy are based on HESTA's fees and costs sourced from the HESTA Super and Income Stream Product Disclosure Statements (dated 30 September 2022). From 1 December 2022 you'll be able to see full details of HESTA for Mercy fees and costs at hestaformercy.com.au

3 – HESTA will be changing their administration fees and costs, including for HESTA for Mercy products, from 1 February 2023 which are summarised in this table. You will receive further details on these new fees directly from HESTA after the merger.

4 – Investment fees and costs and Transaction costs are an estimate only. The actual amounts will depend on costs incurred over the 2022/23 financial year.

Other activity related fees and costs

Neither Mercy Super nor HESTA charges an activity fee in relation to:

- Investment switches
- Buy-sell spread
- Splitting contributions with your spouse
- Family law-related transactions

Additional advice fee for service in relation to members considering commencing HESTA Income Streams

HESTA's advice service will be available (after the merger) to members who are considering commencing an Income Stream, with the initial consultation at no cost to you.

If you decide to proceed with advice in relation to the commencement of an Income Stream, a \$300 advice fee will be charged by HESTA representatives for advice that is tailored to your individual circumstances. This fee will be \$500 for advice that is tailored to both you and your spouse's circumstances.

The cost of any advice will be deducted from your HESTA Income Stream account(s).

creating long-term value

HESTA

It pays to look at returns and costs together, so you get the full picture. HESTA's strong investment returns and competitive fees create long term value for members, resulting in a bigger net benefit compared to the average super fund.

In fact, HESTA received the Net Benefit 2022 award from third-party ratings agency SuperRatings as the fund that delivered the best net benefit outcomes to members over the short and long term.¹

Note:

1 – Awarded by SuperRatings refer to lonsec.com.au/super-fund/ratings-and-awards/

Merger costs and use of reserves

The merger with HESTA is a complex process that will incur costs to complete. Mercy Super's costs associated with the merger will be met from its General Reserve with specific allocations to ensure these costs are covered. There may also be some investment-related costs associated with the realisation of some assets prior to the merger which may be met from the relevant investment options. Importantly, Mercy Super has sufficient reserves to meet these costs and there will be no additional charge to member accounts to finance the cost of the merger.

HESTA will meet its own costs associated with the merger.

Any remaining General Reserve held by Mercy Super, and the Fund's Operational Risk Financial Requirement Reserve, will be transferred to the corresponding reserves within HESTA with provisions made in the transferred General Reserve to cater for any residual post-transfer expenses that are part of Mercy Super's merger costs.

Your insurance cover in HESTA for Mercy

Your insurance will stay exactly the same when you become a member of the **HESTA for Mercy** product from 1 December 2022. The benefits, options, terms and conditions and insurance premiums won't change on transfer.

Any options you may have selected for your insurance cover – such as choosing to maintain your cover if your account becomes inactive or choosing to opt-out of any automatic cover – will remain as part of your **HESTA for Mercy** membership.

Maintaining insurance cover if your account becomes inactive

If we don't receive any contributions or roll-ins to your account for a continuous period of 16 months, it will be considered inactive. If this happens we won't be able to continue providing you with insurance cover unless you've told us you want to keep it.

If you have previously elected to keep your insurance cover, this election will continue after the merger. If you have not elected to keep your insurance cover, the 16-month period for determining the inactive status of your account (if applicable) will restart from 1 December 2022.

Information specifically for Mercy Super Income Account members

Expansion of investment options

As well as having access to the Indexed Balanced Growth, Property and Infrastructure and Diversified Bonds investment options that form part of **HESTA for Mercy**, Income Account members will also have access to the full range of investment options available to Super Account members after the merger.

This includes the Sustainable Growth, Australian Shares and International Shares options.

Minimum payments

If needed, we may make an additional payment on 24 November 2022 if you receive fortnightly payments or 15 November 2022 for other payment frequencies, to top up your payment to the minimum required by law. This is because we need to make sure you are paid the minimum amounts required under legislation for the period from 1 July 2022 to 30 November 2022 before your Mercy Super account closes and transfers to **HESTA for Mercy**.

