

# Quarterly Factsheet

**Mercer Overseas Shares Plus Portfolio  
June 2024**

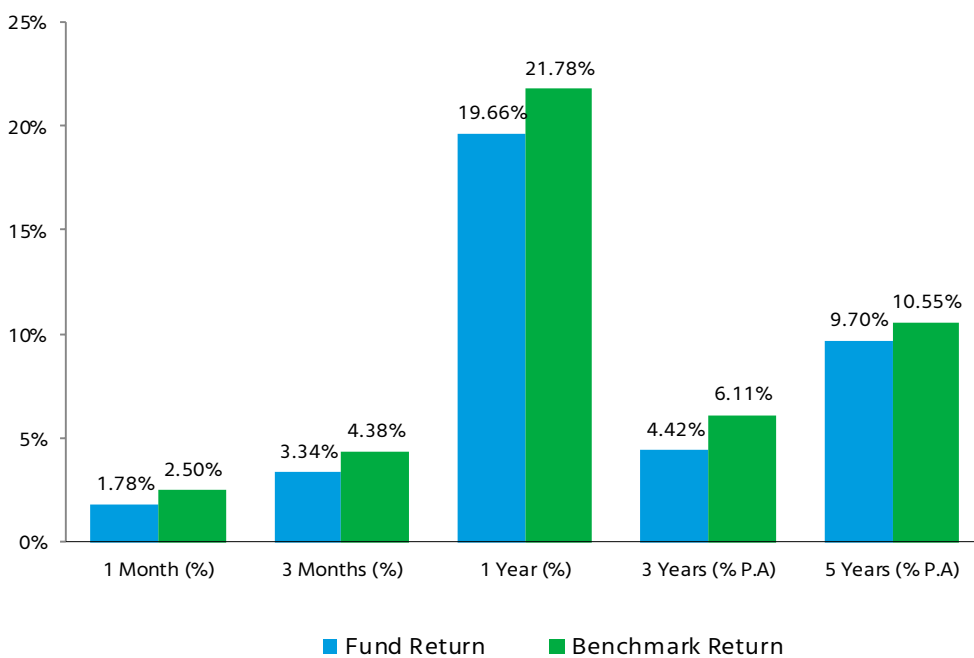
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### Overview

This Portfolio aims to match the return of the MSCI World Index with net dividends reinvested. The Portfolio uses an active multi-manager approach, holding shares across multiple regions and sectors. Returns are hedged back into New Zealand dollars.

### Fund Performance (before fees and taxes)



### Fund Vehicle

Mercer Hedged Overseas Shares Plus Portfolio

### Investment Vehicle

Portfolio Investment Entity (PIE)

### Performance Benchmark

MSCI World Index with net dividends reinvested (100% hedged to NZD on an after tax basis\*)

### Performance Objective

To outperform the benchmark over periods of one year or longer

### Fund Managers

Arrowstreet, Baillie Gifford & Co, Maj Invest, Wellington, Alliance Bernstein

### Inception Date

January 2008

### Fund Size

NZD \$858m

### Price Frequency

Daily

### Exclusions

Companies that manufacture whole weapons systems, or delivery platforms, or components that were developed or are significantly modified for exclusive use in cluster munitions, anti-personnel landmines, chemical, biological or nuclear weapons, as well as companies involved in the production and retailing of automatic and semi-automatic civilian firearms.

Companies involved in the manufacture and/or production of tobacco products (regardless of revenue), including subsidiaries and joint ventures, as well as any other company that derives 50% or more of revenue from other tobacco related business activities such as packaging, distribution and retail of tobacco products.

\*Assuming a 28% PIR tax rate

### Managers

#### Arrowstreet

| Management Style            | Target Weight |
|-----------------------------|---------------|
| Style neutral, concentrated | 34%           |

Arrowstreet is a Boston based, staff-owned manager founded in 1999. The firm aims to add value using a quantitative approach, identifying "indirect factors" that affect stock prices but which are not used by other investors. Arrowstreet believe the most valuable (and often overlooked) insights for forecasting equity returns are often found by observing information about related securities.

#### Baillie Gifford & Co

| Management Style     | Target Weight |
|----------------------|---------------|
| Growth, concentrated | 10%           |

The strategy is a purely stock-driven, unconstrained global equity strategy, concentrated in companies believed to have the potential for super normal growth from around the world. Potential new investment ideas are subject to a rigorous due diligence process, with the aim of building up a view as to whether the stock has the potential to grow to many multiples of their current size.

