Mercer PIF Fund plc

(an umbrella fund with segregated liability between Sub-Funds)

Annual Report and Audited Financial Statements

For the financial year ended 30 June 2023

Contents

REGISTERED OFFICE
70 Sir John Rogerson's Quay
Dublin 2
Ireland

COMPANY REGISTRATION NUMBER
421024

INVESTMENT MANAGER AND DISTRIBUTOR
Mercer Global Investments Europe Limited
Charlotte House
Charlemont Street
Dublin 2
Ireland

ADMINISTRATOR, REGISTRAR & TRANSFER AGENT
State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

INDEPENDENT AUDITOR
Deloitte Ireland LLP
Chartered Accountants &
Statutory Audit Firm
Deloitte & Touche House
29 Earlsfort Terrace
Dublin 2
Ireland

LEGAL ADVISOR IN IRELAND
William Fry LLP
2 Grand Canal Square
Dublin 2
Ireland

SECRETARY
Matsack Trust Limited
70 Sir John Rogerson's Quay
Dublin 2
Ireland

DIRECTORS
Gráinne Alexander*
Tom Finlay*
Hooman Kaveh§
Helen O'Beirne§
Liam Miley*
Carmel Jordan§

ALTERNATIVE INVESTMENT FUND MANAGER
Mercer Global Investments Management Limited
70 Sir John Rogerson's Quay
Dublin 2
Ireland

DEPOSITARY
State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

For the Sub-Funds named hereafter, no notification for distribution in Germany has been made so no shares of these Sub-Funds may be publicly distributed to investors within the scope of the German Investment Act:
MGI Diversified Equity Fund, MGI Balanced Managed Fund, Mercer UK Credit Fund, Mercer Sterling Inflation Linked LDI Bond Fund, Mercer Sterling Nominal LDI Bond Fund, Mercer Enhanced Yield Fund and Mercer Passive Global Equity Fund.

* Independent Non-executive Director.
§ Non-executive Director.

Report Contents:

Introduction

The Sub-Funds of Mercer PIF Fund plc (the "Company") are managed using a proprietary multi-manager or manager of managers investment strategy. This strategy involves allocating portions of the Sub-Funds to specialist third party managers or sub-advisors ("Sub-Investment Managers") or investing in pooled funds, which are selected by Mercer Global Investments Europe Limited (the "Investment Manager"), under authority from the Manager, based on criteria for producing consistent superior returns and which, in aggregate, are considered most likely to achieve the overall objectives of the given Sub-Fund.

Q3 2022

Inflation and central bank policy continued to drive markets in the third quarter of 2022. Inflation readings in most major regions remained high and rising. Central banks therefore continued to tighten monetary policy and maintained a hawkish outlook, resulting in elevated market volatility. Risk assets rose in July on the back of hopes of inflation peaking and the hiking cycle ending, but these hopes were squashed later in the quarter. Furthermore, markets priced in the increasing risk of a recession resulting from the monetary tightening. Therefore most major asset classes ended the quarter with negative returns. Significant continued weakening in sterling mitigated the drawdown for unhedged UK investors. The conflict in Ukraine added to negative sentiment as Russia stepped up its anti-west rhetoric and further restricted natural gas supplies to Europe which exacerbated the energy crisis. On the other hand, supply chains continued to improve.

In the UK a mini budget that included energy prices caps and unfunded tax cuts led to major market volatility towards the end of the quarter, which particularly impacted UK liability hedging strategies. The Bank of England had to step in with a temporary bond purchase program at the longer end of the curve following the gilts sell-off which helped stabilise markets.

Q4 2022

Inflation and central bank policy were once again the key market drivers for Q4 2022. Developed market central banks continued tightening monetary policy throughout the quarter but the pace of tightening began to slow in the US amid an encouraging downwards trend in inflation, albeit from high levels. In China, a near total reversal of all Covid-related restrictions were a late year boost to its economy. The narrative of peaking inflation and resilient economic growth drove positive equity returns during October and November, but hawkish messaging from central banks in December led to a premature end of the "Santa rally". Risk-on sentiment earlier in the quarter and a slower pace of US monetary tightening led to a weaker US dollar over the quarter which detracted from unhedged sterling investors' US equity returns.

Q1 2023

The demise of Silicon Valley Bank, one of the largest US bank failures in history, and UBS's takeover of Credit Suisse were the major events of the quarter. However, resilient growth, receding inflation and expectations of banking distress not becoming systemic led to overall positive equity and bond performance. After a strong January, global equities declined in February as pessimism over the monetary policy outlook took hold before coming back strongly in March as equities (ex financials) shrugged off banking distress leading to an overall positive first quarter. Equity markets were notably driven by "mega cap" stocks which saw a strong rebound as investors re-priced lower interest rate expectations. Bond markets were volatile in Q1 2023 as tensions between stubbornly strong inflation data, the impact of China's reopening and then the potential for a banking crisis in March all played out. Sovereign bond yields generally fell over the period driven by a significant re-pricing downwards of rate hikes in March following the failure of several US banks and the forced marriage of Credit Suisse with UBS. The weakness of the US dollar led to strong gains for local currency EM debt.

Q2 2023

Q2 2023 saw the orderly resolution of the second largest bank failure in US history as well as ongoing economic resilience, declining inflation and increased geopolitical tensions. Both the Federal Reserve and Bank of England raised interest rates over the quarter, although the Federal Reserve paused rate hikes at their June meeting. The ECB raised rates twice over the quarter and continued to reiterate hawkish guidance. Headline inflation continued to slow, and inflation expectations also declined over the quarter. Overall, this led to equity investor optimism and positive performance for risk assets. Global equity markets exhibited extremely narrow leadership over Q2. Fewer than 10 stocks made up most of the S&P 500 return for the quarter. Government bonds recorded negative returns as more rate increases than previously expected were factored into valuations.

Overall:

In terms of the main asset classes, performance over the year was as follows:

- Developed equity markets provided strong double-digit positive returns overall, driven by a tentative slowdown in inflation and resilient economies, however, returns from infrastructure equities, REITs and China were negative over the one year period.
- While fixed Income markets continued to be impacted by inflation and interest rates, returns were mostly positive over the year, with strong returns from global high yield, multi asset credit and emerging market debt in particular.
- LDI funds recorded material negative returns. LDI funds are key building blocks of pension fund risk management. By using derivatives, LDI funds provide leveraged exposure to liability matching assets (primarily bonds or gilts) for pension scheme investors. These derivatives allow investors to hedge high proportions of their funded liabilities efficiently whilst still retaining a meaningful allocation to growth assets. In a market where the value of gilts are falling (such as over this period), LDI funds also experience negative returns.
- Multi-asset fund returns were positive over the period, driven mainly by strong equity performance, although returns from fixed income and alternatives were also generally positive overall.

Mercer PIF Fund plc Overview

All performance figures shown below are calculated by the Investment Manager using pricing from State Street Fund Services (Ireland) Limited (the "Administrator"). Figures shown are gross of the Management Fee, net of Sub-Investment Managers' fees and of all other expenses including custody and administration costs depending on fund structure.

Passive index-tracking funds will aim to track the performance of a specific market index ("Benchmark").

Share Class Investment Performance to 30 June 2023 (EUR)

Sub-Fund Name	Performance over the Financial Year	
	Sub-Fund (%)	Benchmark (%)
MGI Diversified Equity Fund	9.0	-
MGI Balanced Managed Fund	2.5	-
Mercer Medium Term Inflation Linked Bond Fund	(2.0)	-
Mercer Passive Euro Inflation Linked Bond Fund *The Sub-Fund:* • *passively tracks the ICE 5+ Year Euro GDP-Weighted Inflation-Linked Government Index.* • *underperformed the benchmark by 1.0% over the last year.*	(2.0)	(1.0)

Share Class Investment Performance to 30 June 2023 (GBP)

Sub-Fund Name	Performance over the Financial Year Sub-Fund (%)
Mercer UK Credit Fund	(7.2)
Mercer Sterling Inflation Linked LDI Bond Fund	(35.0)
Mercer Sterling Nominal LDI Bond Fund	(32.1)

Market Outlook

Looking forward we expect economic growth in the developed world to be weak well into 2024, as a result of high interest rates and a fading of some of the factors that have supported growth in 2023. Households and businesses built up large cash piles during COVID and these, plus some pent up consumer demand have supported economic activity this year. We expect these supportive factors to fade and economic activity to be weak until interest rates are brought lower in 2024H2 or 2025.

While central banks in much of the developed world will welcome a prolonged period of weak growth to ease the labor market tightness, the People's Bank of China (PBoC) faces the opposite challenge and will want to engineer strong growth to boost the labor and property markets after the weakness last year. While inflation is above target in most of the developed world it is very low in China.

Inflation is set to fall further in most of the developed world on the back of base effects, lower commodity and rental prices and supply chain improvements. At a core level, however, we think inflation will remain above central banks' 2% targets well into 2024 as the tightness in labor markets keeps wage growth high. Wages are the main cost for lots of businesses and if companies have to pay their staff more they often try to charge their clients more to protect margins. Several quarters of weak or flat economic growth should bring most labor markets back into balance by 2024, but wage growth tends to move only slowly, so it may take some time for inflation to be back at target on a core basis. Inflation in China is set to remain very weak for some time.

Developed world central banks have signaled they will continue to raise interest rates in the near term. However, we think most will shortly go on hold to assess the full impact of past interest rates increases on economic activity. After that the next move is likely to be down, but as long as a hard landing is avoided we think central banks will keep interest rates at a high level, until it is clear that wage growth and inflation are back at normal levels. China is set to keep monetary policy loose for a long time.

Mercer Global Investments Europe Limited
Charlotte House
Charlemont Street
Dublin 2
Ireland

July 2023

The Directors have the pleasure in submitting their report to the Shareholders together with the audited financial statements for the financial year ended 30 June 2023.

Principal Activities

Mercer PIF Fund plc (the "Company") is an open-ended investment company with variable capital organised under the laws of Ireland. The Company is organised in the form of an umbrella fund insofar as the share capital of the Company will be divided into different series of shares with each series of shares representing a portfolio of assets which will comprise a separate fund (each a "Sub-Fund"). The Company is authorised by the Central Bank of Ireland (the "Central Bank") as a designated investment company pursuant to Part 24 of the Companies Act 2014 to market solely to professional investors and knowledgeable investors.

As at 30 June 2023, the Company consisted of nine (30 June 2022: seventeen) Sub-Funds of which seven are in operation at the financial year end (30 June 2022: eight).

The Company is an umbrella fund with segregated liability between Sub-Funds.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Report of the Directors and financial statements, in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and applicable law.

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable to ensure that the financial statements and the Report of the Directors comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Compliance on Corporate Governance Code

The Company has adopted in full the voluntary Code of Corporate Governance (the "Corporate Governance Code") for Collective Investment Schemes ("CIS") and Management Companies issued by the Irish Funds ("IF"), the text of which is available from the IF website, www.irishfunds.ie.