Your new minimum and any maximum amounts (if applicable) will be reset based on your opening balance after the merger. You will be advised of these details in the communications you will receive soon after the merger is completed.

Your Income Account payments

You will continue to receive your regular income stream payments into your nominated bank account throughout the temporary disruption of services. From 1 December 2022 you will notice that the payer may have changed when these deposits are made to your bank account.

Your payments will continue on the same frequency as you have previously nominated.

retirement reward

Is retirement approaching?

When you start a **HESTA for Mercy** Income Stream, you may be eligible to receive a Retirement Reward, which will be automatically calculated and paid into your income stream account the day it's opened. The Retirement Reward is basically a tax saving that can be passed on to you. It's your share of the money set aside to pay for future capital gains tax that would have applied when the investment assets in your **HESTA for Mercy** Super account were sold.

To qualify for the Retirement Reward, you'll need to have at least six months membership in a **HESTA for Mercy** account (either a super account or a transition to retirement account post-merger) and be continuously invested in an eligible investment option for this time, before you start your income stream account. The amount varies and may sometimes be zero.



Other things you should know

What happens if I already have a HESTA account?

If you have both a Mercy Super and a HESTA account, you'll receive a communication from HESTA shortly after the merger letting you know about the options you have available. Importantly, your Mercy Super and HESTA accounts will not be automatically consolidated from 1 December 2022 to make sure you don't lose any benefits you have within these accounts.

Both your new **HESTA for Mercy** and HESTA accounts will be retained with separate member numbers, and any applicable fees, costs and insurance premiums continuing to be applied to each account.

If after the merger you have income protection cover in both accounts, then a claim on one account could potentially reduce any benefit payable under the other account.

The total amount payable for any claim will depend on the amount of cover you have with each account and your total pre-disability salary.

If you do have income protection cover in both accounts, please consider your situation carefully.

HESTA's in-house team of advisers can help you make any decisions on your accounts, particularly in relation to any insurance cover you have within both accounts, after the merger is completed.

What happens to my beneficiary nominations?

If you've made a beneficiary nomination as part of your Mercy Super membership these details will be transferred and continue to apply under **HESTA for Mercy**. Importantly, if you have made a binding nomination that is valid and in effect on 30 November 2022, the HESTA trustee will act in accordance with your nomination until it expires or you change your nomination.

Any reversionary beneficiaries attached to Income Accounts will also be transferred to **HESTA for Mercy** Income Streams and acted on in accordance with the original instructions.

Third-party authorities won't transfer across

Any third-party authorities that you may have provided to allow access to your Mercy Super account details (such as a financial adviser, power of attorney, family representative, etc) cannot be transferred across to your **HESTA for Mercy** account. These instructions will need to be provided again to HESTA – the relevant form will be available on the **HESTA for Mercy** website hestaformercy.com.au from 1 December 2022.

Contributions

Contributions from your employer will be accepted by HESTA after the merger, there's nothing you need to do. Your employer will need to provide the new Unique Super Identifier number (USI) with their payment after the merger so it is allocated to your **HESTA for Mercy** account. We will be writing to all employers to let them know the new details.

MyGov details

If you use MyGov to keep track of your super, you'll probably notice that Mercy Super still appears as part of your account details immediately after the transfer. There is nothing you need to do to correct this information, the reporting that is in place with the Australian Taxation Office will eventually change to display your **HESTA for Mercy** account details.

Your right to fund choice is unaffected

Most people can choose which fund their Superannuation Guarantee contributions are paid into however your super fund may be determined by your terms of employment. Any rights to choose your super fund are unaffected by the merger.

Things you may need to do before the merger

Will you be looking to claim or vary a deduction for your personal super contributions?

If you'd like to claim a tax deduction or vary a tax deduction for personal super contributions made to your Mercy Super account you will need to lodge a completed *Claiming a deduction for personal super contribution* form with us by 25 November 2022 in relation to contributions for the period from 1 July 2022 to 30 November 2022.

Any notice of intent to claim a tax deduction provided to HESTA will only apply to contributions made to your account from 1 December 2022.

Splitting contributions with your spouse

If you'd like to split eligible contributions made to your Mercy Super account to your spouse's account, we need to receive your completed *Contribution splitting* form by 25 November 2022 in relation to contributions for the period from 1 July 2022 to 30 November 2022.