Performance as at reporting date with all other information based on most recent available data.

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## Maj Invest

| Management Style         | Target Weight |
|--------------------------|---------------|
| Fundamental, Judgemental | 17%           |

Maj's Global Value strategy is a bottom-up stock-picking approach that makes significant use of technology for much of the "heavy lifting" of data processing, analysis and modelling. The concentrated portfolios that result display a defensive value tilt. Attention is paid to ensure that idiosyncratic risk dominates the tracking error.

Maj believes that the fundamentals of a business matter but the irrational behaviour of investors can create a disconnect between the underlying business and its stock price. The strategy seeks companies that are superior in stability, profitability, return potential, balance sheet quality and valuation.

## Alliance Bernstein

| Management Style | Target Weight |
|------------------|---------------|
| Growth, Quality  | 15%           |

Alliance Bernstein manage their Concentrated Global Growth strategy with a mid/large-cap growth investment style. They invest in a small sub-set of high-quality growth companies where in-depth, bottom-up research has been conducted. Strict adherence to a valuation discipline determines the holdings at any one point in time.

## Wellington

| Management Style         | Target Weight |
|--------------------------|---------------|
| Specialty, Unconstrained | 21%           |

Wellington's Durable Enterprises seeks to provide attractive risk-adjusted returns by investing in businesses that they argue will be more stable than the market believes. Stable businesses are very unlikely to issue the best performing stocks in a single year.

Wellington looks for stability in unconventional places and finds stable businesses at reasonable valuations in two areas; areas of the market perceived as unstable such as small caps, volatile sectors, and disfavoured geographies; and companies that do not grow fast enough for growth investors, lack the blue chip financial characteristics sought by quality investors, and are not cheap enough for value investors.

## S&P 500 ETF

| Management Style  | Target Weight |
|-------------------|---------------|
| Completion Sleeve | 5%            |

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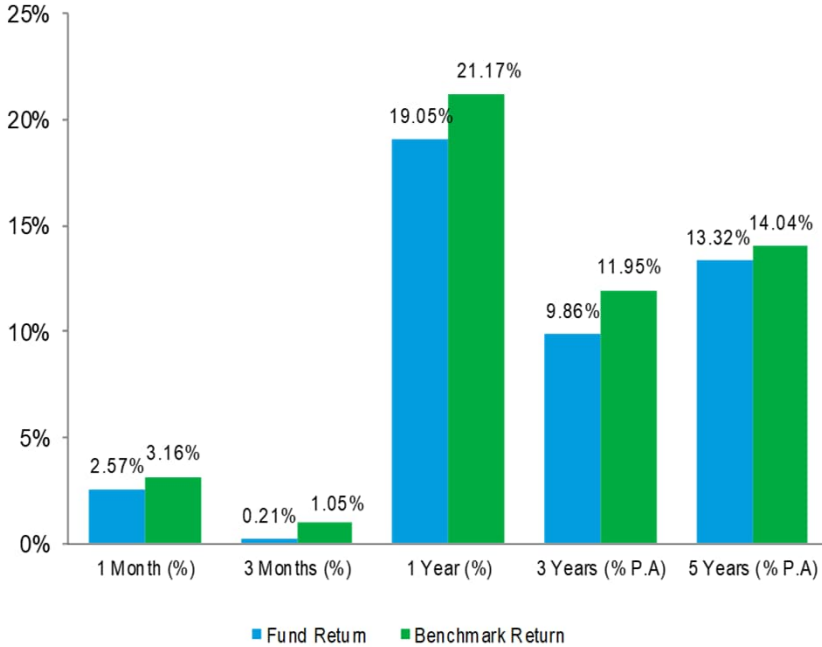
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## Fund Vehicle

Mercer Unhedged Overseas Shares Plus Portfolio

## Investment Vehicle

Portfolio Investment Entity (PIE)

## Performance Benchmark

MSCI World Index with net dividends reinvested

## Performance Objective

To outperform the benchmark over periods of one year or longer

## Fund Managers

Arrowstreet, Baillie Gifford & Co, Maj Invest, Wellington, Alliance Bernstein

## Inception Date

January 2008

## Fund Size

NZD \$1687m

## Price Frequency

Daily

## Exclusions

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