The Company has been in compliance with the Corporate Governance Code during the financial year ended 30 June 2023.

Directors

The Directors, who held office on 30 June 2023 as stated below, are not required to retire by rotation under the Memorandum and Articles of Association.

Directors (continued)

The Directors are:

Name	Director Status	Nationality	Date of Appointment
Tom Finlay	Independent Non-Executive	Irish	13 Jul 2006
Gráinne Alexander	Independent Non-Executive	Irish	1 Jan 2019
Hooman Kaveh	Non-Executive	Irish	1 May 2019
Helen O'Beirne	Non-Executive	Irish	13 Jan 2020
Liam Miley	Independent Non-Executive	Irish	13 May 2020
Carmel Jordan	Non-Executive	Irish	31 May 2020

Directors' fees (including expenses) for the financial year are stated in Note 4 to the financial statements.

Changes in Directorships

There were no changes in Directorships during the financial year ended 30 June 2023.

Transactions involving Directors:

The Board of Directors (the "Board") are not aware of any contracts or arrangements of any significance in relation to the business of the Company in which the Directors had any interest as defined in the Companies Act 2014, at any time during the financial year ended 30 June 2023 (30 June 2022: Nil), other than those disclosed in Note 4 to the financial statements.

Directors' & Secretary's Interests

None of the Directors nor the Secretary, who held office at 30 June 2023, or their families, held any interest in the shares of the Company at any time during the financial year ended 30 June 2023 (30 June 2022: Nil).

Audit Committee

The Company has established an audit committee under Section 167 of the Companies Act 2014.

Employees

For details of identified staff of the alternative investment fund manager ("AIFM"), as defined by regulations, the MGIM Remuneration Policy is available via the following link https://investment-solutions.mercer.com/global/all/en/investment-solutions-home/corporate-policies.html as well as page 66.

Transactions with connected parties

The Central Bank's Alternative Investment Fund Rulebook (the "AIF Rulebook") section on dealings by management company, general partner, depositary, AIFM, investment manager or by delegates or group companies of these ("connected parties") states that any transaction carried out with the Company by a management company or connected parties must be carried out as if negotiated at arm's length. Transactions must be in the best interest of the Shareholders.

The Board are satisfied that there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out in the AIF Rulebook are applied to all transactions with connected parties, and the Board is satisfied that transactions with connected parties entered into during the financial year complied with the obligations set out in this paragraph.

UK Reporting Status

The Company has received confirmation from HM Revenue & Customs ("HMRC") in the United Kingdom ("UK") that the Sub-Funds listed in the table below, have been granted reporting fund status for UK tax purposes from the effective dates listed below.

Sub-Fund	Share Class	Reporting Fund Regime Effective Date
Mercer UK Credit Fund	Class M-1 £	1 Jul 2020

Business Review, Results and Future Developments

The business of the Company is reviewed in detail in the Investment Manager's Report. The results for the financial year are stated in the Statement of Comprehensive Income. The Company will continue to act as an investment vehicle as set out in its Prospectus. The analysis of the Company's key performance indicators ("KPI's") are contained in the Investment Manager's Report. The Board does not anticipate any significant change in the structure or investment objectives of the Sub-Funds.

Going Concern

The financial statements of the Company have been prepared on the going concern basis as it has been determined that the Company can continue in operational existence for at least twelve months from the date of approval of these financial statements (the period of assessment). The assessment is completed at Company level by the Directors and takes multiple factors into account including Sub-Fund size, Net Asset Value ("NAV") movements and new Sub-Fund launches and terminations.

Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company are market price risk, credit risk, currency risk, interest rate risk and liquidity risk which are outlined in Note 7 to the financial statements.

Share Capital

The net assets under management are disclosed in the Statement of Financial Position.

Full details of the Company's share capital, including changes during the financial year under review and significant Shareholders are disclosed in Note 11 to the financial statements.

Dividends

Details of dividends declared and paid during the financial year ended 30 June 2023 and 30 June 2022 are disclosed in Note 12 to the financial statements.

Responsible Investment

Over the past few years, the EU has been building a sustainable finance framework, to better support the financing of sustainable economic activities, and to support the transition to a carbon neutral economy by 2050. Regulation surrounding financial products and market participants has developed with the aim to improve transparency and availability of environmental, social and governance ("ESG") related information for investors.

The Sustainable Finance Disclosure Regulation ("SFDR") is a fundamental pillar of the EU Sustainable Finance agenda, along with other regulations such as the EU taxonomy regulation and the Corporate Sustainability Reporting Directive ("CSRD").

Level 2 of the SFDR came into effect January 1st 2023. The AIFM and the Investment Manager ensured full compliance with all Articles under Level 2 SFDR requirements throughout the financial year, including completion of precontractual disclosure templates and website product disclosures for products under Article 8. Periodic Reporting for products that disclose under Article 8 and additional information for products disclosing under Article 6 that consider Principal Adverse Impact ("PAI") are included in these financial statements.

The AIFM reclassified a number of Mercer Sub-Funds during the financial year in anticipation of SFDR Level 2 to make disclosures under Article 8 of the regulation, and implemented a number of changes to the relevant solutions. The attributes of the Sub-Funds relating to sustainability vary. However, some of the sustainability features and measures incorporated across the range of Sub-Funds include; expanded set of exclusions focused on reducing the environmental impact of the solutions, sustainable investment commitments based on the Investment Manager's sustainable investments framework, specific engagement and escalation policies on any UN Global Compact breaches, and actively managed solutions making a defined binding commitment to address and reduce carbon emissions. Details on the precise environmental and social characteristics of the Sub-Funds are set out in the relevant Supplement.

Information on the environmental or social characteristics of each relevant Sub-Fund are set out in the Unaudited Supplemental Information on pages 61, 67-97. Information on Sub-Funds that do not promote environmental or social characteristics but consider PAI are set out on pages 98-99.

Sustainability related data

In evaluating a security, issuer or index based on sustainability-related characteristics, the Investment Manager (or its delegate) is dependent on information and data which may be may be incomplete, inaccurate or unavailable. The Investment Manager (or its delegate) may rely upon data sourced from third-party ESG research and market data providers who may similarly rely on information which is incomplete, inaccurate or unavailable. The wide variety of types, sources and uses of ESG data can produce very different results and the models used by third-party ESG research providers can result in conflicting and subjective assessments. Third-party ESG research and market data providers typically limit or exclude any responsibility or liability with respect to the accuracy, reasonableness or completeness of any sustainability related assessments.

Data quality and coverage in relation to investee companies has various challenges across different countries and regions (especially for smaller companies and less developed markets). Some data may be modelled rather than reported data and data from some companies may be delayed. In addition, not all self-reported data is independently verified. Since the regulation and standards of non-financial reporting is developing, data quality, coverage, consistency and accessibility remains challenging over the near term.

Significant events during the financial year

Prospectus and Supplement updates

The following documents were issued and updated during the financial year ended 30 June 2023:

Umbrella/Sub-Fund	Issue date	Update
Mercer PIF Fund plc	30 Nov 2022	Prospectus updated by way of Addendum to reflect: • Inclusion of disclosures regarding EU taxonomy alignment with respect to relevant Sub-Funds; • Inclusion of disclosures to include product level PAI of investment decisions on sustainability factors for those Article 6 Sub-Funds which do not consider PAI and to include a description of the manner in which sustainability risk are integrated into their investment decisions for those Article 6 Sub-Funds which do not consider PAI; • Inclusion of a new risk factor in the "Special Considerations and Risk Factors" section of each Prospectus titled "Sustainability-related data"; Inclusion of new definitions "PAI Indicators" and "SFDR Level 2 RTS"; and • Minor amendments of a "tidy-up" nature.
	12 May 2023	Prospectus updated to reflect: • Incorporation of Prospectus Addendum dated 30 November 2022 relating to the SFDR Level 2 Regulation; • Inclusion of information for investors in the United Arab Emirates; • Confirmation that Sub-Investment Managers may further delegate when prior consent is given by the Investment Manager; • Discretion to redeem holdings below an agreed minimum holding level to address fractional unit balances, in line with updated constitution; • Updates to the swing pricing language to reflect director discretion to determine the necessary swing to protect against dilutive impacts. • General updates*.
MGI Diversified Equity Fund	17 Nov 2022	Supplement updated to reflect additional underlying UCITS funds through which the Sub-Fund may invest in achieving its investment objective, and corresponding regulatory fees disclosures. The update does not reflect a change in investment strategy, but rather a flexibility in implementing the existing investment policy of gaining exposure to international equities.
MGI Diversified Equity Fund, MGI Balanced Managed Fund, Mercer Medium Term Inflation Linked Bond Fund, Mercer UK Credit Fund, Mercer Passive Euro Inflation Linked Bond Fund	30 Nov 2022	Supplements updated to reflect the implementation of the Commission Delegated Regulation (EU) 2022/1288 supplementing the SFDR (EU) 2019/2088 (SFDR Level 2), to reflect SFDR-related updates including new pre-contractual Annexes.
Mercer UK Credit Fund	29 Jul 2022	Supplement updated to incorporate binding environmental and social characteristics into the investment policy of the Sub-Fund and change to Article 8 status under the SFDR.
Mercer Passive Euro Inflation Linked Bond Fund (formerly Mercer Euro Inflation Linked Bond Fund)	9 Jan 2023	Supplement updated to reflect: • Sub-Fund name changed from Mercer Euro Inflation Linked Bond Fund. • an updated investment objective as approved in advance by Shareholders, to reflect that the Sub-Fund achieves its target exposure and returns through a passively managed approach versus the ICE 5+ Year Euro GDP-Weighted Inflation-Linked Government Index; • corresponding updated investment policy and risk factors to more clearly align with the implementation of the strategy through an index-tracking style approach, as notified to Shareholders in advance; • change in leverage limits to remove flexibilities for the Investment Manager around potentially eligible assets where these were no longer relevant.
All Sub-Funds	12 May 2023	General updates*.

*General updates include Sub-Investment Manager changes, Share Class changes etc.