Any request to split contributions deduction provided to HESTA will only apply to contributions made to your account from 1 December 2022.



TIP: The best thing you can do is use this as an opportunity to review your super and get those small things off your 'to do list'. Start by getting in touch and ask us how you could be getting more out of your super.

Things you may want to do after the merger

Keep an eye out for your HESTA for Mercy welcome communication

You'll receive a communication from HESTA confirming your transfer and providing details on how to get the most out of your super. You will also receive a communication from Mercy Super confirming your transfer details.

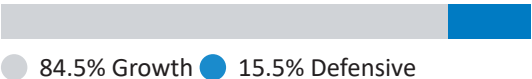
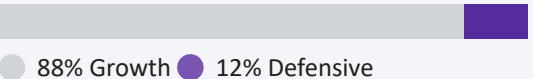
Reset your third-party authorities

If you had third-party authorities in place you may also want to reset these – the form you need will be on the **HESTA for Mercy** website hestaformercy.com.au from 1 December 2022.

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APPENDIX A: Investment option details^{1, 2}

The following provides a more detailed comparison of the current Mercy Super investment options and the HESTA for Mercy investment options that accounts will be transferred to on merging.

	mercy super	HESTA for mercy super																																		
Option	Growth	High Growth																																		
Investment objective	<ul style="list-style-type: none"> ● Super and Pre-Retirement Income Accounts: Achieve returns net of fees and tax at least equal to CPI + 3.5% over rolling 10 year periods. ● Post-Retirement Income Accounts: Achieve returns net of fees and tax at least equal to CPI + 4.0% over rolling 10 year periods. 	<ul style="list-style-type: none"> ● Super and TTR Income Stream accounts: Achieve returns net of fees and tax at least equal to CPI + 4.0% ● Retirement Income Stream accounts: Achieve returns net of fees and tax at least equal to CPI + 4.5% 																																		
Growth/Defensive assets	 <p>● 84.5% Growth ● 15.5% Defensive</p>	 <p>● 88% Growth ● 12% Defensive</p>																																		
Probable number of negative annual returns over 20 years	4 to less than 6	4 to less than 6																																		
Risk level	High	High																																		
Strategic Asset Allocation	<table border="0"> <tr><td>Australian Equities</td><td>32%</td></tr> <tr><td>International Equities</td><td>33%</td></tr> <tr><td>Alternative Growth</td><td>7%</td></tr> <tr><td>Property</td><td>10.5%</td></tr> <tr><td>Infrastructure</td><td>14.5%</td></tr> <tr><td>Australian Fixed Interest</td><td>0%</td></tr> <tr><td>International Fixed Interest</td><td>0%</td></tr> <tr><td>Alternative Defensive</td><td>0%</td></tr> <tr><td>Cash/Enhanced Cash</td><td>3%</td></tr> </table>	Australian Equities	32%	International Equities	33%	Alternative Growth	7%	Property	10.5%	Infrastructure	14.5%	Australian Fixed Interest	0%	International Fixed Interest	0%	Alternative Defensive	0%	Cash/Enhanced Cash	3%	<table border="0"> <tr><td>Australian Equities</td><td>33%</td></tr> <tr><td>International Equities</td><td>35.5%</td></tr> <tr><td>Private Equity</td><td>10%</td></tr> <tr><td>Alternatives</td><td>2%</td></tr> <tr><td>Property</td><td>4%</td></tr> <tr><td>Infrastructure</td><td>9.5%</td></tr> <tr><td>Global Debt</td><td>4%</td></tr> <tr><td>Cash</td><td>2%</td></tr> </table>	Australian Equities	33%	International Equities	35.5%	Private Equity	10%	Alternatives	2%	Property	4%	Infrastructure	9.5%	Global Debt	4%	Cash	2%
Australian Equities	32%																																			
International Equities	33%																																			
Alternative Growth	7%																																			
Property	10.5%																																			
Infrastructure	14.5%																																			
Australian Fixed Interest	0%																																			
International Fixed Interest	0%																																			
Alternative Defensive	0%																																			
Cash/Enhanced Cash	3%																																			
Australian Equities	33%																																			
International Equities	35.5%																																			
Private Equity	10%																																			
Alternatives	2%																																			
Property	4%																																			
Infrastructure	9.5%																																			
Global Debt	4%																																			
Cash	2%																																			
Currency exposure	24%	24.5%																																		

Notes:

1 – Investment option details sourced for current Mercy Super options from the Mercy Super Product Disclosure Statement for Super and Income Accounts (dated 1 August 2022).

