

**Virgin Money Super**

# 2023 **Supplementary Annual Report**

**Part Three**

Prepared 18 December 2023

# Important information

Virgin Money Super (your plan) is a plan in the Retail Division of the Mercer Super Trust. Your Mercer Super Trust 2023 Annual Report consists of three parts:

## Part one

### **Your Mercer Super Trust 2023 Annual Report**

Contains a general update on the Mercer Super Trust and tells you about the changes that have been made to the Mercer Super Trust during the year to 30 June 2023. These changes may have an impact on your super now and in the future so it's important that you carefully read the section entitled 'Changes to the Mercer Super Trust' in Part one of the Annual Report to see how this applies to you. You can access this report using the following link [here](#).

## Part two

### **The Investment Options Details booklet**

Contains information relating to the investment options available in the Corporate Superannuation Division and Allocated Pension Division. This includes investment performance, asset allocation, investment costs and transaction costs for these investment options for the year ended 30 June 2023.

## Part three

### **This 2023 Supplementary Annual Report**

Contains additional information specific to Virgin Money Super, including information on the available investment options, investment returns and performance, and investment costs and transaction costs for the year ended 30 June 2023. All parts should be read in conjunction and kept together for future reference. A reference to this Annual Report means Parts one, two and three collectively unless the context requires otherwise.



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# Welcome

## A Message From The Virgin Money Team

### The high notes

As the financial year drew to a positive close in June 2023, so too did the Virgin Group. Sir Richard Branson continues to change business for good in his latest partnership with U.K. based nonprofit Made By Dyslexia. Together they launched into the world of A.I. with a campaign called DyslexAI, encouraging businesses to invest in workplace training for employees with dyslexia. Virgin Voyages launched its third ship Resilient Lady, sailing on her MerMadien voyage from Greece. She'll be the first of the fleet to make its way to Australian shores, arriving in Port Melbourne, Victoria, setting sail through Australia and New Zealand from early December 2023 to March 2024.

More locally, Virgin Money Super reached two significant milestones, reaching over 56,000 customers and \$1 billion in assets under management in July 2023. We're also proud for our value to be acknowledged by *Money magazine*, being awarded 'Best Value Insurance in Super 2023.' It lines up an exciting 2024 with continued support for customers to make the most of their Virgin Money Super account. From access to expert guidance, and more recently the launch of emotional support for aging care and living advice via our Trustees service 'Care and Living with Mercer', which is complimentary to customers and their families.

### APRA Performing



Virgin Money Super is pleased to confirm we passed the 2023 APRA annual performance test. This helps to give you confidence we're working hard to deliver strong performance with continued low fees. The performance test was extended this year for the first time incorporating the Virgin Money diversified Choice investment options and again, Virgin Money Super is pleased to confirm all options that were assessed passed.



Virgin Money Super has also consistently outperformed the retail super fund median over the last one, three and five years<sup>1</sup>. In fact, our LifeStage Tracker® options delivered outstanding industry-leading returns ranging from 12.71% to 13.14% throughout the financial year, surpassing many of our largest competitors<sup>1</sup>.

### Market Snapshot

Strong returns have been delivered to Virgin Money Super customers in financial year 2023, after a challenging 12 months prior. Despite the world's central banks' continuing to battle with high inflation, share markets have rallied, encouraged by declining inflation numbers and resiliency in the economy to date. Even through rising interest rates, the combination of declining headline inflation numbers and enthusiasm over A.I. has driven high returns in international shares, leading to Virgin Money Super's strong investment performance.

It's important to remember that older cohorts are deliberately de-risked as they near retirement, and slightly lower returns this past financial year are as expected given their lower exposure to riskier growth investment assets.

While the returns this year are excellent news for Virgin Money Super customers, when looking at your super it's always important to look at more than the latest 1-year returns. This is because super is a long-term investment that can have its ups and downs over a shorter term. Virgin Money Super was designed with this in mind, to weather the ups and downs of any market volatility and aim to deliver consistent returns over the long term.

