About this statement

This statement is called a Product Disclosure Statement ('PDS') and it provides a summary of significant information about the Mercer High Growth Fund ('the Fund'). The Fund is a registered managed investment scheme under the Corporations Act 2001 (Cth). It is one of the Mercer Multi-Manager Funds, a series of single sector and diversified unit trusts.

The PDS also contains references to important information in the Mercer Multi-Manager Funds Additional Information Booklet ('Booklet'), which forms part of this PDS. Both documents are available at www.mercer.com.au/mmf or you can request copies free of charge by calling 1300 728 928.

The PDS (including the Booklet) should be read carefully before making an investment decision. The information contained in these documents is general information only and does not take into account your personal financial situation or needs. You should obtain financial advice tailored to your personal circumstances.

The Responsible Entity, Mercer Investments (Australia) Limited (ABN 66 008 612 397, AFSL 244 385), is the issuer of this PDS and is referred to as the ‘Responsible Entity’, ‘we’, ‘us’ or ‘our’ throughout this PDS.

Key terms are shown like this when they are first used and are defined in the Glossary of the Booklet.

Can I invest in this Fund?

You can invest in this Fund if you have received either an electronic or a hard copy of this PDS in Australia. You can apply to invest in the Fund if you are a:

- **Indirect investor** accessing the Fund through a **Service**, such as an Investor Directed Portfolio Service (IDPS) or IDPS-Like scheme.

See Section 2, page 2, for details regarding investors' interests in the Fund and minimum amounts to invest. There is typically a minimum investment amount of $100,000 for direct investors. Indirect investors should refer to the offer document applicable to their Service.

We must verify the identity of investors and are not bound to accept an application to invest.
1. About Mercer Investments (Australia) Limited

The Responsible Entity, Mercer Investments (Australia) Limited, is responsible for:

- The operation of the Fund in accordance with the Fund’s Constitution and the law.
- The proper investment of Fund assets.
- Ensuring investors’ rights and interest are protected.

The Responsible Entity is a wholly owned subsidiary of Mercer (Australia) Pty Ltd, which is part of the Mercer group of companies (‘Mercer’).

Mercer operates an investment management business and is part of Marsh & McLennan Companies – a global group of professional services companies offering advice and solutions in the areas of risk, strategy and human capital. After more than 40 years in the investments business, Mercer manages more than US$120 billion in assets worldwide, and offers a comprehensive menu of investment tools, advice and solutions to help investors navigate complex capital markets.

The Responsible Entity relies on Mercer’s investment expertise in selecting and appointing investment managers to invest Fund assets. Contact us on 1300 728 928 or visit www.mercer.com.au/mmf for more information on the underlying investment managers.

2. How the Mercer High Growth Fund works

The Fund is a managed investment scheme registered with the Australian Securities and Investments Commission (‘ASIC’). The Fund was established and operates under the Constitution, as amended from time to time. The Constitution together with the Corporations Act 2001 (Cth) determine our relationship with investors in the Fund. The Fund’s Constitution contains full details of the rights and obligations of investors and the Responsible Entity.

Key features information for direct investors

You can read about key features of the Mercer High Growth Fund below.

**Investment minimums**

<table>
<thead>
<tr>
<th>Type</th>
<th>Minimum Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial</td>
<td>$100,000</td>
</tr>
<tr>
<td>Additional</td>
<td>$5,000</td>
</tr>
<tr>
<td>Withdrawal</td>
<td>$5,000</td>
</tr>
<tr>
<td>Balance</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

* We may waive or vary the investment minimums.

**Unit prices**

The value of interests in the Fund are divided into units of equal value. The unit price will vary as the market value of assets in the Fund rise or fall. Each time a payment is made into the Fund, units are issued at the issue price. Similarly, when payments are made from the Fund, units are redeemed at the withdrawal price.

The unit price is calculated on a daily basis by the Responsible Entity although we may calculate prices more frequently when we consider it to be appropriate.