Significant events during the financial year (continued)

Sub-Fund termination
The following Sub-Fund terminated (not de-authorised) during the financial year ended 30 June 2023:

Sub-Fund	Termination date
Mercer Enhanced Yield Fund	31 Mar 2023

Share Class launches and terminations
The following Share Classes launched during the financial year ended 30 June 2023:

Sub-Fund	Share Class	Launch date
Mercer Sterling Inflation Linked LDI Bond Fund	Class M-5 £ Distributing	15 Mar 2023
Mercer Passive Euro Inflation Linked Bond Fund	Class Z1-0.0000 €	21 Jul 2022

The following Share Classes terminated during the financial year ended 30 June 2023:

Sub-Fund	Share Class	Termination date
Mercer Sterling Inflation Linked LDI Bond Fund	Class M-5 £ Distributing	16 Dec 2022
Mercer Sterling Nominal LDI Bond Fund	Class M-5 £ Distributing	9 May 2023
Mercer Enhanced Yield Fund	Class M-4 €	31 Mar 2023
	Class M-6 €	31 Mar 2023

Subsequent events

Share Class launches and terminations
The following Share Class launched since the financial year end date:

Sub-Fund	Share Class	Launch date
Mercer Sterling Nominal LDI Bond Fund	Class M-8 £	7 Jul 2023

The following Share Class terminated since the financial year end date:

Sub-Fund	Share Class	Termination date
Mercer Sterling Nominal LDI Bond Fund	Class M-8 £	29 Aug 2023

See Note 14 to the financial statements for other events since the financial year end date.

Adequate accounting records

The Board ensures compliance with the Company's obligation to maintain adequate accounting records by appointing competent persons to be responsible for them. The adequate accounting records are kept by State Street Fund Services (Ireland) Limited (the "Administrator"), at 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

Relevant audit information

The Board believes that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Company's statutory auditor is aware of that information. In so far as they are aware, there is no relevant audit information of which the Company's statutory auditor is unaware.

Independent Auditor

Deloitte Ireland LLP, Chartered Accountants & Statutory Auditor, (the "Auditor") indicated their willingness to execute the office in accordance with Section 383(2) of the Companies Act 2014.

on behalf of the Board of Directors

Tom Finlay	**Liam Miley**
Director	**Director**

24 October 2023

We, State Street Custodial Services (Ireland) Limited (the "Depositary"), have enquired into the conduct of Mercer Global Investments Management Limited ("MGIM") as the authorised Alternative Investment Fund Manager ("AIFM") in respect of Mercer PIF Fund plc (the "Company" or the "AIF") the authorised Alternative Investment Fund, for the financial year ended 30 June 2023 in our capacity as Depositary to the AIF.

This report including the opinion has been prepared for and solely for the Shareholders in the AIF as a body, in accordance with the Central Bank's AIF Rulebook and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Responsibilities of the Depositary

Our duties and responsibilities are outlined in Regulation 22(7)(8)&(9) of European Union (Alternative Investment Fund Managers Directive) Regulations 2013 as amended (the "Regulations") and the AIF Rulebook. One of those duties is to enquire into the conduct of the AIFM in each annual accounting period and report thereon to the Shareholders.

Our report shall state whether, in our opinion, the AIF has been managed in that financial year in accordance with the provisions of AIF's constitutional documentation and the AIF Rulebook. It is the overall responsibility of the AIFM to comply with these provisions. If the AIFM has not so complied, we as Depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

Basis of Depositary opinion

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Regulation 22(7)(8)&(9) of the Regulations, and to ensure that, in all material respects, the AIF has been managed:

(i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations; and

(ii) otherwise in accordance with the AIF's constitutional documentation and the appropriate regulations.

Opinion

In our opinion, the AIF has been managed during the financial year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the authorised AIF by the constitutional document and by the Central Bank under the powers granted to the Central Bank by the investment fund legislation; and

(ii) otherwise in accordance with the provisions of the constitutional document and the investment fund legislation.

State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

24 October 2023

Report on the audit of the financial statements

Opinion on the financial statements of Mercer PIF Fund plc ("the company")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 30 June 2023 and of the loss the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework, the applicable Regulations and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Net Assets attributable to holders of Redeemable Participating Shares;
- the Statement of Cash Flows; and
- the related notes 1 to 15, including a summary of significant accounting policies as set out in note 2.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and International Financial Reporting Standards as adopted by the European Union ("IFRS") ("the relevant financial reporting framework").

The applicable regulations that have been applied in their preparation is the European Union (Alternative Investment Fund Managers) Regulations 2013 (as amended) and the Commission Delegated Regulation (EU) No.231/2013 ("the applicable Regulations").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Report on the audit of the financial statements (continued)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/Description-of-the-auditor-s-responsibilities-for. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Use of our report

This report is made solely to the company's shareholders, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Brian Jackson
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2
Date: 24 October 2023

Statement of Financial Position as at 30 June 2023

	Notes	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£	*Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Assets										
Cash and cash equivalents	2,7	244,775	440,284	2,609,131	2,710,721	234,313	152,660	21,832	-	6,925,967
Due from broker	2,7	-	-	-	297,846	-	-	-	-	347,099
Receivable for securities sold	2	-	-	-	-	32,749,138	4,086,119	-	878,430	43,804,962
Subscriptions receivable	2	37,789	-	2,549	-	-	-	-	-	40,338
Other assets		658	911	4,396,175	1,734,397	89,126	327,658	-	1,853,815	8,758,471
Financial assets at fair value through profit or loss:	2,7									
- Securities		-	-	1,488,046,829	104,715,508	148,049,375	46,835,004	-	494,027,337	2,331,217,491
- Collective investment schemes		50,182,289	94,868,757	-	-	-	-	-	-	145,051,046
- Financial derivative instruments		-	-	-	148,695	-	-	-	-	173,284
Total assets		**50,465,511**	**95,309,952**	**1,495,054,684**	**109,607,167**	**181,121,952**	**51,401,441**	**21,832**	**496,759,582**	**2,536,318,658**
Liabilities										
Bank overdraft	2	-	-	-	-	-	-	-	(74,221)	(74,221)
Due to broker	2,7	-	-	-	(35,919)	-	-	-	-	(41,859)
Payable for securities purchased	2	-	-	-	(110,960)	-	-	-	-	(129,309)
Redemptions payable	2	-	-	(334,554)	-	(31,890,177)	(4,119,090)	(240)	(25,006)	(42,323,752)
Expenses payable	2	(5,140)	(7,891)	(549,816)	(104,687)	(146,461)	(66,528)	(21,592)	(71,464)	(1,026,112)
Financial liabilities held for trading:	2,7									
- Financial derivative instruments		-	-	-	(3,546)	-	-	-	-	(4,132)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		**(5,140)**	**(7,891)**	**(884,370)**	**(255,112)**	**(32,036,638)**	**(4,185,618)**	**(21,832)**	**(170,691)**	**(43,599,385)**
Net assets attributable to holders of redeemable participating shares		**50,460,371**	**95,302,061**	**1,494,170,314**	**109,352,055**	**149,085,314**	**47,215,823**	**-**	**496,588,891**	**2,492,719,273**

*Sub-Fund terminated during the financial year ended 30 June 2023.

On behalf of the Board of Directors

Tom Finlay

Director______________________________

Liam Miley

Director______________________________

24 October 2023

	Notes	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£	Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Assets										
Cash and cash equivalents	2,7	-	737,018	3,757,621	2,727,409	106,412	222,963	49,024	264,904	8,359,664
Due from broker	2,7	-	-	-	236,573	-	-	-	-	274,829
Receivable for securities sold	2	276,278	-	-	-	-	-	-	-	276,278
Subscriptions receivable	2	4,473	4,473	77,130	-	-	-	-	-	86,076
Other assets		434	221	10,080,994	1,892,787	15,879	609,862	-	564,602	13,572,050
Financial assets at fair value through profit or loss:	2,7									
- Securities		-	-	1,393,231,745	138,040,492	45,494,046	128,024,087	-	140,697,388	1,895,869,915
- Collective investment schemes		42,543,382	92,899,309	-	-	-	-	13,920,732	-	149,363,423
- Financial derivative instruments		-	-	-	313	-	-	-	-	364
Total assets		**42,824,567**	**93,641,021**	**1,407,147,490**	**142,897,574**	**45,616,337**	**128,856,912**	**13,969,756**	**141,526,894**	**2,067,802,599**
Liabilities										
Bank overdraft	2	(55,964)	-	-	-	-	-	-	-	(55,964)
Redemptions payable	2	(12,335)	-	(155,229)	-	-	-	-	(12,031)	(179,595)
Expenses payable	2	(16,539)	(24,084)	(532,698)	(146,604)	(53,796)	(93,253)	(7,716)	(77,381)	(999,558)
Financial liabilities held for trading:	2,7									
- Financial derivative instruments		-	-	-	(134,440)	-	-	-	-	(156,180)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		**(84,838)**	**(24,084)**	**(687,927)**	**(281,044)**	**(53,796)**	**(93,253)**	**(7,716)**	**(89,412)**	**(1,391,297)**
Net assets attributable to holders of redeemable participating shares		**42,739,729**	**93,616,937**	**1,406,459,563**	**142,616,530**	**45,562,541**	**128,763,659**	**13,962,040**	**141,437,482**	**2,066,411,302**

	Notes	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£	*Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Income										
Interest income calculated using the effective interest method	2,8	477	1,124	4,132	18,404	1,153	461	257	2,091	31,127
Net gain/(loss) from financial instruments at fair value through profit or loss	2,9	3,982,298	2,332,580	(18,064,175)	(10,693,287)	(52,752,892)	(39,871,333)	567,062	(14,351,521)	(144,480,926)
Other income		-	-	-	-	16,781,131	77,272	-	-	19,408,707
Net investment income/(expense)		**3,982,775**	**2,333,704**	**(18,060,043)**	**(10,674,883)**	**(35,970,608)**	**(39,793,600)**	**567,319**	**(14,349,430)**	**(125,041,092)**
Expenses	2,3	(158,237)	(212,604)	(4,234,424)	(726,628)	(1,407,017)	(358,108)	(78,391)	(696,351)	(8,248,707)
Net income/(expense) from operations before finance costs		**3,824,538**	**2,121,100**	**(22,294,467)**	**(11,401,511)**	**(37,377,625)**	**(40,151,708)**	**488,928**	**(15,045,781)**	**(133,289,799)**
Finance costs										
Bank interest expense	2	(891)	(1,322)	(59,204)	(1,557)	(5,707)	(577)	(64)	(37,175)	(107,683)
Distributions	2,12	-	-	-	(1,913,603)	(39,021)	(183,393)	-	-	(2,459,149)
Total finance costs		**(891)**	**(1,322)**	**(59,204)**	**(1,915,160)**	**(44,728)**	**(183,970)**	**(64)**	**(37,175)**	**(2,566,832)**
Change in net assets attributable to holders of redeemable participating shares		**3,823,647**	**2,119,778**	**(22,353,671)**	**(13,316,671)**	**(37,422,353)**	**(40,335,678)**	**488,864**	**(15,082,956)**	**(135,856,631)**

*Sub-Fund terminated during the financial year ended 30 June 2023.

All amounts arose solely from continuing operations with the exception of Mercer Enhanced Yield Fund. There were no recognised gains or losses other than those dealt with in the Statement of Comprehensive Income.

