Annual Outcomes Assessment

Macquarie Group Super Plan

Financial year ending 30 June 2025

Overall Determination

Mercer Superannuation (Australia) Limited (the **Trustee**) has determined that the Macquarie Group Super Plan (the **Product**) is **promoting the financial interests of our members**. This is based on the assessments and comparisons summarised below.

Section one – performance assessment

Fees and costs	Macquarie Balanced Growth total fees and costs across the financial year to 30 June 2025 ranked above median, based on a $50,000 account balance. The assessed Choice investment options are Quartile 1 or Quartile 2 for a $50,000 balance.
Investment returns	Macquarie Balanced Growth achieved a Quartile 1 ranking over 1 year. There is insufficient performance history to assess 3 and 5 year periods. All Choice investment options assessed are ranked mid-market or better, being Quartile 1 or Quartile 2 over the different periods.
Investment risk	Macquarie Balanced Growth is positioned in Quartile 2 relative to all other MySuper products with the same risk label and growth asset band.

Section two – assessment factors

Options, benefits and facilities	The Trustee is committed to enhancing member experience and engagement, and our analysis shows we offer appropriate options, benefits and facilities for our members.
Investment strategy	The investment strategy, including the asset allocation and level of risk is appropriate for MySuper and Choice investment options.
Insurance strategy & fees	The Trustee recognises the importance of insurance. The insurance strategy is appropriate for our members, and performing as intended. Insurance fees continue to be reviewed and remain appropriate, and most insurance fees are Quartile 1 or Quartile 2. The insurance fees are also appropriate given the claims' history.
Basis for setting fees	The basis for setting fees is suitable for our Mercer Super products.
Scale & operating costs	Operating costs are reasonable, with Mercer Super continuing to grow in 2025.

Section One: Summary of the performance assessment

This section provides the outcome of the Trustee's assessment of Fees and costs, Investment returns and Investment risk compared to peers and benchmarks.

1. Fees and costs

Determination	Assessment
Members' financial interests are promoted	**MySuper -** Macquarie Balanced Growth achieved a Quartile 2 ranking relative to all MySuper products for a $50,000 balance for the year to 30 June 2025 based on an assessment of fees and costs.
	Choice - The fees and costs are mid-market or better (Quartile 1 or Quartile 2) for all assessed options. The $50,000 and $100,000 balance comparisons have three options ranked at Quartile 1 with the rest being Quartile 2.

MySuper

Table 1 – Macquarie Balanced Growth annual fees and costs comparison compared to the APRA MySuper median[1] as at 30 June 2025 only.

Product	MySuper annual fees and costs
Macquarie Balanced Growth	$376.00
MySuper median	$450.00

Choice

Table 2 – Choice fees and costs competitor rankings for $50,000 balance.

		For $50,000 balance			
Fee category	**Investment option**	**Administration fees and costs**	**Total fees and costs**	**Rank**	**Quartile**
High Growth	Mercer High Growth	0.10%	0.90%	15 / 57	Q2
Growth	Mercer Growth	0.10%	0.87%	15 / 63	Q1
Balanced	Mercer Moderate Growth	0.10%	0.79%	8 / 53	Q1
Conservative	Mercer Conservative Growth	0.10%	0.73%	12 / 62	Q1

[1] Source: APRA Quarterly MySuper Statistics Table 8a SRF 700.0 – Item 4 (30 June 2025)

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Table 3 – Choice fees and costs competitor rankings for $100,000 balance.

		For $100,000 balance			
Fee category	**Investment option**	**Administration fees and costs**	**Total fees and costs**	**Rank**	**Quartile**
High Growth	Mercer High Growth	0.10%	0.90%	20 / 57	Q2
Growth	Mercer Growth	0.10%	0.87%	23 / 63	Q2
Balanced	Mercer Moderate Growth	0.10%	0.79%	16 / 53	Q2
Conservative	Mercer Conservative Growth	0.10%	0.73%	18 / 62	Q2

The Trustee remains committed to delivering products and investment options that promote member outcomes and foster growth to enable the benefits of scale to be passed onto members by way of competitive administration fees.

2. Investment returns

Determination	Assessment
N/A	**MySuper -** Macquarie Balanced Growth achieved an above median ranking over 1 year. There is insufficient performance history to assess 3 and 5 year periods.
	Choice - All options are rated mid-market or better (Quartile 1 or Quartile 2) over the different periods. For 1-year results, all seven rated options are ranked Quartile 1 or Quartile 2. For 3-year and 5-year results, all three rated options are ranked Quartile 1 or Quartile 2. There is insufficient performance history to assess 3 and 5 year periods for the other Choice options.