See Units and unit pricing in the Other things you should know section of the Booklet.

Interests of indirect investors

Indirect investors do not become unit holders nor do they acquire the rights of a direct investor. The Service Provider acquires those rights and can exercise, or decline to exercise them, on behalf of indirect investors. The Service Provider through whom you have accessed the Fund holds units in the Fund on your behalf.

Indirect investors do not receive income distributions or reports directly from us, nor will they be able to participate in investor meetings or winding up of the Fund. It is important to note that the Service Provider may have requirements dealing with:

- Minimum initial or additional investments.
- Minimum balances.
- Minimum withdrawals.
- Switching between the Mercer Multi-Manager Funds made available to you through the Service.

These requirements will be set out in the PDS and/or any other offer documents applicable to your Service.
How to invest

After reading this PDS (including the Booklet), to invest in the Fund you need to send us:

- Your completed and signed Application Form.
- Any required and correctly endorsed identification documents.
- Your payment, via cheque or electronic transfer.

For further details, see How to apply on page 8.

Making additional investments

Direct investors can make additional investments in the Fund by sending us a cheque or making an electronic transfer together with a completed Additional Investment Form, which is available at www.mercer.com.au/mmf.

Withdrawing your money

Direct investors need to complete and send us an authorised Withdrawal Request Form (available at www.mercer.com.au/mmf). Generally withdrawals will be credited to your bank account within 10 business days. However, we may suspend the withdrawal of units from the Fund in certain circumstances, which means it may take longer than 10 business days. Refer to Units and unit pricing in the Other things you should know section of the Booklet for more information.

Investing in another Mercer Multi-Manager Fund

A request to withdraw from one Mercer Multi-Manager Fund to invest in another Mercer Multi-Manager Fund is available via a withdrawal and subsequent application. Any transfer of investments between Mercer Multi-Manager Funds will be made in accordance with the terms of the then current PDS for the fund(s) that you are investing into, which you should obtain and read. The current PDS(s), Withdrawal form and Application form are available by calling us on 1300 728 928 or visiting www.mercer.com.au/mmf.

Distributions

The distribution period for the Fund is the period ending the last day of December and June each year. We will determine the income after tax (which may be positive or negative) of the Fund for each distribution period. Distributions may include income such as interest, dividends and realised capital gains.

You may elect to have distributions deposited directly to a nominated bank account, or they will be reinvested as additional units in the Fund (this is the default).

See Distributions in the Other things you should know section of the Booklet for further information.

3. Benefits of investing in the Mercer High Growth Fund

Our multi-manager approach involves selecting optimal combinations of investment managers to achieve exposure to a range of investment management styles. We aim to maximise the ‘value add’ potential of the Fund to produce consistent performance throughout market cycles. See Investment objectives and strategy in the Booklet for further details.

The Fund brings together Mercer’s investment beliefs, best ideas and global research to provide investors with access to:

- Diversification – The Fund has a diversified, multi-manager investment approach with approximately 85% in growth assets and 15% in defensive assets. The Fund is highly diversified, and can be combined with other Mercer Multi-Manager Funds, or other investments, to create a tailored portfolio. Diversification can smooth out market volatility and may help protect investments from loss.
- Active management – Through utilisation of Mercer’s in-depth local and global research, we select high quality investment managers to invest assets in each

Reporting

Direct investors will receive the following reports.