2 - Investment option growth asset allocation and risk levels for HESTA for Mercy options are based on HESTA's current investment options sourced from the HESTA Super and Income Stream Product Disclosure Statements (dated 30 September 2022). From 1 December 2022 you'll be able to see full details of HESTA for Mercy investment options at hestaformercy.com.au



Option	Socially Responsible	Sustainable Growth																																		
Investment objective	<ul style="list-style-type: none"> ● Super Accounts: Achieve returns net of fees and tax at least equal to CPI + 2.5% over rolling 10 year periods 	<ul style="list-style-type: none"> ● Super and TTR Income Stream accounts: Achieve returns net of fees and tax at least equal to CPI + 3.0% ● Retirement Income Stream accounts: Achieve returns net of fees and tax at least equal to CPI + 3.5% 																																		
Growth/Defensive assets	<p>● 75% Growth ● 25% Defensive</p>	<p>● 75% Growth ● 25% Defensive</p>																																		
Probable number of negative annual returns over 20 years	4 to less than 6	4 to less than 6																																		
Risk level	High	High																																		
Strategic Asset Allocation	<table border="0"> <tr><td>Australian Equities</td><td>38%</td></tr> <tr><td>International Equities</td><td>37%</td></tr> <tr><td>Alternative Growth</td><td>0%</td></tr> <tr><td>Property</td><td>0%</td></tr> <tr><td>Infrastructure</td><td>0%</td></tr> <tr><td>Australian Fixed Interest</td><td>11%</td></tr> <tr><td>International Fixed Interest</td><td>11%</td></tr> <tr><td>Alternative Defensive</td><td>0%</td></tr> <tr><td>Cash/Enhanced Cash</td><td>3%</td></tr> </table>	Australian Equities	38%	International Equities	37%	Alternative Growth	0%	Property	0%	Infrastructure	0%	Australian Fixed Interest	11%	International Fixed Interest	11%	Alternative Defensive	0%	Cash/Enhanced Cash	3%	<table border="0"> <tr><td>Australian Equities</td><td>29%</td></tr> <tr><td>International Equities</td><td>34%</td></tr> <tr><td>Private Equity</td><td>5%</td></tr> <tr><td>Alternatives</td><td>0.5%</td></tr> <tr><td>Property</td><td>7.5%</td></tr> <tr><td>Infrastructure</td><td>2%</td></tr> <tr><td>Global Debt</td><td>17%</td></tr> <tr><td>Cash</td><td>5%</td></tr> </table>	Australian Equities	29%	International Equities	34%	Private Equity	5%	Alternatives	0.5%	Property	7.5%	Infrastructure	2%	Global Debt	17%	Cash	5%
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Cash	5%																																			
Currency exposure	25%	20%																																		