MySuper

Under the Government's Your Future, Your Super reforms, which came into effect on 1 July 2021, APRA is required to conduct an Annual Performance Assessment (**APA**) for MySuper products. The APA assesses investment performance over a ten-year time horizon. Based on the APA results released by APRA on 29 August 2025, the Product **passed** the APA.

Table 4 – Macquarie Balanced Growth net investment returns for a representative member (account balance of $50,000) as at 30 June 2025[2].

Investment option	1 yr. net return (% p.a)[3]	3 yr. annualised net return (% p.a)	5 yr. annualised net return (% p.a)
Macquarie Balanced Growth MySuper	11.23%	N/A	N/A

Choice

APRA introduced the APA for Trustee-Directed Products from 1 July 2023 onwards. The test assesses the investment performance of a product over a ten-year time horizon. All Mercer Super Trust (**MST**) Choice options surveyed within the 2024-25 APA, **passed** the APA.

Investment returns are influenced by the asset class or level of risk associated with each Choice investment option.

[2] Quartile rankings are based on risk bands to provide a more accurate assessment compared to ranking against all MySuper funds

3 Values only provided for options funded as at 30 June 2024

Table 5 – Choice investment return rankings against comparable investment options[4].

		1 Year		3 Years		5 Years	
Investment option	**Peer group**	**Rank**	**Quartile**	**Rank**	**Quartile**	**Rank**	**Quartile**
Mercer International Shares	International Shares	11 / 65	Q1	22/62	Q2	22 / 56	Q2
Mercer High Growth	Growth	54 / 134	Q2	36/110	Q2	36 / 104	Q2
Mercer Australian Shares	Australian Shares	27 / 67	Q2	10/64	Q1	22 / 58	Q2
Macquarie Wholesale Australian Equities	Australian Shares	5 / 67	Q1	N/A	N/A	N/A	N/A
Macquarie Property Securities	Property	3 / 35	Q1	N/A	N/A	N/A	N/A
Macquarie Australian Small Companies	Australian Shares	2 / 67	Q1	N/A	N/A	N/A	N/A
Macquarie Core Plus Australian Fixed Interest	Diversified Fixed Interest	1 / 40	Q1	N/A	N/A	N/A	N/A

3. Investment risk

Determination	Assessment
Members' financial interests are promoted	**MySuper -** Macquarie Balanced Growth is positioned in Quartile 2 relative to all other MySuper products with the same growth asset band and risk label.
	Choice - The Trustee ensures that it has a range of options available for members to choose from, with different risk characteristics and investment objectives. During the last review in 2025 the Trustee confirmed that it was comfortable with the level of investment risk in each Choice investment option.

MySuper

The level of investment risk for MySuper products has been measured using the methodology set out in APRA *Reporting Standard SRS 700.0 Product Dashboard.*

Table 6 – Macquarie Balanced Growth against other MySuper products with the same risk label.

Investment option	Estimated number of negative net investment returns over a 20-year period	Rank amongst all products with the same growth asset band and SRM[5]
Macquarie Balanced Growth MySuper	4.30	3

The Macquarie MySuper Balanced Growth option is ranked third among the other nine single strategy MySuper options with the same growth asset band and risk label in the APRA MySuper universe, positioning it in Quartile 2 relative to its peers. The Macquarie Balanced Growth option is classified with a High Standard Risk Measure (**SRM**) label and is assessed against other options that are expected to have between 4 and 6 estimated number of negative annual returns over any 20-year period with a growth asset

[4] The options surveyed include the four largest options by number of members and three tailored investment options. The rankings are sourced from the SuperRatings FCRS Survey as at 30 June 2025.

[5] The APRA Quarterly MySuper Statistics included 28 single diversified MySuper options as at 30 June 2025. There are 9 options with the same growth asset band and risk label as the Macquarie Balanced Growth option.

allocation of 60% to 75%. The Macquarie Balanced Growth option is estimated to have 4.30 years of negative annual returns over any 20-year period, indicating that it is taking a lower level of risk compared to other single strategy MySuper products with the same SRM.

Choice

The Trustee performs an annual review of each Choice investment option to understand the level of investment risk inherent in each option and whether that would be in line with the expectations of the members who are invested in that option. During the last review in 2025 the Trustee confirmed that it was comfortable with the level of investment risk in each Choice investment option.

Section Two: Summary of the assessment factors

The Trustee's assessment of the Product as at 30 June 2025 is based on the following factors specified by the legislation.