	Notes	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£	Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Income										
Interest income calculated using the effective interest method	2,8	-	-	-	453	-	-	-	-	534
Net loss from financial instruments at fair value through profit or loss	2,9	(5,412,794)	(6,513,178)	(92,777,867)	(24,267,173)	(22,953,757)	(56,507,679)	(1,560,803)	(9,629,414)	(238,244,385)
Net investment expense		**(5,412,794)**	**(6,513,178)**	**(92,777,867)**	**(24,266,720)**	**(22,953,757)**	**(56,507,679)**	**(1,560,803)**	**(9,629,414)**	**(238,243,851)**
Expenses	2,3	(178,363)	(240,008)	(4,819,109)	(1,179,152)	(582,709)	(755,199)	(80,822)	(567,049)	(8,854,282)
Net expense from operations before finance costs		**(5,591,157)**	**(6,753,186)**	**(97,596,976)**	**(25,445,872)**	**(23,536,466)**	**(57,262,878)**	**(1,641,625)**	**(10,196,463)**	**(247,098,133)**
Finance costs										
Bank interest expense	2	(2,204)	(16,808)	(48,925)	(2,842)	(4,969)	(1,159)	(382)	(10,702)	(89,601)
Distributions	2,12	-	-	-	(2,054,389)	(95,500)	(322,122)	-	-	(2,915,795)
Total finance costs		**(2,204)**	**(16,808)**	**(48,925)**	**(2,057,231)**	**(100,469)**	**(323,281)**	**(382)**	**(10,702)**	**(3,005,396)**
Change in net assets attributable to holders of redeemable participating shares		**(5,593,361)**	**(6,769,994)**	**(97,645,901)**	**(27,503,103)**	**(23,636,935)**	**(57,586,159)**	**(1,642,007)**	**(10,207,165)**	**(250,103,529)**

All amounts arose solely from continuing operations. There were no recognised gains or losses other than those dealt with in the Statement of Comprehensive Income.

	Notes	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£	*Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Net assets attributable to holders of redeemable participating shares at beginning of the financial year		**42,739,729**	**93,616,937**	**1,406,459,563**	**142,616,530**	**45,562,541**	**128,763,659**	**13,962,040**	**141,437,482**	**2,066,411,302**
Proceeds from redeemable participating shares issued	11	7,491,960	8,012,042	418,205,294	6,731,009	814,031,518	82,716,545	14,089	396,211,674	1,858,885,437
Payments for redeemable participating shares redeemed	11	(3,594,965)	(8,446,696)	(308,140,872)	(26,678,813)	(673,086,392)	(123,928,703)	(14,464,993)	(25,977,309)	(1,297,720,316)
Change in net assets attributable to holders of redeemable participating shares		3,823,647	2,119,778	(22,353,671)	(13,316,671)	(37,422,353)	(40,335,678)	488,864	(15,082,956)	(135,856,631)
Foreign currency translation**		-	-	-	-	-	-	-	-	999,481
Net assets attributable to holders of redeemable participating shares at end of financial year		**50,460,371**	**95,302,061**	**1,494,170,314**	**109,352,055**	**149,085,314**	**47,215,823**	**-**	**496,588,891**	**2,492,719,273**

*Sub-Fund terminated during the financial year ended 30 June 2023.

**For the purpose of combining the financial statements of the Sub-Funds to arrive at Company figures, the amounts in the financial statements have been translated to Euro. The method of translation has no effect on the NAV per Redeemable Participating Share attributable to the individual Sub-Funds. The resulting Euro gain is owing to the difference in exchange rate used to translate the Statement of Comprehensive Income and the Statement of Financial Position and is included as a foreign currency translation adjustment in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares. This is a notional gain, which has no impact on the NAV of the Sub-Funds.

	Notes	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£	Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Net assets attributable to holders of redeemable participating shares at beginning of the financial year		**50,950,601**	**109,520,221**	**1,489,549,125**	**259,673,223**	**147,396,290**	**187,697,158**	**15,451,344**	**93,683,017**	**2,451,998,003**
Proceeds from redeemable participating shares issued	11	7,964,370	13,905,393	323,820,007	1,672,831	30,300,329	90,832,609	1,219,710	87,081,037	570,974,338
Payments for redeemable participating shares redeemed	11	(10,581,881)	(23,038,683)	(309,263,668)	(91,226,421)	(108,497,143)	(92,179,949)	(1,067,007)	(29,119,407)	(709,509,225)
Change in net assets attributable to holders of redeemable participating shares		(5,593,361)	(6,769,994)	(97,645,901)	(27,503,103)	(23,636,935)	(57,586,159)	(1,642,007)	(10,207,165)	(250,103,529)
Foreign currency translation*		-	-	-	-	-	-	-	-	3,051,715
Net assets attributable to holders of redeemable participating shares at end of financial year		**42,739,729**	**93,616,937**	**1,406,459,563**	**142,616,530**	**45,562,541**	**128,763,659**	**13,962,040**	**141,437,482**	**2,066,411,302**

*For the purpose of combining the financial statements of the Sub-Funds to arrive at Company figures, the amounts in the financial statements have been translated to Euro. The method of translation has no effect on the NAV per Redeemable Participating Share attributable to the individual Sub-Funds. The resulting Euro gain is owing to the difference in exchange rate used to translate the Statement of Comprehensive Income and the Statement of Financial Position and is included as a foreign currency translation adjustment in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares. This is a notional gain, which has no impact on the NAV of the Sub-Funds.

	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£	*Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Cash flows from operating activities									
Change in net assets attributable to holders of redeemable participating shares	3,823,647	2,119,778	(22,353,671)	(13,316,671)	(37,422,353)	(40,335,678)	488,864	(15,082,956)	(135,856,631)
Adjustments for:									
Distributions paid to Shareholders	-	-	-	1,913,603	39,021	183,393	-	-	2,459,149
Movement in due to/from broker	-	-	-	(25,354)	-	-	-	-	(29,190)
Movement in financial assets at fair value through profit or loss	(7,362,629)	(1,969,448)	(94,815,084)	33,435,944	(135,304,467)	77,102,964	13,920,732	(354,208,379)	(472,946,849)
Unrealised movement on derivative assets and liabilities	-	-	-	(279,276)	-	-	-	-	(321,524)
Operating cash flows before movements in working capital	**(3,538,982)**	**150,330**	**(117,168,755)**	**21,728,246**	**(172,687,799)**	**36,950,679**	**14,409,596**	**(369,291,335)**	**(606,695,045)**
Movement in receivables	(224)	(690)	5,684,819	158,390	(73,247)	282,204	-	(1,289,213)	4,817,610
Movement in payables	(11,399)	(16,193)	17,118	(41,917)	92,665	(26,725)	13,876	(5,917)	25,142
Cash (used in)/provided by operations	**(11,623)**	**(16,883)**	**5,701,937**	**116,473**	**19,418**	**255,479**	**13,876**	**(1,295,130)**	**4,842,752**
Net cash (used in)/provided by operating activities	**(3,550,605)**	**133,447**	**(111,466,818)**	**21,844,719**	**(172,668,381)**	**37,206,158**	**14,423,472**	**(370,586,465)**	**(601,852,293)**
Financing activities									
Proceeds from redeemable participating shares issued	7,458,644	8,016,515	418,279,875	6,731,009	814,031,518	82,716,545	14,089	396,211,674	1,858,931,175
Payments for redeemable participating shares redeemed	(3,607,300)	(8,446,696)	(307,961,547)	(26,678,813)	(641,196,215)	(119,809,613)	(14,464,753)	(25,964,334)	(1,256,083,437)
Distributions paid to Shareholders	-	-	-	(1,913,603)	(39,021)	(183,393)	-	-	(2,459,149)
Net cash provided by/(used in) financing activities	**3,851,344**	**(430,181)**	**110,318,328**	**(21,861,407)**	**172,796,282**	**(37,276,461)**	**(14,450,664)**	**370,247,340**	**600,388,589**
Net increase/(decrease) in cash and cash equivalents	**300,739**	**(296,734)**	**(1,148,490)**	**(16,688)**	**127,901**	**(70,303)**	**(27,192)**	**(339,125)**	**(1,463,704)**
Cash and cash equivalents at the beginning of the financial year	(55,964)	737,018	3,757,621	2,727,409	106,412	222,963	49,024	264,904	8,303,700
Foreign currency translation**	-	-	-	-	-	-	-	-	11,750
Cash and cash equivalents at the end of the financial year	**244,775**	**440,284**	**2,609,131**	**2,710,721**	**234,313**	**152,660**	**21,832**	**(74,221)**	**6,851,746**
Cash and cash equivalents - Statement of Financial Position	244,775	440,284	2,609,131	2,710,721	234,313	152,660	21,832	-	6,925,967
Bank overdraft - Statement of Financial Position	-	-	-	-	-	-	-	(74,221)	(74,221)
Cash and cash equivalents - Statement of Cash Flow	**244,775**	**440,284**	**2,609,131**	**2,710,721**	**234,313**	**152,660**	**21,832**	**(74,221)**	**6,851,746**
Supplementary Information									
Interest received	477	1,086	99,608,826	4,853,790	28,414,505	2,651,018	257	29,916,841	170,880,599
Interest paid	(891)	(1,322)	(59,204)	(1,557)	(5,707)	(577)	(64)	(37,175)	(107,683)

*Sub-Fund terminated during the financial year ended 30 June 2023.

**For the purpose of combining the financial statements of the Sub-Funds to arrive at Company figures, the amounts in the financial statements have been translated to Euro. The resulting gain of Euro is owing to the difference in exchange rate used to translate the Statement of Comprehensive Income and the Statement of Financial Position and is included as a foreign currency translation adjustment in the Statement of Cash Flows. This is a notional gain, which has no impact on the NAV of the Sub-Funds.