1. Virgin Money Super Asset consultants analysis of LifeStage Tracker, compared to the medians of all default funds reported in SuperRatings Fund Crediting Rate Survey – Default Options as at 30 June 2023 as captured in the SuperRatings revised data file issued 21 July 2023. With the exception of LifeStage Tracker customers born 2004 – 2008, all cohorts with customers aged under 55 years returned at least 12.7% for the 2022/23 financial year (and invested for the full 2022/23 financial year). Virgin Money Super's fund returns shown above are net earnings and are calculated after the deduction of applicable taxes and investment fees and costs. The results are current as at 30 June 2023. It is very important to note that past performance is not indicative of future performance. The value of an investment in the Mercer Super Trust may rise and fall from time to time. The investment performance, earnings or return of capital invested are not guaranteed.

## Looking Ahead: A Message From The Trustee

We continue to care for your super and are thrilled with the incredible growth of new customers in the fund this past year. We thank you for the privilege of safeguarding your future and being a customer of Virgin Money Super.

## Have You Checked In On Your Super Lately?

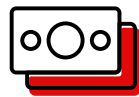
We encourage you to continue reviewing your super and insurance needs. Our Customer Care Team are here to help answer your questions, helping to ensure you're making the right decisions for your future. Did you know you can also make an appointment with our Simple Super Advice team, at no additional cost to you? Call 1300 652 770 (8am to 6pm AEST - Mon to Fri apart from public holidays) and check in today.

## Virgin Money Super Key Metrics



# 56.5k

**Membership numbers  
as at 30 June 2023**



# \$989.1m

**Fund assets as at  
30 June 2023<sup>2</sup>**

2. This figure is prepared on a cash basis. This means that it does not allow for any accruals such as outstanding contributions or benefits due as at 30 June 2023.

## Policy Committee

Under superannuation law, the trustee is required to take all reasonable steps to establish a Policy Committee if your employer's plan has a group of 50 members or more.

A Policy Committee serves as an avenue for you to ask the Trustee for specific information about the investment strategy and performance of the fund as well as assist in dealing with complaints about the operation or management of your employer's plan.

Additionally, if your employer's plan has between five and 49 members, your employer is only required to establish a policy committee if at least five members make a written request to the trustee to do so.

As at 30 June 2023, the Trustee was in the process of determining whether a Policy Committee was required for your plan and as such there was no Policy Committee in place for your employer's plan as at this date.

## Consolidating Your Super Has Never Been So Easy

We can help bring all your accounts together over the phone with no paperwork, no hassle. Call our Customer Care Team on **1300 652 770** or, you can log in online at [virginmoney.com.au/superannuation](https://virginmoney.com.au/superannuation)

Importantly, you should also consider the impact that leaving a fund may have on any insurance cover you have, including the amount and cost of cover.\*

\* Combining your super can be a significant financial decision. If you decide to combine all or part of your other super account(s), carefully consider how this may have an impact on your existing insurance, contribution and tax arrangements, fees or charges, or any other benefits you may lose. If you intend to claim a tax deduction on your personal contributions, you will need to provide your existing fund with a notice of intent to claim before combining your super. We recommend you seek financial advice before deciding whether to combine your super accounts.

# Investment information

## Investment Objectives and Strategy

Each investment option has a specific performance objective and investment strategy. Our approach for each option's investment strategy is to select a mix of investments that support the option's objective. We may change the investment objective and strategy for each investment option to ensure there is a reasonable probability the option will meet its investment objective. The actual asset allocation may fall outside the stated ranges for an option during certain times such as extreme market conditions or asset transitions.

We monitor the performance of investment options against their objectives and perform an annual investment health check to help us assess whether we need to make any changes. We will provide information about any significant changes to the features of our investment options.

## Investing Virgin Money Super's Assets

We invest Virgin Money Super's assets in:

- funds managed by Mercer Investments (Australia) Limited (MIAL) and Advance Asset Management Limited (AAML), including but not limited to Mercer Funds (MFs), Mercer Investment Funds (MIFs) or AAML Funds.

The assets may be invested in:

- funds or investment vehicles managed by other Mercer related entities.
- other funds managed by professional investment managers, and
- a range of investments such as securities, derivatives and cash, managed via mandates held with professional investment managers.

MIAL is the responsible entity of the MFs & MIFs. AAML is the responsible entity of the AAML Funds. The responsible entities appoint professional investment managers to manage the assets either directly or via external investment vehicles. The investments for Virgin Money Super are generally held by an external custodian.