<table>
<thead>
<tr>
<th>Annual</th>
<th>Quarterly</th>
<th>Monthly</th>
</tr>
</thead>
<tbody>
<tr>
<td>- An annual financial report, director’s report and auditor’s report will be sent to you after the end of each financial year.</td>
<td>- A quarterly investment report.</td>
<td>- A monthly statement confirming the value of investments.</td>
</tr>
<tr>
<td>- An annual tax statement.</td>
<td></td>
<td>- A monthly investment report.</td>
</tr>
<tr>
<td>- A periodic statement, which is a financial year transaction statement that also contains a summary of fees and costs paid.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

You should read the Other things you should know section of the Booklet (available at www.mercer.com.au/mmf) for further information regarding the operation of the Fund before making a decision. The material relating to how the Fund operates may change between the time when you read this PDS and when you acquire the product.
asset class or sector. More than one manager may be appointed in an asset class to provide diversification. The underlying investment manager panels may be configured to achieve exposure to a range of investment management styles, with the overall objective of producing consistent performance throughout market cycles.

- **Dynamic asset allocation** – We regularly review the Fund’s asset allocation to look for opportunities that offer lower risk and/or higher return potential, considering valuations, macroeconomic developments and market sentiment. Any changes are made within the minimum and maximum ranges for each asset class, as shown in Section 5 – How we invest your money on page 5 of this PDS. Assets within the Fund that have an exposure to foreign currencies may be fully or partially hedged, or unhedged. We may actively manage the hedged and unhedged currency exposure of the Fund.

- **Operational efficiency** – We aim to ensure you get the most value out of your investment by minimising unnecessary costs and avoiding unrewarded risks.

- **Sustainability** – We build sustainability principles into the Fund to help protect and enhance the value of your investment. Environmental, social and governance (ESG) considerations, principles of sustainable investment and good corporate governance are incorporated throughout our investment decision making and ownership practices. See the Sustainable investing and ESG considerations section of the Booklet for more information regarding the Mercer Funds Sustainable Investment Policy and Mercer Funds Corporate Governance Policy, which we have regard to in building sustainability principles into the Fund.

For more information on our investment beliefs see: www.mercer.com.au/services/investments/investment-beliefs.html.

You should read the How we invest section of the Booklet for further information before making a decision. The material relating to how we invest may change between the time when you read this PDS and when you acquire the product.

4. Risks of managed investment schemes

All investments carry risk. Generally, investment risk is the likelihood that an investment outcome is different to what was expected. When considering the risks associated with the Fund, it is important to understand:

- Investments in the Fund could rise or fall in value, or produce a return that is less than anticipated. Rises and falls in value occur for a variety of reasons, sometimes quickly. Assets with higher expected long term returns, such as shares and property, generally carry a higher level of short term risk and volatility.

  - The value of investments and level of returns will vary over time. **You should not rely on past performance as an indicator of future performance or treat the investment objective as a forecast or guarantee of future returns.**

  - Different strategies may carry different levels of risk, depending on the assets that make up the strategy.

  - Your investment in the Fund is not guaranteed and, as such, you may get back less money than you invest.

  - The laws affecting investment in the Fund are complex and may change in the future.

  - The risk appetite for each investor is likely to vary depending on factors such as their age, investment timeframe, tolerance to risk, and the other assets and investments they hold. **We strongly recommend you speak to a licensed or appropriately authorised financial professional before making an investment decision.**

  - The likelihood of a certain type of investment risk applying to the Fund can change over time. However, investors will be kept informed of any significant changes to the Fund.

**Significant risks for the Mercer High Growth Fund**

The significant risks that may impact the Fund include:

- **Market risk** – The risk of major movements within a particular financial market or asset class. Investment returns are influenced by the performance of the markets the Fund has exposure to. The risk that a major financial market crash will cause a decline in the market as a whole is an example of market risk.

- **Timing risk** – This risk relates to the volatility of asset prices and includes the risk that: at the date of investment, money is invested at higher market prices than those available soon thereafter; and at the date of withdrawal, investments are redeemed at lower market prices than those that were recently available or that may have been available soon thereafter.

- **Currency risk** – The risk that overseas investments gain or lose value as a result of a falling or rising Australian dollar. The Fund invests in assets that are denominated in foreign currencies and are unhedged, which means you are exposed to currency movements. Currency markets can be extremely volatile and affected by a broad range of factors.