	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£	Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Cash flows from operating activities									
Change in net assets attributable to holders of redeemable participating shares	(5,593,361)	(6,769,994)	(97,645,901)	(27,503,103)	(23,636,935)	(57,586,159)	(1,642,007)	(10,207,165)	(250,103,529)
Adjustments for:									
Distributions paid to Shareholders	-	-	-	2,054,389	95,500	322,122	-	-	2,915,795
Movement in due to/from broker	-	-	-	(150,781)	-	-	-	-	(177,850)
Movement in financial assets at fair value through profit or loss	8,127,331	12,630,546	84,871,930	111,622,216	101,736,726	58,964,341	1,492,441	(47,523,377)	380,810,575
Unrealised movement on derivative assets and liabilities	-	-	-	156,122	-	-	-	-	184,150
Operating cash flows before movements in working capital	**2,533,970**	**5,860,552**	**(12,773,971)**	**86,178,843**	**78,195,291**	**1,700,304**	**(149,566)**	**(57,730,542)**	**133,629,141**
Movement in receivables	560	3,297	(959,661)	766,733	12,092	(18,152)	-	(200,593)	(259,165)
Movement in payables	(3,765)	(13,237)	30,866	(92,946)	(47,869)	(29,231)	(1,691)	22,937	(165,463)
Cash (used in)/provided by operations	**(3,205)**	**(9,940)**	**(928,795)**	**673,787**	**(35,777)**	**(47,383)**	**(1,691)**	**(177,656)**	**(424,628)**
Net cash provided by/(used in) operating activities	**2,530,765**	**5,850,612**	**(13,702,766)**	**86,852,630**	**78,159,514**	**1,652,921**	**(151,257)**	**(57,908,198)**	**133,204,513**
Financing activities									
Proceeds from redeemable participating shares issued	7,959,897	14,077,809	324,608,060	1,672,831	30,300,329	90,832,609	1,219,710	87,081,037	571,930,334
Payments for redeemable participating shares redeemed	(10,591,548)	(23,060,906)	(309,288,075)	(91,226,421)	(108,497,143)	(92,179,949)	(1,067,007)	(29,114,036)	(709,560,151)
Distributions paid to Shareholders	-	-	-	(2,054,389)	(95,500)	(322,122)	-	-	(2,915,795)
Net cash (used in)/provided by financing activities	**(2,631,651)**	**(8,983,097)**	**15,319,985**	**(91,607,979)**	**(78,292,314)**	**(1,669,462)**	**152,703**	**57,967,001**	**(140,545,612)**
Net (decrease)/increase in cash and cash equivalents	**(100,886)**	**(3,132,485)**	**1,617,219**	**(4,755,349)**	**(132,800)**	**(16,541)**	**1,446**	**58,803**	**(7,341,099)**
Cash and cash equivalents at the beginning of the financial year	44,922	3,869,503	2,140,402	7,482,758	239,212	239,504	47,578	206,101	15,582,827
Foreign currency translation*	-	-	-	-	-	-	-	-	61,972
Cash and cash equivalents at the end of the financial year	**(55,964)**	**737,018**	**3,757,621**	**2,727,409**	**106,412**	**222,963**	**49,024**	**264,904**	**8,303,700**
Cash and cash equivalents - Statement of Financial Position	-	737,018	3,757,621	2,727,409	106,412	222,963	49,024	264,904	8,359,664
Bank overdraft - Statement of Financial Position	(55,964)	-	-	-	-	-	-	-	(55,964)
Cash and cash equivalents - Statement of Cash Flow	**(55,964)**	**737,018**	**3,757,621**	**2,727,409**	**106,412**	**222,963**	**49,024**	**264,904**	**8,303,700**
Supplementary Information									
Interest received	-	-	90,009,660	6,476,801	3,977,166	2,780,699	-	8,764,145	114,384,404
Interest paid	(2,204)	(16,808)	(48,925)	(2,842)	(4,969)	(1,159)	(382)	(10,702)	(89,601)

*For the purpose of combining the financial statements of the Sub-Funds to arrive at Company figures, the amounts in the financial statements have been translated to Euro. The resulting gain of Euro is owing to the difference in exchange rate used to translate the Statement of Comprehensive Income and the Statement of Financial Position and is included as a foreign currency translation adjustment in the Statement of Cash Flows. This is a notional gain, which has no impact on the NAV of the Sub-Funds.

1. Reporting entity

Mercer PIF Fund plc (the "Company") is an open-ended investment company with variable capital organised under the laws of Ireland. The Company is organised in the form of an umbrella fund insofar as the share capital of the Company will be divided into different series of shares with each series of shares representing a portfolio of assets which will comprise a separate fund (each a "Sub-Fund").

Mercer PIF Fund plc is the reporting entity.

2. Accounting policies

The principal accounting policies adopted by the Company are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with IFRS as adopted by the EU and Irish statute comprising the Companies Act 2014.

The financial statements of the Company have been prepared on the going concern basis as it has been determined that the Company can continue in operational existence for at least twelve months from the date of approval of these financial statements (the period of assessment). The assessment is completed at Company level by the Directors and takes multiple factors into account including Sub-Fund size, NAV movements and new Sub-Fund launches and terminations.

b) Functional and presentation currency

(i) Functional and presentation currency of the Company
The functional and presentation currency of the Company is the Euro ("€") as it is the currency of the primary economic environment in which the Company operates.

(ii) Functional and presentation currency of the Sub-Funds
Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the respective Sub-Funds operate (the "functional currency"). If indicators of the primary economic environment are mixed, then management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The functional currency which is either € or Pound Sterling ("GB£") is shown in the Statement of Financial Position of each of the Sub-Funds. The Sub-Funds have also adopted these functional currencies as their presentation currency.

(iii) Translation of Sub-Funds for the purposes of calculating the Company values
For the purposes of presenting the financial statements of the Company, the Statement of Financial Position of the Sub-Funds with functional and presentation currencies other than € were translated to € at the exchange rate ruling at 30 June 2023. The Statement of Comprehensive Income, proceeds from redeemable participating shares issued, redemptions of redeemable participating shares and Statement of Cash Flows of the Sub Funds with functional currencies other than the € were translated to € using the average exchange rates during the financial year.

(iv) Translation and balances
Monetary assets and liabilities denominated in currencies other than the functional currency of a particular Sub-Fund are translated to the functional currency at the closing rates of exchange at financial year end. Transactions during the financial year are translated at the rate of exchange prevailing on the date of the transaction. Foreign currency gains and losses are included in Net gain/(loss) from financial instruments at fair value through profit or loss ("FVTPL") in the Statement of Comprehensive Income.

Average rates of exchange were used to translate transfers of shares between share classes of the Sub-Funds (each a "Share Class") with functional currencies other than the functional currency of the Sub-Fund, where those rates represent a reasonable approximation of actual rates.

c) Use of judgements and estimates

The preparation of financial statements in conformity with IFRS as adopted by the EU requires management to make judgements, estimates and assumptions which affects the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and the disclosure of contingent assets and liabilities as at the date of the financial statements. The estimates and associated assumptions are based on historical experience and various other factors which are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities which are not readily apparent from others.

2. Accounting policies (continued)

c) Use of judgements and estimates (continued)

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimates are revised and in any future years affected.

(i) Judgements
Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements of the Company and the Sub-Funds are included in Note 2b and Note 5 to the financial statements.

(ii) Assumptions and estimation uncertainties
Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the year ending 30 June 2023 and 30 June 2022 are included in Note 7 to the financial statements and relates to the determination of fair value of certain financial instruments with significant unobservable inputs.

d) New standards, amendments and interpretations issued and effective for the financial year beginning 1 July 2022

There are no new standards, amendments and interpretations issued and effective for the financial year beginning 1 July 2022 that have a significant impact on the Company's financial position, performance or disclosures in its financial statements.

e) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 July 2022 and not early adopted

There are no standards, amendments and interpretations issued but not effective for the financial year beginning 1 July 2022 that would be expected to have a significant impact on the Company's financial statements.

f) Financial instruments

(i) Recognition and initial measurement
Financial assets and financial liabilities are initially recognised at FVTPL on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognised at the date they are originated. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded in the Statement of Comprehensive Income.

Financial assets and liabilities are measured initially at fair value. For an item not classified at FVTPL, it is measured initially at fair value plus or minus transaction costs that are directly attributable to its acquisition or issue. Transaction costs on financial assets and financial liabilities at FVTPL are expensed immediately, while on other financial instruments they are amortised.

(ii) Classification and subsequent measurement
On initial recognition, the Company classifies financial assets as measured at amortised cost or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

Business model assessment
In making an assessment of the objectives of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including:
- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the Investment Manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

2. Accounting policies (continued)

f) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Business model assessment (continued)

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for de-recognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets. The Company has determined that there are two business models.

- Held to collect business model: this includes cash and cash equivalents, due from broker, receivable for securities sold, subscriptions receivable and other assets. These financial assets are held to collect contractual cash flows.
- Other business model: this includes debt securities, investments in unlisted open-ended CIS and financial derivative instruments ("FDIs"). These financial assets are managed and their performance is evaluated on a fair value basis, with frequent sales taking place.

Assessment whether contractual cash flows are SPPI

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayments and extension features;
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition.

The Company has classified its financial assets and financial liabilities into the following categories:

- Financial assets at FVTPL - investments in securities, CIS and FDIs with positive fair values.
- Financial assets at amortised cost - cash and cash equivalents, due from broker, receivable for securities sold, subscriptions receivable and other assets.
- Financial liabilities at amortised cost - due to broker, bank overdraft, expenses payable, redemptions payable, payable for securities purchased and net assets attributable to holders of redeemable participating shares.
- Financial liabilities held for trading - FDIs with negative fair values.

Financial assets and financial liabilities at FVTPL are subsequently measured at fair value. Net gains and losses arising from changes in the fair value of financial assets and financial liabilities at FVTPL are included in the Statement of Comprehensive Income in the year in which they arise.

Financial assets and financial liabilities at amortised cost are subsequently measured at amortised cost using the effective interest method ("EIR"). Interest income from the financial assets measured at amortised cost are recognised in interest income calculated using EIR in the Statement of Comprehensive Income. Interest expense from the financial liabilities measured at amortised cost is recognised in the Statement of Comprehensive Income. Net gains and losses from the financial assets and financial liabilities measured at amortised cost are recognised in the Statement of Comprehensive Income.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Company were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

(iii) Fair value measurement

"Fair Value" is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Sub-Funds have access at that date. The fair value of a liability reflects its non-performance risk.

2. Accounting policies (continued)

f) Financial instruments (continued)

(iii) Fair value measurement (continued)
The fair value of financial instruments traded in active markets (such as equities) or any other regulated market (such as corporate bonds, government bonds, municipal bonds, asset backed securities ("ABS"), convertible securities and credit linked notes) is based on their quoted market prices at the reporting date without any deduction for estimated future selling costs. Financial assets are priced at current last traded market prices, while financial liabilities are priced at current ask prices.

A market is regarded as "active" if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Sub-Funds measure instruments quoted in an active market at current last traded market price, because this price provides a reasonable approximation of the exit price. If there is no quoted price in an active market, then the Sub-Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

This includes, but is not limited to, reviewing information on stale and static prices, suspended securities and securities in liquidation and securities valued at cost. If the Investment Manager has reasonable belief that the valuation of a particular security may not reflect fair market value, the Investment Manager's Valuation Committee ("VC") will meet to consider the appropriate valuation of the security in question. The VC meets on a regular basis and formally reviews all new fair value assessments and other pricing issues. Ad-hoc fair value approvals may be received via email to the VC members or by means of extraordinary meetings of the VC should the need arise.

The Company recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

(iv) Amortised cost measurement
The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the EIR of any difference between the initial amount recognised and the maturity amount, minus any adjustment for any loss allowances for financial assets.