## Use of Derivatives

Derivatives, such as futures or options, are investment products where the value is derived from one or more underlying assets. The value of a share option, for example, is linked to the value of the underlying share. Derivatives may be used to assist in the efficient management of the portfolios (e.g. to quickly and effectively adjust asset class exposures and for rebalancing purposes) and to manage risk (e.g. for currency hedging). Losses from derivatives can occur (e.g. due to market movements). Derivatives risk is managed in adherence to the Derivatives Policy for the MIAL and AAML Funds.

## The Derivatives Charge Ratio

The derivatives charge ratio is the percentage of the total market value of the assets of the Mercer Super Trust (other than cash) that the trustee has charged as security for derivatives investments made by the trustee. Based on information provided by the custodian and investment managers, the trustee is unaware of any period in the year when the derivatives charge ratio exceeded 5.00%.

## Your Investment Options in Detail

You can choose from a range of investment options in Virgin Money Super, which have different investment styles and asset classes. The mix of investment options available is specific to Virgin Money Super, and whether you prefer to leave the hard work to us or if you prefer to have some control over your investments, we have you covered.

The LifeStage Tracker® investment option is suitable for people who want their investment mix to automatically change as they age. When you are younger your super is invested in growth asset classes to maximise your returns and as you get closer to retirement, your super will gradually be moved to more defensive assets to better protect your super balance. You can also create your own investment mix by choosing a combination from our range of Choice investment options giving you the opportunity to get more involved with how your funds are invested. Refer to the [Virgin Money Super Product Disclosure Statement](#) for further details or call our Customer Care Team on **1300 652 770**.

# Virgin Money Super LifeStage Tracker<sup>®</sup>

## Born Prior to 1949

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 0.50% per annum over rolling seven year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	18.36%	18.58%
International Shares	25.10%	23.89%
Real Assets	4.83%	5.03%
Alternative Assets	0%	0%
Growth Fixed Interest	6.61%	5.95%
Defensive Fixed Interest & Cash	45.10%	46.55%

## Born 1959 - 1963

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.00% per annum over rolling seven year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	25.97%	27.36%
International Shares	32.56%	33.64%
Real Assets	4.91%	5.05%
Alternative Assets	0%	0%
Growth Fixed Interest	5.87%	5.48%
Defensive Fixed Interest & Cash	30.69%	28.47%

## Born 1949 - 1953

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 0.50% per annum over rolling seven year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	18.45%	18.86%
International Shares	23.49%	23.77%
Real Assets	5.12%	5.22%
Alternative Assets	0%	0%
Growth Fixed Interest	6.84%	5.76%
Defensive Fixed Interest & Cash	46.10%	46.39%

## Born 1964 - 1968

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.50% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	31.80%	32.69%
International Shares	40.04%	40.55%
Real Assets	4.95%	4.99%
Alternative Assets	0%	0%
Growth Fixed Interest	5.73%	5.43%
Defensive Fixed Interest & Cash	17.48%	16.34%

## Born 1954 - 1958

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 1.00% per annum over rolling seven year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	20.08%	20.86%
International Shares	24.97%	26.16%
Real Assets	5.01%	5.01%
Alternative Assets	0%	0%
Growth Fixed Interest	6.77%	5.88%
Defensive Fixed Interest & Cash	43.17%	42.09%

## Born 1969 - 1973

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.00% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	36.53%	36.70%
International Shares	46.38%	45.01%
Real Assets	4.85%	4.97%
Alternative Assets	0%	0%
Growth Fixed Interest	5.54%	5.47%
Defensive Fixed Interest & Cash	6.70%	7.85%

# Virgin Money Super LifeStage Tracker®

Continued

## Born 1974 - 1978

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.00% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	36.54%	36.61%
International Shares	45.85%	44.70%
Real Assets	5.05%	4.99%
Alternative Assets	0%	0%
Growth Fixed Interest	5.54%	5.48%
Defensive Fixed Interest & Cash	7.02%	8.22%

