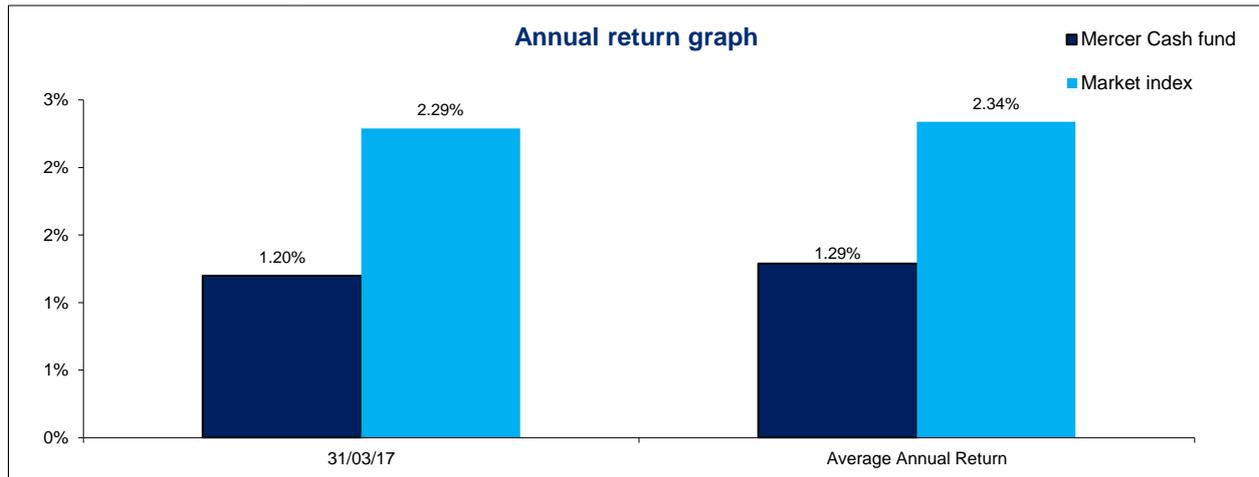


HOW HAS THE FUND PERFORMED?

	Past year
Annual return¹ <i>(after deductions for charges and tax)</i>	1.15%
Annual return¹ <i>(after deductions for charges but before tax)</i>	1.52%
Market index annual return <i>(reflects no deductions for charges and tax)</i>	2.09%

The market index return is the strategic asset allocation weighted benchmark index return, where the benchmark indices are defined in the Statement of Investment Policy and Objectives. Additional information about the market index is available on the offer register.



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 30 September 2017. Note that market indices reflect no deduction for charges and tax.²

Important: This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

WHAT FEES ARE INVESTORS CHARGED?

Investors in the Mercer Cash fund pay fund charges. In the year to 31 March 2017 these were:

	% of net asset value
TOTAL FUND CHARGES	0.74%
Which are made up of:	
TOTAL MANAGEMENT AND ADMINISTRATION CHARGES	0.74%
Including:	
Manager's basic fee	0.49% ³
Other management and administration charges	0.25% ⁴
TOTAL PERFORMANCE BASED FEES	0.00%
OTHER CHARGES	Dollar amount per investor ⁵
Membership Fee	Nil or \$30

Investors are not currently charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the Mercer FlexiSaver scheme PDS for more information about Scheme fees. Small differences in fees and charges can have a big impact on your investment over the long term.