You should read the Key risks section of the Booklet (available at www.mercer.com.au/mmf) for further information about other possible risks associated with an investment in the Fund and before making a decision. The material relating to risks may change between the time when you read this PDS and when you acquire the product.
5. How we invest your money

WARNING:
You should consider the likely investment return, risk and investment timeframe when making an investment decision.

<table>
<thead>
<tr>
<th>Mercer High Growth Fund</th>
<th>ARSN: 111 236 812</th>
</tr>
</thead>
</table>

**Investment strategy**
The Fund invests in a mix of investments using a multi-manager investment approach.

**Suitability**
This Fund may be suitable for you if you:
- Want to invest in a diverse mix of investments, with a strong orientation to growth assets.
- Plan to invest for six years or more.
- Are comfortable with the risks described in Section 4 of this PDS.

**Benchmark**
Consumer Price Index (CPI)

**Objectives**
- To achieve a return (after investment management fees) that exceeds CPI increases by at least 4% per annum over rolling six year periods.
- To achieve a return over the medium to longer term that is competitive with comparable funds that have similar risk characteristics.

**Minimum suggested investment timeframe**
At least six years

**Commencement date**
30 November 2004

**Environmental, social and governance criteria**
Environmental, social (including labour standards) and governance (ESG) considerations, principles of sustainable investment and good corporate governance are incorporated throughout the Fund’s investment decision making and ownership practices.

See the Sustainable investing and ESG considerations section of the Booklet for more information.

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We may change the investment managers and/or underlying investment funds from time to time.

You should read the How we invest section of the Booklet before making an investment decision. The Booklet is available at www.mercer.com.au/mmf. The material relating to how we invest may change between the time you read this PDS and the day when you acquire this product.

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**Asset allocation**

<table>
<thead>
<tr>
<th>Asset classes</th>
<th>Neutral %</th>
<th>Min %</th>
<th>Max %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian shares</td>
<td>29.5</td>
<td>10.0</td>
<td>45.0</td>
</tr>
<tr>
<td>International shares</td>
<td>33.5</td>
<td>10.0</td>
<td>45.0</td>
</tr>
<tr>
<td>Property and infrastructure</td>
<td>18.0</td>
<td>0.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Alternative assets</td>
<td>9.5</td>
<td>0.0</td>
<td>15.0</td>
</tr>
<tr>
<td>Growth fixed interest</td>
<td>1.5</td>
<td>0.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Fixed interest</td>
<td>8.0</td>
<td>0.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Cash</td>
<td>0.0</td>
<td>0.0</td>
<td>15.0</td>
</tr>
</tbody>
</table>

**Risk label**

*See Standard risk measure and risk label in the Booklet for an explanation of the risk label.*
6. Fees and costs

DID YOU KNOW?
Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from $100,000 to $80,000).

You should consider whether features such as superior investment performance or the provision of better investor services justify higher fees and costs.

You may be able to negotiate to pay lower contribution fees and management costs where applicable. Ask the fund or your financial advisor.

TO FIND OUT MORE
If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a managed investment fee calculator to help you check out different fee options.

The table below shows fees and other costs that you may be charged. These fees and costs may be deducted from your investment, from the returns on your investment or from the Fund’s assets as a whole. You can use this table to compare this product against other managed investment products.

You should read all the information about fees and costs because it is important to understand their impact on your investment. Tax information is set out in the Taxation section of the Booklet.