## Born 1979 - 1983

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.00% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	36.38%	36.59%
International Shares	46.16%	45.15%
Real Assets	4.79%	4.98%
Alternative Assets	0%	0%
Growth Fixed Interest	5.47%	5.48%
Defensive Fixed Interest & Cash	7.20%	7.80%

## Born 1984 - 1988

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.00% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	36.76%	36.18%
International Shares	46.48%	45.12%
Real Assets	4.92%	4.99%
Alternative Assets	0%	0%
Growth Fixed Interest	4.57%	5.43%
Defensive Fixed Interest & Cash	7.27%	8.28%

## Born 1989 - 1993

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.00% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	37.40%	37.08%
International Shares	45.89%	44.82%
Real Assets	5.11%	4.97%
Alternative Assets	0%	0%
Growth Fixed Interest	4.06%	5.39%
Defensive Fixed Interest & Cash	7.54%	7.74%

## Born 1994 - 1998

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.00% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	37.83%	36.63%
International Shares	45.90%	44.62%
Real Assets	5.19%	5.02%
Alternative Assets	0%	0%
Growth Fixed Interest	3.64%	5.31%
Defensive Fixed Interest & Cash	7.44%	8.42%

## Born 1999 - 2003

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.00% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	37.47%	37.04%
International Shares	46.63%	44.70%
Real Assets	5.28%	4.92%
Alternative Assets	0%	0%
Growth Fixed Interest	3.08%	5.19%
Defensive Fixed Interest & Cash	7.54%	8.15%

# Virgin Money Super LifeStage Tracker®

Continued

## Born 2004 - 2008

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.00% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	38.99%	35.58%
International Shares	46.39%	44.23%
Real Assets	5.30%	4.71%
Alternative Assets	0%	0%
Growth Fixed Interest	1.84%	4.64%
Defensive Fixed Interest & Cash	7.48%	10.84%

## Born 2009 - 2013

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 3.00% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	36.61%	37.65%
International Shares	46.48%	44.95%
Real Assets	5.21%	4.97%
Alternative Assets	0%	0%
Growth Fixed Interest	4.13%	5.40%
Defensive Fixed Interest & Cash	7.57%	7.03%

## Born 2014 - 2018

### Investment objective

To achieve return (after tax and investment fees) that exceeds CPI increases by at least 3.00% per annum over rolling ten year periods.

### Asset allocation at 30 June

Asset Class	2023	2022
Australian Shares	36.75%	36.52%
International Shares	46.58%	45.15%
Real Assets	4.95%	5.02%
Alternative Assets	0%	0%
Growth Fixed Interest	4.65%	5.36%
Defensive Fixed Interest & Cash	7.07%	7.95%



# Virgin Money Super Choice investment options

## Cash

### Investment objective

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

### Asset allocation at 30 June.

Asset Class	2023	2022
Australian Shares	0%	0%
International Shares	0%	0%
Real Assets	0%	0%
Alternative Assets	0%	0%
Growth Fixed Interest	0%	0%
Defensive Fixed Interest & Cash	100%	100%

## Indexed Diversified Shares

### Investment objective

To meet the benchmark return over the medium to long term.

\* Currently the benchmark for this option is a composite of the S&P/ ASX 300 Accumulation Index, MSCI World ex Australia (with net dividends reinvested) in Australian dollars Index and the MSCI World ex Australia (with net dividends reinvested) hedged into AUD Index.

### Asset allocation at 30 June.

Asset Class	2023	2022
Australian Shares	49.03%	49.51%
International Shares	50.54%	50.18%
Real Assets	0%	0%
Alternative Assets	0%	0%
Growth Fixed Interest	0%	0%
Defensive Fixed Interest & Cash	0.43%	0.31%

## Indexed Australian Shares

### Investment objective

To meet the benchmark return over the medium to long term

\* Currently the benchmark for this option is the S&P/ASX 300 Accumulation Index.

### Asset allocation at 30 June.

Asset Class	2023	2022
Australian Shares	99.77%	99.62%
International Shares	0%	0%
Real Assets	0%	0%
Alternative Assets	0%	0%
Growth Fixed Interest	0%	0%
Defensive Fixed Interest & Cash	0.23%	0.38%

## Indexed Overseas Shares

### Investment objective

To meet the benchmark return over the medium to long term.