(v) Impairment of financial assets
IFRS 9 requires an impairment assessment to be carried out on its financial assets. The AIFM has reviewed the impairment assessment of financial assets measured at amortised cost. The AIFM considers the probability of default to be close to zero, as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised in the financial statements based on 12-month expected credit losses ("ECLs") as any such impairment would be wholly insignificant to the Company.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following which are measured at 12-month ECLs:
- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of "investment grade". The Company considers this to be Baa3 or higher per Moody's or BBB- or higher per Standard and Poor's.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from the default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the EIR of the financial asset.

2. Accounting policies (continued)

f) Financial instruments (continued)

(v) Impairment of financial assets (continued)

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisations.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write off

The gross carrying amount of financial assets is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

(vi) Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IFRS 9.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired. The Company uses the average cost method to determine realised gains and losses on derecognition.

(vii) Offsetting

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when and only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at FVTPL and foreign exchange gains and losses.

g) Interest income/expense

Bank interest income and interest expense are recognised in Interest income calculated using the EIR and Bank interest expense, respectively in the Statement of Comprehensive Income.

Interest income and interest expense generated from assets classified as FVTPL is disclosed in Net gain/(loss) from financial instruments at FVTPL in the Statement of Comprehensive Income.

h) Net gain/(loss) from financial instruments at FVTPL

Net gain/(loss) from financial instruments at FVTPL includes all realised gains and losses, unrealised gains and losses from fair value changes, foreign exchange differences and interest income/expense on financial instruments at FVTPL. The Company records its investment transactions on trade basis. Realised gains and losses are calculated based on the average cost method.

The change in unrealised gain or loss represents a movement in fair value to cost of the investment between reporting periods. Where a security's fair value over cost increases over the period, this is recorded as a change in unrealised gain on investments. Where a security's fair value over cost decreases over the period, this is recorded as a change in unrealised loss on investments.

For investments and derivatives held at the end of the prior financial year and sold in their entirety during the current financial year, the unrealised gain or loss represents the difference between the carrying amount of a financial instrument at the beginning of the period, or the transaction price if it was purchased in the current reporting period, and its carrying amount at the end of the period, being € Nil.

i) Operating expenses

Operating expenses are recognised in the Statement of Comprehensive Income on an accrual basis.

2. Accounting policies (continued)

j) Cash and cash equivalents and bank overdraft

Cash and cash equivalents comprise deposits with banks and highly liquid financial assets with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value and are used by the Company in the management of short-term commitments, other than cash collateral provided in respect of derivatives and securities borrowing transactions. Bank overdrafts are shown within liabilities in the Statement of Financial Position.

k) Redeemable participating shares

Redeemable participating shares are redeemable at the Shareholder's option and are classified as financial liabilities.

The redeemable participating shares can be put back to the Sub-Funds at any dealing day for cash equal to a proportionate share of the Sub-Fund's NAV. The redeemable participating shares are carried at the redemption amount that is payable at the reporting date if the Shareholders exercised their right to put the share back to the Sub-Fund.

Swing Pricing
The Directors may determine, at their discretion, to "swing" the NAV to counter the possible negative effects of dilution. Swing pricing is applied to a Sub-Fund once net subscriptions or redemptions for a Sub-Fund for a given dealing day exceeds a predetermined amount.

Anti-Dilution levy
An anti-dilution levy is applied to a Sub-Fund on any dealing day where there are net subscriptions or net redemptions, the Directors may determine to add or deduct, as appropriate, an anti-dilution levy, to or from the subscription or redemption amount on that dealing day in order to cover dealing costs and to preserve the value of the underlying assets of the Sub-Fund for existing Shareholders.

Please see Note 11 to the financial statements for further details.

l) Financial derivative instruments

(i) Forward foreign currency contracts
The fair value of open forward foreign currency contracts is calculated as the difference between the contracted rate and the current forward rate that would close out the contract on the valuation date. Gains or losses arising on the settlement of forward foreign currency contracts are included in Net gain/(loss) from financial instruments at FVTPL in the Statement of Comprehensive Income. The unrealised gain/(loss) on open forward foreign currency contracts is calculated by reference to the forward price. Realised gains or losses include net gains and losses on contracts which have been settled or offset by other contracts.

(ii) Futures contracts on securities
The fair value of futures contracts is based upon daily quoted settlement prices. Changes in the value of the contract are recognised as unrealised gains or losses in Net gain/(loss) from financial instruments at FVTPL in the Statement of Comprehensive Income by "marking to market" the value of the contract at the reporting date. When the contract is closed, the difference between the proceeds from (or cost of) the closing transactions and the original transaction is recorded as a realised gain/(loss) in Net gain/(loss) from financial instruments at FVTPL in the Statement of Comprehensive Income. Futures contracts are treated as settled to market and are recorded as a due from/to broker in the Statement of Financial Position. Futures contracts are presented in the Portfolio Statements on a gross basis.

m) Due from/to broker

Due from/to broker is margin cash and cash collateral which is held by or due to brokers. This amount is the minimum deemed by the brokers and counterparties for collateral requirements and is as such restricted and is reported separately to the unrestricted cash on the Statement of Financial Position.

Upon entering into a centrally cleared derivative contract, the Sub-Funds are required to pledge cash or securities as collateral to a central clearing house, through a broker, in accordance with the initial margin requirements of the central clearing house. At year end, the balances of the initial margin requirements at each broker, excluding the value of any securities pledged as collateral, are recorded as due from broker in the Statement of Financial Position. Any security that has been pledged as collateral is identified as an asset in the Statement of Financial Position at FVTPL.

n) Collateral

A Sub-Fund's assets may be deposited for collateral purposes with counterparties in respect of over the counter ("OTC") FDIs held by a Sub-Fund. Investments pledged by a Sub-Fund as collateral are recognised at fair value in the relevant

2. Accounting policies (continued)

n) Collateral (continued)

Sub-Fund's Portfolio Statements and such investments are referenced accordingly at the base of the Portfolio Statement. These assets remain in the ownership of the relevant Sub-Fund and are recorded as an asset in the Statement of Financial Position.

A Sub-Fund may also receive assets as collateral from counterparties. Securities received by the Sub-Funds as collateral from counterparties do not form part of the NAV of the Sub-Funds and are disclosed at the end of the relevant Portfolio Statement. There were no assets received or pledged as at the financial year end.

Cash collateral received is disclosed in the Statement of Financial Position as an asset and a related liability to repay the collateral is recorded, both of which are valued at amortised cost. There was no cash collateral received at the financial year end.

Cash pledged by the Sub-Funds as collateral is disclosed in the Statement of Financial Position within due from broker.

o) Other assets

Other assets do not carry any interest and are short-term in nature and are accordingly stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Other assets include interest receivable.

p) Expenses payable

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the EIR.

q) Receivable for securities sold/payable for securities purchased

Receivable for securities sold and payable for securities purchased represent sales and purchases that have been contracted for but not yet delivered by the end of the financial year. They are disclosed as assets and liabilities, respectively, in the Statement of Financial Position.

r) Subscriptions receivable/redemptions payable

The subscriptions receivable/redemptions payable represent amounts receivable and payable from/to investors for Sub-Fund shares issued/redeemed for which settlement has not occurred at the end of the financial year and are included as assets/liabilities in the Statement of Financial Position.

s) Distributions

Distributions on distributing Share Classes with an ex-date during the financial year are included as a finance cost in the Statement of Comprehensive Income. The reinvestment of distributions if applicable, being the portion of the total distribution reinvested, are included as a share transaction in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares.

t) Interest payable

Interest payable is stated at its accrued value.

u) Other income

Other income, as reflected in the Statements of Comprehensive Income, is comprised of compensation received by the Sub-Funds resulting from a trading error.

3. Fees and expenses

Management Fee, Sub-Investment Managers' Fees, Aggregate Fee and Voluntary Cap

The AIFM is paid a management fee (the "Management Fee"). The Investment Manager's fee and the Distributor's fee (including reasonable out of pocket expenses) are paid by the AIFM out of the Management Fee[+].

The Sub-Investment Manager, Administrator and Depositary fees (including reasonable out of pocket expenses) are paid by the Company out of the assets of the relevant Sub-Fund.

The aggregate fees and expenses of the AIFM, Investment Manager, Distributor, any Sub-Investment Manager, Administrator and Depositary ("Maximum Aggregate Fee") will not exceed 3% per annum of the NAV of the relevant Sub-Fund.

3. Fees and expenses (continued)

Management Fee, Sub-Investment Managers' Fees, Aggregate Fee and Voluntary Cap (continued)

The AIFM can limit the annual expenses for certain share classes by using a Voluntary Cap. During the financial year ended 30 June 2023 and 30 June 2022 only MGI Diversified Equity Fund and MGI Balanced Managed Fund had a Voluntary Cap in place.

The following table details the Management Fee per Share Class, the Voluntary Cap as a percentage of net assets and the Maximum Aggregate Fee of each Sub-Fund for the financial year ended 30 June 2023 and 30 June 2022.

Sub-Fund	Share Class Description	30 Jun 2023 Management Fee	30 Jun 2023 Voluntary Cap	30 Jun 2023 Maximum Aggregate Fee	30 Jun 2022 Management Fee	30 Jun 2022 Voluntary Cap	30 Jun 2022 Maximum Aggregate Fee
MGI Diversified Equity Fund	Class I-1 €	0.23%	0.37%	3.00%	0.23%	0.37%	3.00%
	Class M-7 €	0.33%	0.47%	3.00%	0.33%	0.47%	3.00%
	Class M-8 €	0.70%	0.84%	3.00%	0.70%	0.84%	3.00%
	Class M-12 €	0.10%	0.24%	3.00%	0.10%	0.24%	3.00%
MGI Balanced Managed Fund	Class M-7 €	0.46%	0.60%	3.00%	0.46%	0.60%	3.00%
	Class M-8 €	0.21%	0.35%	3.00%	0.21%	0.35%	3.00%
	Class M-10 €	0.31%	0.45%	3.00%	0.31%	0.45%	3.00%
	Class M-14 €	0.10%	0.24%	3.00%	0.10%	0.24%	3.00%
	Class A11-0.2500 €	0.25%	0.39%	3.00%	0.25%	0.39%	3.00%
Mercer Medium Term Inflation Linked Bond Fund	Class M-1 €	0.15%	n/a	3.00%	0.15%	n/a	3.00%
	Class M-3 €	0.26%	n/a	3.00%	0.26%	n/a	3.00%
	Class M-4 €	0.36%	n/a	3.00%	0.36%	n/a	3.00%
	Class M-6 €	0.55%	n/a	3.00%	0.55%	n/a	3.00%
Mercer UK Credit Fund	Class M-1 £	0.25%	n/a	3.00%	0.25%	n/a	3.00%
	Class M-2 £	0.40%	n/a	3.00%	0.40%	n/a	3.00%
	Class M-5 £*	-	-	-	0.45%	n/a	3.00%
	Class M-6 £	0.63%	n/a	3.00%	0.63%	n/a	3.00%
	Class M-7 £ Distributing	0.22%	n/a	3.00%	0.22%	n/a	3.00%
Mercer Sterling Inflation Linked LDI Bond Fund	Class M-4 £	0.20%	n/a	3.00%	0.20%	n/a	3.00%
	Class M-5 £ Distributing	0.33%	n/a	3.00%	0.33%	n/a	3.00%
	Class M-7 £	0.63%	n/a	3.00%	0.63%	n/a	3.00%
	Class M-9 £	0.56%	n/a	3.00%	0.56%	n/a	3.00%
Mercer Sterling Nominal LDI Bond Fund	Class M-4 £	0.20%	n/a	3.00%	0.20%	n/a	3.00%
	Class M-5 £ Distributing	0.33%	n/a	3.00%	0.33%	n/a	3.00%
	Class M-7 £	0.63%	n/a	3.00%	0.63%	n/a	3.00%
Mercer Enhanced Yield Fund**	Class M-4 €	0.40%	n/a	3.00%	0.40%	n/a	3.00%
	Class M-6 €	0.59%	n/a	3.00%	0.59%	n/a	3.00%
Mercer Passive Euro Inflation Linked Bond Fund	Class M-3 €	0.38%	n/a	3.00%	0.38%	n/a	3.00%
	Class M-4 €	0.50%	n/a	3.00%	0.50%	n/a	3.00%
	Class A3-0.0750 €	0.075%	n/a	3.00%	0.075%	n/a	3.00%
	Class A9-0.2000 €	0.20%	n/a	3.00%	0.20%	n/a	3.00%
	Class Z1-0.0000 €	0.00%	n/a	3.00%	-	-	-