Fees and costs

<table>
<thead>
<tr>
<th>Type of fee or cost</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fees when your money moves in or out of the Fund</td>
<td></td>
</tr>
<tr>
<td>Establishment fee</td>
<td>Nil</td>
</tr>
<tr>
<td>Contribution fee</td>
<td>Nil</td>
</tr>
<tr>
<td>Withdrawal fee</td>
<td>Nil</td>
</tr>
<tr>
<td>Exit/Termination fee</td>
<td>Nil</td>
</tr>
<tr>
<td>Management costs</td>
<td>Estimated 1.16% per annum of your account balance. This amount comprises the:</td>
</tr>
<tr>
<td></td>
<td>• Investment management fee of 1.00% per annum of your total investment in the Fund ¹.</td>
</tr>
<tr>
<td></td>
<td>• Estimated performance fee of 0.05% per annum of your total investment in the Fund ².</td>
</tr>
<tr>
<td></td>
<td>• Estimated expense allowance of 0.11% per annum of your total investment in the Fund ³.</td>
</tr>
<tr>
<td>Service fees</td>
<td></td>
</tr>
<tr>
<td>Switching fee</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

1. The investment management fee is payable to the Responsible Entity. See Investment management fee in the Booklet for more information.
2. The estimated performance fee is based on the actual performance fee paid for the 12 months to 31 March 2015.
3. The estimated expense allowance is based on our estimate for the 12 months to 30 June 2015. As at the date of this PDS, we estimate that the expense allowance may increase to 0.15% per annum for the 12 months to 30 June 2016. However, this is an estimate only and the actual expense allowance paid is subject to the Fund’s actual costs incurred as a portion of the total Fund assets, as explained under Expense allowance in the Booklet.

There is a risk that these fees or charges may increase from time to time, which may affect the value of your investment. Where required by law you will be provided with prior written notice of any such increases. See Material changes or significant events in the Other things you should know section of the Booklet.

WARNING: Additional fees may be paid to a financial advisor if a financial advisor is consulted. Please refer to the Statement of Advice from your advisor, in which details of the fees are set out.

Indirect investors should refer to the offer document(s) for their Service for details of fees they will pay for investing in the Fund via their Service.
Example of annual fees and costs

The table below gives an example of how the fees and costs of the Mercer High Growth Fund can affect your investment over a one year period.

<table>
<thead>
<tr>
<th>EXAMPLE</th>
<th>Balance of $100,000 with a contribution of $5,000 during the year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution fees</td>
<td>Nil</td>
</tr>
</tbody>
</table>

For every $5,000 you put in, you will be charged $0.

PLUS

| Management costs | 1.16% |

And, for every $100,000 you have in the Fund you will be charged $1,160 each year.

EQUALS

| Cost of Fund |

If you had an investment of $100,000 at the beginning of the year and you put in an additional $5,000 during that year, you would be charged fees of $1,189*.

* This fee may be negotiated in certain circumstances.

1. Includes the investment management fee, estimated expense allowance and estimated performance fee (if applicable).

2. It has been assumed that the additional $5,000 is invested for six months after the start of the year in the example.

Transaction costs

Buy/sell spreads

The buy/sell spread is designed to ensure, to the extent possible, that any transaction costs incurred as a result of an investor applying to or withdrawing from the Fund are borne by that investor and not other existing investors.

A buy spread is applied at the time of making an application in the Fund and a sell spread is applied at the time of withdrawal.

<table>
<thead>
<tr>
<th>Fee type</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated buy spread (%)</td>
<td>0.21</td>
</tr>
<tr>
<td>Estimated sell spread (%)</td>
<td>0.20</td>
</tr>
</tbody>
</table>

The estimated buy/sell spread for the Fund is 0.21% upon entry ($210 for each investment of $100,000) and 0.20% upon exit ($200 for each withdrawal of $100,000).

The buy/sell spread may vary from time to time and we may waive or reduce the buy/sell spread at our discretion. No part of the buy/sell spread is paid to the Responsible Entity or an investment manager. The buy/sell spread is not subject to GST.

Other transaction and operational costs

Refer to the Transaction and operational costs section of the Booklet for information regarding other costs that may apply.