\* Currently the benchmark for this option is the MSCI World ex Australia (with net dividends reinvested) in Australian dollars Index.

### Asset allocation at 30 June.

Asset Class	2023	2022
Australian Shares	0%	0%
International Shares	99.68%	99.63%
Real Assets	0%	0%
Alternative Assets	0%	0%
Growth Fixed Interest	0%	0%
Defensive Fixed Interest & Cash	0.32%	0.37%

## Indexed Australian Listed Property

### Investment objective

To meet the benchmark return over the medium to long term.

\* Currently the benchmark for this option is the S&P/ASX 200 Property Trust Accumulation Index.

### Asset allocation at 30 June.

Asset Class	2023	2022
Australian Shares	0%	0%
International Shares	0%	0%
Real Assets	99.74%	99.66%
Alternative Assets	0%	0%
Growth Fixed Interest	0%	0%
Defensive Fixed Interest & Cash	0.26%	0.34%

## Enhanced Indexed Growth

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 2.00% per annum over rolling seven year periods.

### Asset allocation at 30 June.

Asset Class	2023	2022
Australian Shares	29.99%	30.59%
International Shares	37.33%	36.75%
Real Assets	4.93%	5.00%
Alternative Assets	0%	0%
Growth Fixed Interest	6.13%	5.94%
Defensive Fixed Interest & Cash	21.62%	21.72%

# Virgin Money Super Choice investment options

Continued

## Enhanced Indexed Conservative Growth

### Investment objective

To achieve a return (after tax and investment fees) that exceeds CPI increases by at least 0.50% per annum over rolling five year periods.

### Asset allocation at 30 June.

Asset Class	2023	2022
Australian Shares	14.13%	14.33%
International Shares	16.23%	16.80%
Real Assets	1.98%	2.18%
Alternative Assets	0%	0%
Growth Fixed Interest	6.16%	6.34%
Defensive Fixed Interest & Cash	61.50%	60.35%

# Investment returns

## How Investment Returns are Calculated

Single year and compound returns are calculated assuming that \$1.00 is invested at the start of the relevant period and that no further amounts are invested over the period. Returns are based on exit prices and allow for the deduction of tax and investment fees including indirect costs (but not administration fees). Compound returns are calculated as the average of annual returns.

## How We Calculate Investment Earnings

Super contributions and rollovers made to Virgin Money Super purchase units in each investment option/s selected by the member. Unit prices are generally calculated daily (except weekends and Melbourne public holidays) and fluctuate according to the investment performance of the individual investment options.

The number of units that your investment can purchase depends on the unit price at the relevant time. For example, if you contributed \$1,000 and the unit price was \$2.00 at that time, then 500 units would be purchased.

Units are also redeemed when the fund needs to make super payouts or pay fees, taxes and other expenses.

The value of your payout at any time is the number of units you have, multiplied by their exit price at that time. Your latest member statement shows you how many units you have, the exit price and their value.

## Allocation of Investment Earnings

The net investment earnings of Virgin Money Super investment options are allocated to members through changes in the unit price of the investment options.



You should carefully consider the risks of each of the options before making any investment decisions. You should be aware that investment returns can be volatile and the value of your investments may increase or decrease. You should not rely on past performance as an indicator of the future performance of any of the investment options. The value of an investment in the Mercer Super Trust may rise and fall from time to time. The investment performance, earnings or return of capital invested are not guaranteed.

You can obtain up to date returns for your plan's investment options at [virginmoney.com.au/super](https://virginmoney.com.au/super) or by calling our Customer Care Team on 1300 652 770.

We recommend that you speak to a licensed, or appropriately authorised, financial adviser before making any decision about your super.