Option	MySuper Balanced/Balanced	Balanced Growth ¹																																		
Investment objective	<ul style="list-style-type: none"> ● Super and Pre-Retirement Income Accounts: Achieve returns net of fees and tax at least equal to CPI + 3.0% over rolling 10 year periods. ● Post-Retirement Income Accounts: Achieve returns net of fees and tax at least equal to CPI + 3.5% over rolling 10 year periods. 	<ul style="list-style-type: none"> ● Super and TTR Income Stream accounts: Achieve returns net of fees and tax at least equal to CPI + 3.0% ● Retirement Income Stream accounts: Achieve returns net of fees and tax at least equal to CPI + 3.5% 																																		
Growth/Defensive assets	<p>● 73% Growth ● 27% Defensive</p>	<p>● 70% Growth ● 30% Defensive</p>																																		
Probable number of negative annual returns over 20 years	4 to less than 6	4 to less than 6																																		
Risk level	High	High																																		
Strategic Asset Allocation	<table border="0"> <tr><td>Australian Equities</td><td>27%</td></tr> <tr><td>International Equities</td><td>28%</td></tr> <tr><td>Alternative Growth</td><td>3%</td></tr> <tr><td>Property</td><td>10%</td></tr> <tr><td>Infrastructure</td><td>14%</td></tr> <tr><td>Australian Fixed Interest</td><td>4.5%</td></tr> <tr><td>International Fixed Interest</td><td>4.5%</td></tr> <tr><td>Alternative Defensive</td><td>6%</td></tr> <tr><td>Cash/Enhanced Cash</td><td>3%</td></tr> </table>	Australian Equities	27%	International Equities	28%	Alternative Growth	3%	Property	10%	Infrastructure	14%	Australian Fixed Interest	4.5%	International Fixed Interest	4.5%	Alternative Defensive	6%	Cash/Enhanced Cash	3%	<table border="0"> <tr><td>Australian Equities</td><td>24%</td></tr> <tr><td>International Equities</td><td>29%</td></tr> <tr><td>Private Equity</td><td>5%</td></tr> <tr><td>Alternatives</td><td>2%</td></tr> <tr><td>Property</td><td>6%</td></tr> <tr><td>Infrastructure</td><td>10%</td></tr> <tr><td>Global Debt</td><td>19%</td></tr> <tr><td>Cash</td><td>5%</td></tr> </table>	Australian Equities	24%	International Equities	29%	Private Equity	5%	Alternatives	2%	Property	6%	Infrastructure	10%	Global Debt	19%	Cash	5%
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Alternatives	2%																																			
Property	6%																																			
Infrastructure	10%																																			
Global Debt	19%																																			
Cash	5%																																			
Currency exposure	20%	19.5%																																		

Note:

1 - Balanced Growth is the HESTA for Mercy MySuper (default) investment option.





Option	Conservative	Conservative																																		
Investment objective	<ul style="list-style-type: none"> ● Super and Pre-Retirement Income Accounts: Achieve returns net of fees and tax at least equal to CPI + 2.0% over rolling 5 year periods. ● Post-Retirement Income Accounts: Achieve returns net of fees and tax at least equal to CPI + 2.5% over rolling 5 year periods. 	<ul style="list-style-type: none"> ● Super and TTR Income Stream accounts: Achieve returns net of fees and tax at least equal to CPI + 1.5% ● Retirement Income Stream accounts: Achieve returns net of fees and tax at least equal to CPI + 2.0% 																																		
Growth/Defensive assets	<p>● 54% Growth ● 46% Defensive</p>	<p>● 37% Growth ● 63% Defensive</p>																																		
Probable number of negative annual returns over 20 years	3 to less than 4	2 to less than 3																																		
Risk level	Medium to High	Medium																																		
Strategic Asset Allocation	<table border="0"> <tr><td>Australian Equities</td><td>16%</td></tr> <tr><td>International Equities</td><td>17%</td></tr> <tr><td>Alternative Growth</td><td>4%</td></tr> <tr><td>Property</td><td>10%</td></tr> <tr><td>Infrastructure</td><td>14%</td></tr> <tr><td>Australian Fixed Interest</td><td>6%</td></tr> <tr><td>International Fixed Interest</td><td>6%</td></tr> <tr><td>Alternative Defensive</td><td>10%</td></tr> <tr><td>Cash/Enhanced Cash</td><td>17%</td></tr> </table>	Australian Equities	16%	International Equities	17%	Alternative Growth	4%	Property	10%	Infrastructure	14%	Australian Fixed Interest	6%	International Fixed Interest	6%	Alternative Defensive	10%	Cash/Enhanced Cash	17%	<table border="0"> <tr><td>Australian Equities</td><td>11%</td></tr> <tr><td>International Equities</td><td>11%</td></tr> <tr><td>Private Equity</td><td>0%</td></tr> <tr><td>Alternatives</td><td>1%</td></tr> <tr><td>Property</td><td>8.5%</td></tr> <tr><td>Infrastructure</td><td>12.5%</td></tr> <tr><td>Global Debt</td><td>38%</td></tr> <tr><td>Cash</td><td>18%</td></tr> </table>	Australian Equities	11%	International Equities	11%	Private Equity	0%	Alternatives	1%	Property	8.5%	Infrastructure	12.5%	Global Debt	38%	Cash	18%
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Infrastructure	12.5%																																			
Global Debt	38%																																			
Cash	18%																																			
Currency exposure	9%	9.5%																																		