*Share Class terminated during the financial year ended 30 June 2022.
**Sub-Fund terminated during the financial year ended 30 June 2023.

+Investments by Sub-Funds of the Company into share classes of funds also managed by the AIFM (Z Share Classes) are not charged a Management Fee at the level of the underlying fund, therefore ensuring there is no double charging of Management Fees by the AIFM. However, a hedging fee may be applied where the investment is into a hedged share class (Z Hedged Share Classes).

3. **Fees and expenses (continued)**

Administration and Depositary fees

The fees and expenses of the Administrator and Depositary, (including reasonable out of pocket expenses) shall be paid by the Company, out of the assets of the relevant Sub-Fund. The Company shall also reimburse the Depositary out of the assets of the relevant Sub-Fund for the reasonable fees and customary agents' charges paid by the Depositary to any sub-custodian (which shall be charged at normal commercial rates) together with value added tax ("VAT"), if any, thereon. The fees accrue daily and are payable monthly in arrears.

The Sub-Funds are charged Administration fees, which includes fund accounting, Share Class fees, transfer agency, financial and tax reporting fees, at fee rates ranging between 0.425 basis points ("bps") and 1.5 bps of the NAV based on the daily Assets under Administration ("AUA"). The Sub-Funds are charged Depositary fees, at fee rates ranging between 0.18 bps and 0.625 bps based on the daily AUA.

Fees incurred by the Company during the financial year are recognised in the Statement of Comprehensive Income.

The table below outlines the Administration and Depositary fees incurred during the financial year ended 30 June 2023 and 30 June 2022 and the amounts payable at the financial year end:

	30 Jun 2023	30 Jun 2022
Mercer PIF Fund plc	**€**	**€**
Administration fees	191,934	175,010
Administration fees payable	44,357	38,995
Depositary fees	70,983	68,573
Depositary fees payable	17,730	15,614

Audit fees

Fees charged by the Auditor during the financial year ended 30 June 2023 and 30 June 2022 relate to the following:

	30 Jun 2023	30 Jun 2022
	€	**€**
Mercer PIF Fund plc		
Statutory audit	(20,259)	(13,737)
Total	**(20,259)**	**(13,737)**

The fee for the statutory audit of the accounts as disclosed in the table above is exclusive of VAT and out of pocket expenses. The audit fees recognised in the Statement of Comprehensive Income are inclusive of VAT.

Fees of € 1,061 were charged during the financial year by the Auditor for the annual mandatory Investor Money Review ("IMR Fee") completed on behalf of the AIFM (30 June 2022: € 820). The IMR Fee payable at the financial year end was € Nil (30 June 2022: € Nil). There were no other assurance or other non-audit services provided by the Auditor in respect of the current and prior financial year.

4. **Related parties**

This note provides detail on related party transactions concerning Mercer PIF Fund plc.

Management Fee

The AIFM has appointed Mercer Global Investments Europe Limited ("MGIE") as Investment Manager for each of the Sub-Funds. The Investment Manager has responsibility for the on-going monitoring of investments within each of the Sub-Funds of the Company.

The AIFM earned a Management Fee of € 7,068,516 (30 June 2022: € 7,655,195). As detailed in Note 3 to the financial statements, the AIFM can undertake to limit the annual expenses for certain classes through the use of a Voluntary Cap. The application of the Voluntary Cap has resulted in a total reimbursement of € 28,251 (30 June 2022: € 25,524) which is detailed in the table below. The AIFM's fee, which is included within expenses in the Statement of Comprehensive Income, is net of the reimbursement. The AIFM did not earn any performance fee for the financial year ended 30 June 2023 (30 June 2022: € Nil). The Management Fee payable at the financial year end was € 539,702 (30 June 2022: € 515,383).

4. **Related parties (continued)**

Management Fee (continued)

The following table details the Management Fee charged and the Voluntary Cap Reimbursement received by the Sub-Funds for the financial year ended 30 June 2023 and 30 June 2022.

	Management Fee		Voluntary Cap Reimbursement	
	30 Jun 2023	30 Jun 2022	30 Jun 2023	30 Jun 2022
MGI Diversified Equity Fund	€ (157,326)	€ (178,020)	€ 12,796	€ 11,847
MGI Balanced Managed Fund	€ (211,704)	€ (240,327)	€ 15,455	€ 13,678
Mercer Medium Term Inflation Linked Bond Fund	€ (3,728,685)	€ (4,264,424)	-	-
Mercer UK Credit Fund	GB£ (472,050)	GB£ (810,447)	-	-
Mercer Sterling Inflation Linked LDI Bond Fund	GB£ (1,306,121)	GB£ (538,881)	-	-
Mercer Sterling Nominal LDI Bond Fund	GB£ (320,555)	GB£ (689,450)	-	-
Mercer Enhanced Yield Fund*	€ (46,422)	€ (72,193)	-	-
Mercer Passive Euro Inflation Linked Bond Fund	€ (508,162)	€ (495,445)	-	-

*Sub-Fund terminated during the financial year ended 30 June 2023.

Directors' fees

Hooman Kaveh is the Chief Investment Officer (the "CIO") for Mercer Investment Solutions, Carmel Jordan is the Chief Executive Officer (the "CEO") of MGIM, the AIFM and Helen O'Beirne is the Head of Business Regulation for MGIE, the Investment Manager. Hooman Kaveh, Carmel Jordan and Helen O'Beirne do not receive a fee for their Directorship as only Independent Non-executive Directors receive a fee. The AIFM and the Investment Manager are related to Mercer (Ireland) Limited as all three entities are wholly owned subsidiaries of Mercer Ireland Holdings Limited, the parent company.

The Directors earned € 59,827 for the financial year ended 30 June 2023 (30 June 2022: € 5,758), of which € 29,881 was payable as at 30 June 2023 (30 June 2022: € 1,242). The Company does not bear the cost of Directors' expense reimbursements. These are paid by the AIFM.

Collateral Manager/Secured Party

The Company has appointed State Street Bank International GmbH (the "Collateral Manager/Secured Party") as the Collateral Manager/Secured Party.

Other related party transactions

The following Sub-Funds of the Company held investments in related parties as at 30 June 2023 as follows:

30 June 2023

Sub-Fund with investment in related party	Related Party (Sub-Fund of MGI Funds plc)	Share Class	Number of shares held 30 Jun 2023	Investor Sub-Fund Currency	Fair value 30 Jun 2023	Financial year ended 30 Jun 2023 Purchases	Sales
MGI Diversified Equity Fund	MGI Emerging Markets Equity Fund	Z-1 €	52,379	€	6,802,454	1,824,134	(3,316,553)
	Mercer Global Small Cap Equity Fund	Z-1 €	23,427	€	7,703,466	601,452	(234,492)
	Mercer Low Volatility Equity Fund	Z-1 €	25,316	€	6,882,593	1,115,730	(3,062,869)
	Mercer Passive Global Equity Fund	Z-1 €	-	€	-	42,033	(2,305,905)
		Z2-H-0.0200 €	-	€	-	926,284	(18,576,610)
MGI Balanced Managed Fund	MGI Euro Bond Fund	Z1-0.0000 €	1,340	€	11,483,955	11,594,142	(94,372)
	MGI Euro Cash Fund	Z-1 €	142,345	€	15,709,194	15,766,790	(263,106)
	MGI Emerging Markets Debt Fund	Z-1 €	-	€	-	-	(5,054,798)
	Mercer Diversified Growth Fund	Z-1 €	181,945	€	43,049,884	2,148,969	(1,582,570)
	Mercer Global High Yield Bond Fund	Z2-H-0.0200 €	-	€	-	-	(3,547,275)

4. Related parties (continued)

Other related party transactions (continued)

30 June 2023 (continued)

Sub-Fund with investment in related party	Related Party (Sub-Fund of MGI Funds plc)	Share Class	Number of shares held 30 Jun 2023	Investor Sub-Fund Currency	Fair value 30 Jun 2023	Financial year ended 30 Jun 2023 Purchases	Sales
MGI Balanced Managed Fund (continued)	Mercer Global Buy & Maintain Credit Fund	Z2-H-0.0200 €	558	€	4,704,936	376,902	-
	Mercer Passive Global Equity Fund	Z-1 €	-	€	-	-	(24,020,196)
	Mercer Euro Nominal Bond Long Duration Fund	Z-1 €	-	€	-	-	(15,646,959)
	Mercer Absolute Return Fixed Income Fund	Z1-0.0000 €	1,059	€	10,397,690	10,440,504	(150,881)
	Acadian Systematic Macro	Z1-0.0000 $	28	€	2,924,038	2,932,868	(28,310)
Mercer Enhanced Yield Fund	MGI Emerging Markets Debt Fund	Z-1 €	-	€	-	436,682	(5,703,602)
	Mercer Global High Yield Bond Fund	Z2-H-0.0200 €	-	€	-	486,068	(6,144,863)
	Mercer Absolute Return Fixed Income Fund	Z1-0.0000 €	-	€	-	191,859	(3,753,872)