<table>
<tr><th>Factor</th><th>Determination</th></tr>
<tr><td>Options, benefits and facilities</td><td>Members' financial interests are promoted
The options, benefits and facilities are appropriate for MySuper and Choice members having regard to the financial interests of beneficiaries in this Product.
The MST offers members access to options, benefits, and facilities that Management considers appropriate to meet the needs of the broad target market and member demographics. These include:
• A diverse investment menu,
• Comprehensive and flexible insurance arrangements,
• Member experiences and employer servicing that is highly regarded by industry peers with intuitive and proactive digitally enabled services and interactions,
• A comprehensive super, retirement and financial wellness education offering,
• A pathway for members in the accumulation phase to seamlessly transition to retirement phase products.
The Trustee is focused on improving member experience and engagement, including advancements in Digital Experience, Service Transformation and Product Simplification, as well as enhancing the advice offering that supports our members' journey into and in retirement.</td></tr>
<tr><td>Investment strategy</td><td>Members' financial interests are promoted
The last annual investment strategy review was completed in August 2025. This review assessed the appropriateness of investment objectives and strategies for the MySuper and Choice investment options given a forward-looking return environment, incorporation of Net Zero considerations in portfolio construction and Investment Governance regulatory requirements.

The key outcomes of the 2025 review with respect to the Macquarie Balanced Growth MySuper option was that the Strategic Asset Allocation modelling outcomes are within acceptable ranges, and that the probability of meeting the investment objective, downside risk, factor risk, liquidity and climate stress testing remain satisfactory.
The key outcomes of this review with respect to the Macquarie Choice options was that modelling outcomes for the single sector Macquarie Choice options were consistent with expectations and the stated investment objective based on the underlying exposure.</td></tr>
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Factor	Determination
Insurance strategy	**Members' financial interests are promoted** The most recent triennial review of the Insurance Management Framework (**IMF**) conducted in November 2023 determined that the IMF and insurance strategy are operating effectively in members' best financial interests. In addition, an annual review was completed September 2024. The Trustee's insurance strategy underpins a strong insurance offer, making a range of insurance benefits available to members. The insurance offer reflects the differing needs of members. Where default cover is provided on an automatic basis, most members can adjust or cancel their cover at any time to ensure that the cover they hold is appropriate and affordable for their circumstances. For insured members, there is a continuing focus to enhance member services and improve claims admittance rates and claims durations. This includes uplift to the digital claims and digital underwriting capabilities. In the Chant West Super Funding Ratings, the MST insurance offerings are considered to be 5 out of 5 (Highest Quality Funds) in 2025.
Insurance fees	**Members' financial interests are promoted** Ensuring that insurance fees charged in relation to a product are affordable and do not inappropriately erode the retirement income of beneficiaries is a key objective of the Trustee's insurance strategy. The approach applied by the Trustee to meet this objective is that the cost of default cover provided to members on an automatic basis should not generally exceed 1% of a member's estimated salary. For Macquarie Group Super Plan members the cost of insurance provided to members on an automatic basis does not generally exceed 1% of an estimated salary. There is a risk of exceeding this threshold for some cohorts of members, for example, members who have moved to the Retained division with high default levels of cover. To help mitigate potential risks of this affordability threshold being exceeded, the Trustee regularly encourages members through various communications to ensure that the types and amounts of cover they hold are appropriate and affordable for their circumstances. Members are encouraged to seek financial advice if they are unsure as to what insurance coverage is needed to meet their needs. Insurance fees for Macquarie Group Super Plan members are highly competitive and within Quartile 1 compared to competitors. The Trustee continues to focus on ensuring affordability of insurance premiums and that these do not unduly erode member retirement balances. Premiums are consistently reviewed to ensure they remain fair and reasonable for members.
Scale	**Members' financial interests are promoted** MySuper and Mercer Choice options have sufficient scale to be sustainable. MST and the Product's scale has grown over the year, with the number of member accounts across MST increasing by approximately 22,000 and an increase in Funds Under Management of $8.5 billion. The Trustee remains committed to offering and managing products and investment options that enhance member outcomes and foster growth, allowing the advantages of scale to be shared with members.
Operating costs	**Members' financial interests are promoted** The Trustee incurs operating costs in ensuring the efficient and effective operation of the MST, including MySuper and Choice. Both current and projected operating costs per member are reasonable with the net operating income per account remaining stable and sustainable.

Factor	Determination
Basis for setting fees	**Members' financial interests are promoted** The Trustee recognises that the manner in which fees are charged to MST members is a material consideration in assessing the promotion of members' financial interests. Analysis of the fund's fee structure and levels show they are appropriate, given the allocation of costs between products, options, and members. The Trustee annually assesses the appropriateness of the fees charged to beneficiaries. The basis for setting fees continues to be suitable for the Product, recognising that the Trustee has a Fees and Costs Policy.