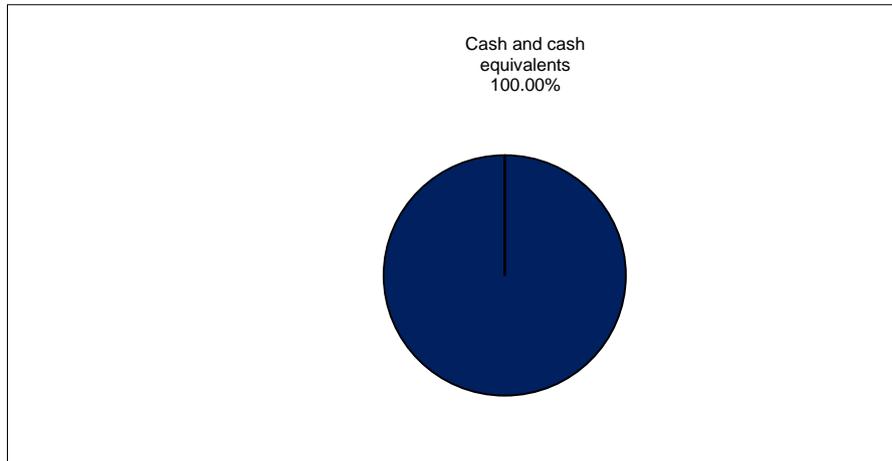
EXAMPLE OF HOW THIS APPLIES TO AN INVESTOR

Ben had \$10,000 in the fund at the start of the year and didn't make any further contributions. At the end of the year, Ben received a return after fund charges were deducted of \$115.00 (1.15% of his initial \$10,000). Ben also paid \$30.00 in other charges. This gives Ben a total return after tax of \$85.00 for the year.⁶

WHAT DOES THE FUND INVEST IN?

Actual investment mix

This shows the types of assets that the fund invests in.



TARGET INVESTMENT MIX

This shows the mix of assets that the fund generally intends to invest in.

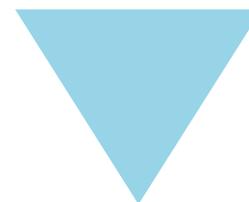
Cash and cash equivalents	100.00%
New Zealand fixed interest	0.00%
International fixed interest	0.00%
Australasian equities	0.00%
International equities	0.00%
Listed property	0.00%
Unlisted property	0.00%
Commodities	0.00%
Other	0.00%



TOP 10 INVESTMENTS

Name	% of fund net assets	Type	Country	Credit rating (if applicable)
1 AMP Capital Investors NZ Cash Fund	98.34%	Cash and cash equivalents	New Zealand	NA
2 Westpac Business Interest Account	1.12%	Cash and cash equivalents	New Zealand	AA-
3 BNP New Zealand Dollar Custodial Account Indexed Cash Portfolio	0.54%	Cash and cash equivalents	New Zealand	NA

The top 10 investments make up 100.00% of the fund.



KEY PERSONNEL

This shows the directors and employees who have the most influence on the investment decisions of the fund.

Name	Current Position	Time in current position	Previous/Other position	Time in previous/other position
Ross Butler	Chairman - Mercer (N.Z.) Ltd	4 years 9 months	Chairman - Mercer Investment Nominees (NZ) Ltd	2 years
Martin Lewington	CEO - Mercer (N.Z.) Ltd	8 years 7 months	Head of Investments - Mercer (N.Z.) Ltd	3 years 8 months
Philip Houghton-Brown	Chief Investment Officer - New Zealand, Mercer (N.Z.) Ltd	5 years 2 months	Chief Investment Officer - Onepath (NZ) Ltd	5 years 3 months
Philip Graham ⁷	Deputy Chief Investment Officer - Pacific, Mercer Australia (Pty) Ltd	6 years 2 months	Senior Portfolio Strategist - Mercer Australia (Pty) Ltd	4 years 2 months

FURTHER INFORMATION

You can also obtain this information, the PDS for the Mercer FlexiSaver scheme and some additional information from the offer register at www.companiesoffice.govt.nz/disclose.

NOTES

1. Returns may vary for some investors depending on the fund charges applicable to them.
2. The average annual return is from 30 November 2015.
3. The manager's basic fee varies for some investors including those who joined through an employer based group. Therefore, as one fee rate is not able to be used, the amounts stated have been calculated on an average basis, being the total fees incurred over the average net asset value for the year. The actual fee charged to investors may be higher or lower.
4. Other management and administration charges include the use of average charges which means that the fee applicable to some investors, including those who joined through an employer based group, may be higher or lower. The supervisor and custodian fee included in other management and administration charges has been calculated based on the unit price deduction during the year ended 31 March 2017.
5. Other charges in the form of an administration fee of up to \$2.50 per investor per month (\$30.00 per year) can apply to some investors who join through an employer based group.
6. Returns may vary for some investors depending on the fund charges applicable to them. Returns may also differ for some investors who do not incur the other charges shown.
7. For the quarter ending September 2017, Philip Graham has also held the role of Acting Chief Investment Officer – Pacific, Mercer Australia (Pty) Ltd

Got any questions?

Visit our website www.mercerfinancialservices.co.nz or call our Helpline on **0508 637 237** (if calling from within New Zealand)

If you're calling from overseas you can contact us on **+61 3 8687 1886**. Helpline hours are from 9am to 7pm, Monday to Friday except public holidays.