# Investment performance

Investment Option	1 year return to 30 June 2023 %	3 year return per annum %	5 year return per annum %
<b>LifeStage Tracker®</b>			
Born prior to 1949	6.95	3.74	4.17
Born 1949 - 1953	6.92	3.84	4.25
Born 1954 - 1958	7.46	4.75	4.76
Born 1959 - 1963	9.49	6.21	5.61
Born 1964 - 1968	11.54	7.68	6.46
Born 1969 - 1973	13.07	8.71	6.98
Born 1974 - 1978	13.01	8.82	7.05
Born 1979 - 1983	12.98	8.76	7.05
Born 1984 - 1988	13.13	8.87	7.09
Born 1989 - 1993	13.09	8.80	7.08
Born 1994 - 1998	12.89	8.74	7.00
Born 1999 - 2003	12.71	8.54	6.92
Born 2004 - 2008	12.47	8.43	7.02
Born 2009 - 2013	13.14	8.84	7.17
Born 2014 - 2018	12.74	8.63	6.99
<b>Choice Investment Options</b>			
Cash	2.57	0.91	1.17
Indexed Diversified Shares	16.72	11.56	8.70
Indexed Australian Shares	14.74	11.09	7.57
Indexed Overseas Shares	21.49	12.73	10.82
Indexed Australian Listed Property	7.35	7.24	3.20
Enhanced Indexed Growth	10.63	6.80	5.94
Enhanced Indexed Conservative Growth	5.66	2.43	3.48

N/A indicates that the investment option was not operating for the full period.

The investment returns shown in this Supplementary Annual Report do not take into account the unique characteristics that apply to each member (such as timing of cashflows). As a result, the actual returns applying to a particular member may vary from the investment returns shown.

Past performance should not be relied upon as an indicator of future performance. The value of an investment in the Mercer Super Trust may rise and fall from time to time. The investment performance, earnings or return of capital invested are not guaranteed. The performance information contained in this report is up to date at the time of its preparation. You can obtain updated investment performance information at [virginmoney.com.au/super](https://virginmoney.com.au/super) and going to the Performance section, or by calling our Customer Care Team. We can send you a copy of the updated information, free of charge, on request.

# Investment managers

## As at 30 June 2023

The majority of Virgin Money Super's assets are invested in funds managed by MIAL and AAML, which in turn has investments with underlying investment managers. The underlying investment managers as at 30 June 2023 are listed below.

Fund Type	Manager
Australian Shares	Plato Investment Management Limited State Street Global Advisors, Australia, Limited
International Shares	State Street Global Advisors, Australia, Limited Acadian Asset Management Schroder Investment Management Australia Limited Macquarie Investment Management Limited LGIM AllianceBernstein Baillie Gifford Maj Invest Wellington Arrowstreet
Real Assets	Macquarie Investment Management Limited
Alternative Assets	N/A
Growth Fixed Interest	MGI
Defensive Fixed Interest & Cash	Challenger Life Company Limited Macquarie Investment Management Limited Blackrock Investment Management (Australia) Limited AXA Investment Managers Asia (Singapore) Ltd Robeco Institutional Asset Management Wellington International Management Company Pty Limited LGIM Ardea Investment Management Pty Limited T Rowe Price Colchester Global Investors

# Largest share holdings

The tables below show the top ten Australian and International shares held by the Virgin Money Super LifeStage Tracker® Born 1974 to 1978 option as at 30 June 2023.

## Top 10 Australian Share Holdings

Company	Holding %
BHP Group Limited	3.75%
Commonwealth Bank of Australia	2.77%
CSL Limited	2.22%
National Australia Bank Limited	1.41%
Australia and New Zealand Banking Group Limited	1.24%
Westpac Banking Corporation	1.22%
Macquarie Group Limited	1.10%
Woodside Energy Group Ltd	1.07%
Wesfarmers Limited	0.89%
Telstra Corporation Limited	0.82%

## Top 10 International Share Holdings

Company	Holding %
Apple Inc	2.16%
Microsoft Corp	1.78%
Alphabet Inc.	0.96%
Amazon.Com Inc.	0.81%
NVIDIA Corporation	0.76%
Tesla Inc.	0.50%
Meta Platforms Inc.	0.47%
Johnson and Johnson	0.35%
JP Morgan Chase & Co.	0.35%
United Health Group Inc.	0.34%

As at 30 June 2023, there was no investment (including a combination of investments through a single or group of associated enterprises) that has a combined value of more than 5% of the total assets of the Mercer Super Trust.

# Investment costs (ICs) & Transaction costs (TCs)

Details of ICs and TCs are set out in the PDS and/or other member materials (as applicable) for your plan. The ICs and TCs for the year to 30 June 2023 are set out below.