Option	Stable	Conservative																																		
Investment objective	<ul style="list-style-type: none"> • Super and Pre-Retirement Income Accounts: Achieve returns net of fees and tax at least equal to CPI + 1.0% over rolling 5 year periods. • Post-Retirement Income Accounts: Achieve returns net of fees and tax at least equal to CPI + 1.5% over rolling 5 year periods. 	<ul style="list-style-type: none"> • Super and TTR Income Stream accounts: Achieve returns net of fees and tax at least equal to CPI + 1.5% • Retirement Income Stream accounts: Achieve returns net of fees and tax at least equal to CPI + 2.0% 																																		
Growth/Defensive assets	<p>● 37% Growth ● 63% Defensive</p>	<p>● 37% Growth ● 63% Defensive</p>																																		
Probable number of negative annual returns over 20 years	2 to less than 3	2 to less than 3																																		
Risk level	Medium	Medium																																		
Strategic Asset Allocation	<table border="0"> <tr><td>Australian Equities</td><td>10%</td></tr> <tr><td>International Equities</td><td>11%</td></tr> <tr><td>Alternative Growth</td><td>0%</td></tr> <tr><td>Property</td><td>8%</td></tr> <tr><td>Infrastructure</td><td>12%</td></tr> <tr><td>Australian Fixed Interest</td><td>10%</td></tr> <tr><td>International Fixed Interest</td><td>10%</td></tr> <tr><td>Alternative Defensive</td><td>12%</td></tr> <tr><td>Cash/Enhanced Cash</td><td>27%</td></tr> </table>	Australian Equities	10%	International Equities	11%	Alternative Growth	0%	Property	8%	Infrastructure	12%	Australian Fixed Interest	10%	International Fixed Interest	10%	Alternative Defensive	12%	Cash/Enhanced Cash	27%	<table border="0"> <tr><td>Australian Equities</td><td>11%</td></tr> <tr><td>International Equities</td><td>11%</td></tr> <tr><td>Private Equity</td><td>0%</td></tr> <tr><td>Alternatives</td><td>1%</td></tr> <tr><td>Property</td><td>8.5%</td></tr> <tr><td>Infrastructure</td><td>12.5%</td></tr> <tr><td>Global Debt</td><td>38%</td></tr> <tr><td>Cash</td><td>18%</td></tr> </table>	Australian Equities	11%	International Equities	11%	Private Equity	0%	Alternatives	1%	Property	8.5%	Infrastructure	12.5%	Global Debt	38%	Cash	18%
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Property	8.5%																																			
Infrastructure	12.5%																																			
Global Debt	38%																																			
Cash	18%																																			
Currency exposure	9%	9.5%																																		





Option	Australian Shares	Australian Shares
Investment objective	<ul style="list-style-type: none"> ● Super Accounts: Achieve returns net of fees and tax at least equal to S&P/ASX300 index over rolling 10 year periods 	<ul style="list-style-type: none"> ● Super and TTR Income Stream accounts: Achieve returns net of fees and tax at least equal to S&P/ASX300 index ● Retirement Income Stream accounts: As for Super and TTR accounts - adjusted for tax credits
Growth/Defensive assets	 ● 100% Growth ● 0% Defensive	 ● 100% Growth ● 0% Defensive
Probable number of negative annual returns over 20 years	6 or greater	6 or greater
Risk level	Very High	Very High
Strategic Asset Allocation	Australian Equities 100% Cash/Enhanced Cash 0%	Australian Equities 100% Cash 0%
Currency exposure	0%	0%