Fee increases

The Responsible Entity has the right to increase fees to the maximums set out under Maximum fees in the Booklet at any time without the prior approval of direct investors. Reasons might include changes in economic conditions or government regulations. Direct investors will be provided with at least 30 days’ prior written notice of any such increase.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act (FATCA) is a set of U.S. regulations intended to prevent tax evasion through the use of offshore accounts by U.S. citizens. The Fund falls within the definition of a Foreign Financial Institution and is therefore required to comply with FATCA. See the Other things you should know section of the Booklet for more information.

Tax advice

As investor circumstances differ, taxation laws can affect investors in different ways. We recommend that you seek your own professional advice on taxation matters.

Other transaction and operational costs

Refer to the Transaction and operational costs section of the Booklet for information regarding other costs that may apply.

Fee increases

The Responsible Entity has the right to increase fees to the maximums set out under Maximum fees in the Booklet at any time without the prior approval of direct investors. Reasons might include changes in economic conditions or government regulations. Direct investors will be provided with at least 30 days’ prior written notice of any such increase.

You should read the Fees and costs section of the Booklet for further information before making a decision. The material relating to fees may change between the time when you read this PDS and when you acquire the product.
8. How to apply

**Indirect investors** (investing via a Service): You will need to direct your Service Provider to buy units in the Fund on your behalf, by completing the forms or documents your Service Provider requires. There may be a delay between the time you provide your direction and payment to the Service Provider and when it invests in the Fund. The Responsible Entity may, in its absolute discretion, accept or reject all or part of an application for units made on your behalf by your Service Provider.

**Direct investors**: You need to read the current PDS including the Booklet and complete the relevant sections of the Application Form. The Application Form needs to be sent to us. You can invest by cheque or electronic transfer. The Responsible Entity may, in its absolute discretion, accept or reject all or part of an application for units.

See the **How to invest** section of the Booklet for more information.

**Cooling off period**

**Indirect investors**: You should refer to the offer documents for your Service for details of any cooling off rights you may have in respect of your investment.

**Direct investors**: If you invest in the Fund and decide that the investment is not suitable, you may request in writing to cancel your investment during the 14 day cooling off period. For further details on cooling off rights, see **Cooling off** in the **Other things you should know** section of the Booklet.

**If you have a complaint**

**Indirect investors**: Please contact your Service Provider if you have a complaint about your investment.

**Direct investors**: We have a process in place for dealing with complaints. If you have a complaint you can call 1300 728 928 or write to: Mercer Investments (Australia) Limited, GPO Box 9946, Melbourne, VIC 3001.

We will acknowledge complaints within 14 days and will communicate our decision to you within 45 days. We seek to resolve any complaints to the satisfaction of all concerned and in the best interests of all the investors of the Fund. However, if you are not satisfied with the outcome you may be able to take your complaint to the Financial Ombudsman Service ("FOS"). The FOS is an external dispute resolution service that covers certain complaints by investors in registered managed investment schemes. Contact details for the FOS are contained in the Booklet.

9. Other things you should know

**Your privacy**

We have a Privacy Policy that describes the way we handle investors’ personal information. The Privacy Policy is available to view at [www.mercer.com.au](http://www.mercer.com.au). If you would like us to send you a copy, please call 1300 728 928.

By investing in the Fund directly, you consent to the manner in which we collect, disclose and hold your personal information. Please refer to the Booklet and Privacy Policy for more details on how we handle your personal information.

We will not receive or hold any personal information about Indirect Investors who are investing through a Service.

**Investment performance information**

You can obtain updated performance information for the Fund by calling 1300 728 928 or via our website at [www.mercer.com.au/mmf](http://www.mercer.com.au/mmf). We can send you a copy of updated performance information, free of charge, on request.

**Direct investors** will receive investment performance information in the monthly and quarterly investment reports.

**Indirect investors** should refer to the offer documents for their Service.

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You should also read the **How to invest** section of the Booklet for further information before making a decision. The Booklet is available at [www.mercer.com.au/mmf](http://www.mercer.com.au/mmf). The material relating to how to invest may change between the time when you read this PDS and when you acquire the product.

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