Investment option	Investment Costs (% per annum)	Transaction Costs* (% per annum)
<b>LifeStage Tracker ®</b>		
Born prior to 1949	0.07	0.03
Born 1949 - 1953	0.07	0.03
Born 1954 - 1958	0.07	0.03
Born 1959 - 1963	0.06	0.02
Born 1964 - 1968	0.05	0.02
Born 1969 - 1973	0.04	0.02
Born 1974 - 1978	0.04	0.02
Born 1979 - 1983	0.04	0.02
Born 1984 - 1988	0.04	0.02
Born 1989 - 1993	0.04	0.02
Born 1994 - 1998	0.04	0.02
Born 1999 - 2003	0.04	0.02
Born 2004 - 2008	0.04	0.02
Born 2009 - 2013	0.04	0.02
Born 2014 - 2018	0.04	0.02

Investment option	Investment Costs (% per annum)	Transaction Costs* (% per annum)
<b>Choice Investment Options</b>		
Cash	0.03	0.00
Indexed Diversified Shares	0.04	0.01
Indexed Australian Shares	0.03	0.00
Indexed Overseas Shares	0.02	0.01
Indexed Australian Listed Property	0.08	0.00
Enhanced Indexed Growth	0.06	0.03
Enhanced Indexed Conservative Growth	0.10	0.04

\* The ICs and TCs are for the year ending 30 June 2023 and are based on the actual information available and/or reasonable estimates for the period as at the date of this Supplementary Annual Report.

Each investment option has associated investment costs that are incurred by the underlying investment vehicles into which the trustee invests. They may include but are not limited to:

- investment fees for certain asset classes, namely investments in direct/unlisted real assets, such as property, infrastructure and private debt
- any expenses charged by the underlying investment vehicles or manager of those vehicles
- over-the-counter derivative costs.

Transaction costs are the costs associated with trading to manage the investment strategy for each investment option.

Transaction costs include:

- Brokerage
- Settlement costs (including custody costs)
- Clearing costs
- Stamp duty on an investment transaction
- Buy-sell spreads less any costs recouped by the underlying investment vehicles.

No part of any transaction cost is paid to the trustee or any investment manager as a fee and such costs are not subject to GST.

## Change in Net Assets in your Plan to 30 June 2023

Net assets at 1 July 2022	\$805,787,269
<b>PLUS</b>	
Net investment revenue	\$94,335,753
Employer contributions*	\$92,199,173
Member contributions	\$8,126,517
Government co-contributions	\$545,615
Transfers from other funds	\$61,300,057
Insurance proceeds	\$1,896,167
Total revenue	\$258,403,281
<b>LESS</b>	
Benefits paid	\$57,324,801
Administration fees	\$1,306,640
Group insurance premiums	\$1,432,977
Contributions and surcharge tax	\$14,961,805
Total expenses	\$75,026,224
<b>EQUALS</b>	
<b>Net assets at 30 June 2023</b>	<b>\$989,164,326</b>

\* Please note that the amounts shown in the table above as employer contributions include any pre-tax or salary sacrifice member contributions.

This information has been prepared on a cash basis.

The financial information contained in this Supplementary Annual Report for your plan has not been audited. This information forms part of the full financial accounts for the Mercer Super Trust in which your plan participates. You can request a copy of the Mercer Super Trust full audited accounts and the auditor's report by calling the Customer Care Team.

## Statement of Financial Position of your Plan

Assets (Investment options)	at 30 June 2023	at 30 June 2022
<b>LifeStage Tracker ®</b>		
All paths	\$798,092,785	\$641,689,863
<b>Choice Investment Option</b>		
Indexed Australian Listed Property	\$20,112,826	\$18,908,500
Cash	\$36,823,459	\$35,545,229
Indexed Diversified Shares	\$9,536,769	\$7,183,755
Indexed Australian Shares	\$57,037,496	\$47,973,618
Indexed Overseas Shares	\$54,358,661	\$43,495,970
Enhanced Indexed Growth	\$6,501,016	\$5,568,922
Enhanced Indexed Conservative Growth	\$6,701,314	\$5,421,412
<b>Total</b>	<b>\$989,164,326</b>	<b>\$805,787,269</b>



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