Option	International Shares	International Shares
Investment objective	<ul style="list-style-type: none"> • Super Accounts: Achieve returns net of fees and tax at least equal to MSCI All Countries World ex-Australia (25% unhedged and 75% hedged) index over rolling 10 year periods 	<ul style="list-style-type: none"> • Super and TTR Income Stream accounts: Achieve returns net of fees and tax at least equal to the combination of MSCI All Country ex-Australia Index (unhedged in AUD) • Retirement Income Stream accounts: As for Super and TTR accounts - adjusted for tax credits
Growth/Defensive assets	 ● 100% Growth ● 0% Defensive	 ● 100% Growth ● 0% Defensive
Probable number of negative annual returns over 20 years	6 or greater	6 or greater
Risk level	Very High	Very High
Strategic Asset Allocation	International Equities 100% Cash/Enhanced Cash 0%	International Equities 100% Cash 0%
Currency exposure	25%	100%



Option	Cash	Cash and Term Deposits
Investment objective	<ul style="list-style-type: none"> • Super Accounts and Pre/Post Retirement Income Accounts: Achieve returns net of fees and tax at least equal to the Bloomberg Ausbond Bank Bill Index over rolling three year periods 	<ul style="list-style-type: none"> • Super and TTR Income Stream accounts: Achieve returns net of fees and tax at least equal to the Bloomberg Ausbond Bank Bill Index (net of tax) • Retirement Income Stream accounts: As for Super and TTR accounts - adjusted for tax credits
Growth/Defensive assets	 <p>● 0% Growth ● 100% Defensive</p>	 <p>● 0% Growth ● 100% Defensive</p>
Probable number of negative annual returns over 20 years	Less than 0.5	Less than 0.5
Risk level	Very Low	Very Low
Strategic Asset Allocation	Cash 100%	Term Deposits 50% Cash 50%
Currency exposure	0%	0%

Important information

		
Trustee	Mercy Super Pty Ltd	H.E.S.T. Australia Ltd
Fund	Mercy Super	HESTA
MySuper default investment option	Mercy Super MySuper Balanced	HESTA for Mercy MySuper / Balanced Growth
Accumulation product	Mercy Super Super Account	HESTA for Mercy Super
Transition to Retirement income product	Mercy Super Pre-Retirement Income Account	HESTA for Mercy Transition to Retirement Income Stream
Retirement income product	Mercy Super Post-Retirement Income Account	HESTA for Mercy Retirement Income Stream
Member Number	No change	No change
Member Online login	No change	No change
Website	mercysuper.com.au	hestaformercy.com.au
Email address	information@mercysuper.com.au	information@hestaformercy.com.au
Phone number	1300 368 891 (no change)	1300 368 891 (no change)
Postal address	PO Box 8334, Woolloongabba QLD 4102 (no change)	PO Box 8334, Woolloongabba QLD 4102 (no change)
Location	Potter Building, Ground Floor, Mater South Brisbane Campus, South Brisbane QLD (no change)	Potter Building, Ground Floor, Mater South Brisbane Campus, South Brisbane QLD (no change)
Unique Superannuation Identifier (USI)	11 789 425 178 001 (Super Accounts) 11 789 425 178 799 (Income Accounts)	Available at hestaformercy.com.au from 1 December 2022

Need help? Let's have a chat

You'll receive further communications after the merger has been implemented confirming the transfer of your membership details.

As always, if you ever have any questions about your super, just get in touch by calling 1300 368 891, emailing information@mercysuper.com.au (or information@hestaformercy.com.au from 1 December 2022) or drop in and see us in person at the Potter Building on the Ground floor at the Mater South Brisbane Campus on Annerley Road, South Brisbane.

Contact us

IN PERSON	Potter Building, Ground Floor, Mater South Brisbane Campus, Annerley Rd, South Brisbane QLD
MAIL	PO Box 8334, Woolloongabba QLD 4102
PHONE	1300 368 891
EMAIL	information@mercysuper.com.au
WEB	mercysuper.com.au

Issued by Mercy Super Pty Ltd ABN 98 056 047 324 AFSL 418976 Trustee of Mercy Super ABN 11 789 425 178. The information provided is of a general nature only and does not take into account your individual financial situation, objectives or needs. Accordingly, before acting on the information, it is important that you consider the appropriate Product Disclosure Statement, available from mercysuper.com.au or by contacting us, having regard to your own particular situation.