Sub-Fund with investment in related party	Related Party (Sub-Fund of Mercer UCITS Common Contractual Fund)	Unit Class	Number of units held 30 Jun 2023	Investor Sub-Fund Currency	Fair value 30 Jun 2023	Financial year ended 30 Jun 2023 Purchases	Sales
MGI Diversified Equity Fund	Mercer Passive Fundamental Indexation Global Equity UCITS CCF	Z1-0.0000 €	18	€	2,344,095	2,280,571	(91,291)
		Z2-H-0.0200 €	79	€	9,212,722	8,853,523	(485,031)
	Mercer Passive Sustainable Global Equity UCITS CCF	Z1-0.0000 $	17	€	2,332,862	2,249,624	(127,725)
		Z2-H-0.0200 €	82	€	9,166,641	8,868,947	(722,660)

Sub-Fund with investment in related party	Related Party (Sub-Fund of Mercer QIF Fund plc)	Share Class	Number of shares held 30 Jun 2023	Investor Sub-Fund Currency	Fair value 30 Jun 2023	Financial year ended 30 Jun 2023 Purchases	Sales
MGI Diversified Equity Fund	Mercer China Equity Fund	Z1-0.0000 €	293	€	2,266,115	2,555,607	(46,537)

4. **Related parties (continued)**

Other related party transactions (continued)

The following Sub-Funds of the Company held investments in related parties as at 30 June 2022 as follows:

30 June 2022

Sub-Fund with investment in related party	Related Party (Sub-Fund of MGI Funds plc)	Share Class	Number of shares held 30 Jun 2022	Investor Sub-Fund Currency	Fair value 30 Jun 2022	Financial year ended 30 Jun 2022 Purchases	Sales
MGI Diversified Equity Fund	MGI Emerging Markets Equity Fund	Z-1 €	64,194	€	8,571,796	1,692,326	(1,322,277)
	Mercer Global Small Cap Equity Fund	Z-1 €	22,211	€	6,432,898	735,940	(796,700)
	Mercer Low Volatility Equity Fund	Z-1 €	32,863	€	8,381,456	194,900	(2,057,028)
	Mercer Passive Global Equity Fund	Z-1 €	92,304	€	2,169,154	20,917	(391,489)
		Z2-H-0.0200 €	1,452	€	16,988,078	728,346	(1,791,019)
MGI Balanced Managed Fund	MGI Emerging Markets Debt Fund	Z-1 €	49,703	€	4,867,418	-	-
	Mercer Diversified Growth Fund	Z-1 €	179,563	€	40,987,127	-	(4,542,972)
	Mercer Global High Yield Bond Fund	Z2-H-0.0200 €	352	€	3,423,748	-	-
	Mercer Global Buy & Maintain Credit Fund	Z2-H-0.0200 €	514	€	4,408,721	-	-
	Mercer Passive Global Equity Fund	Z-1 €	976,127	€	22,938,988	-	(4,251,012)
	Mercer Euro Nominal Bond Long Duration Fund	Z-1 €	143,251	€	16,273,307	16,950,535	(14,274,041)
Mercer Enhanced Yield Fund	MGI Emerging Markets Debt Fund	Z-1 €	50,044	€	4,900,786	790,535	(638,424)
	Mercer Global High Yield Bond Fund	Z2-H-0.0200 €	563	€	5,482,414	1,128,595	(649,844)
	Mercer Absolute Return Fixed Income Fund	Z1-0.0000 €	363	€	3,537,532	362,800	(924,709)

The Company is related to MGI Funds plc, Mercer QIF Fund plc and Mercer UCITS Common Contractual Fund by virtue of the fact they are managed by the same Manager and Investment Manager. The Company is further related to MGI Funds plc and Mercer QIF Fund plc by virtue of the fact they have common Directors. Mercer UCITS Common Contractual Fund is managed by the MGIM Board.

In-specie transfers

30 June 2023
There were no in-specie transfers during the financial year ended 30 June 2023.

30 June 2022
There were no in-specie transfers during the financial year ended 30 June 2022.

Shareholders of the Company

Significant Shareholders in the Company are disclosed in Note 11 to the financial statements.

5. **Interests in unconsolidated structured entities**

The Company meets the definition of an Investment Entity under IFRS 10 and therefore does not consolidate any investments. IFRS 12 require disclosures around "Unconsolidated Structured Entities".

IFRS 12 defines a structured entity as an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to the administrative tasks only and the relevant activities are directed by means of contractual agreements. Disclosures are required where an interest is held in

5. Interests in unconsolidated structured entities (continued)

a structured entity and where, for example the investor has been involved in the setting up of the structured entity and the investor would have exposure to potential losses or costs over and above the amount actually invested.

Where it is within their investment objectives, at 30 June 2023 and 30 June 2022 the Sub-Funds held various investments in ABS and CIS. The fair value of the ABS investments is recorded in the Securities line in the Statement of Financial Position and the CIS investments are recorded in the Collective investment schemes line in the Statement of Financial Position. All gains and losses are recognised as part of Net gain/(loss) from financial instruments at FVTPL in the Statement of Comprehensive Income. The carrying value of these investments is equivalent to fair value, and the Sub-Fund's maximum exposure to loss from these investments is equal to their total fair value. Once a Sub-Fund has disposed of its holding in any of these investments, the Sub-Fund ceases to be exposed to any risk from that investment.

At 30 June 2023 and 30 June 2022, there were no significant restrictions on the ability of the structured entity to transfer funds to the Company in the form of redemption of the shares held by the Company. The Company has no commitments or intentions to provide financial support or other support to the structured entity.

The Sub-Funds have concluded that ABS and CIS in which they invest, but that they do not consolidate, meet the definition of structured entities because:

- the voting rights in these entities are not the dominant rights in deciding who controls them, as they relate to administrative tasks only;
- each entity's activities are restricted by its Prospectus; and
- the entities have narrow and well-defined objectives to provide investment opportunities to investors.

The table below describes the type of unconsolidated structured entities, nature, purpose and interest held by the Sub-Funds.

Type of structured entity	Nature and purpose	Interests held by the Sub-Fund
ABS	Allow issuers to generate cash, which can be used for more lending, while giving investors in the ABS the opportunity to participate in a wide variety of income-generating assets.	Investment in ABS
CIS	To manage assets on behalf of third party investors. These vehicles are financed through the issue of units to investors.	Investment in units issued by the funds

The table below sets out the interests held by the Sub-Funds in ABS at 30 June 2023:

Investment in ABS

Mercer UK Credit Fund

% of Total Debt issued held in the underlying Structured Entity	Currency of Sub-Fund	Total debt issued by the Structured Entity	No. of securities held	Carrying amount included in "Financial assets at FVTPL"
<1%	GB£	1,022,057,000	2	973,688

The table below sets out interests greater than 1% of the Sub-Funds NAV held in unconsolidated structured entities at 30 June 2023.

Investment in CIS

MGI Balanced Managed Fund

% of Total Net Assets held in the underlying Structured Entity	Currency of Sub-Fund	Total Net Assets of the underlying Structured Entity*	No. of Investments	Carrying amount included in "Financial assets at FVTPL"
1% - 5%	€	1,348,968,550	2	27,193,149

5. Interests in unconsolidated structured entities (continued)

The table below sets out the interests held by the Sub-Funds in ABS at 30 June 2022:

Investment in ABS

Mercer UK Credit Fund

% of Total Debt issued held in the underlying Structured Entity	Currency of Sub-Fund	Total debt issued by the Structured Entity	No. of securities held	Carrying amount included in "Financial assets at FVTPL"
<1%	GB£	1,022,057,000	2	1,306,695

The table below sets out interests greater than 1% of the Sub-Funds NAV held in unconsolidated structured entities at 30 June 2022.

Investment in CIS

MGI Balanced Managed Fund

% of Total Net Assets held in the underlying Structured Entity	Currency of Sub-Fund	Total Net Assets of the underlying Structured Entity*	No. of Investments	Carrying amount included in "Financial assets at FVTPL"
1% - 5%	€	813,016,188	1	16,273,307

*Based on the latest available Net Assets of the Structured Entities where each underlying fund is considered a structured entity.

6. Taxation

The Company is an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997. Therefore, the Company will not be liable to Irish tax in respect of its income and gains, other than on the occurrence of a chargeable event. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption or transfer of shares or the ending period for which the investment was held.

Generally a chargeable event arises on any distribution, redemption, repurchase, cancellation, transfer of shares or the ending of a "Relevant Period". A "Relevant Period" is an eight year period beginning with the acquisition of the shares by the Shareholder and each subsequent period of eight years beginning immediately after the preceding Relevant Period.

A gain on a chargeable event may not arise in respect of:

(i) a Shareholder who is not an Irish resident and not ordinarily resident in Ireland at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Company;
(ii) certain exempted Irish tax resident Investors who have provided the Company with the necessary signed statutory declarations;
(iii) an exchange of shares arising on a qualifying amalgamation or reconstruction of the Company with another fund;
(iv) any transactions in relation to shares held in a recognised clearing system as designated by order of the Revenue Commissioners of Ireland;
(v) certain exchanges of shares between spouses and former spouses on the occasion of judicial separation and/or divorce;
(vi) an exchange by a Shareholder, effected by way of an arm's length bargain where no payment is made to the Shareholder of Shares in the Company for other shares in the Company.

There were no chargeable events during the financial year ended 30 June 2023 and 30 June 2022.

Capital gains, dividends and interest (if any) received on investment made by the Company may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the Company or its Shareholders.

In the absence of an appropriate declaration, the Company will be liable for Irish tax on the occurrence of a chargeable event, and the Company reserves its right to withhold such taxes from the relevant Shareholders.

The Sub-Funds currently incur withholding taxes imposed by certain countries on investment income and capital gains. Such income or gains are recorded gross of withholding taxes in the Statement of Comprehensive Income. Withholding taxes are shown as a separate item in the Statement of Comprehensive Income.

6. Taxation (continued)

Withholding tax expense incurred by the Company during the financial year amounted to € Nil (30 June 2022: € Nil).

7. Financial Instruments and Associated Risks

Introduction and overview

The investments of a Sub-Fund in securities and derivatives are subject to normal market fluctuations and other risks inherent in investing in securities and derivatives. In pursuing its investment objectives, the Company holds a number of investments, including:

- CIS;
- Bonds, ABS and other debt instruments;
- Cash and liquid resources; and
- Futures and forward foreign currency contracts.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company has maintained its aim of spreading investment risk during the financial year.

The following information is not intended to be a comprehensive summary of all risks and investors should refer to the Prospectus and relevant Supplements for a more detailed discussion of the risks inherent in investing in the Company.

The Directors review reports received from the relevant MGIM Designated Persons in relation to the Sub-Funds' performance and risk profile on a quarterly basis or more frequently as required. The Company delegates to the AIFM, who in turn delegates to the Investment Manager responsibility for ensuring that the Sub-Funds of the Company are managed in accordance with the terms of each Sub-Fund's investment objective, policy, guidelines and limits as set out in the Prospectus and relevant Supplement, as well as the Investment Manager's own internal investment guidelines and limits.

Risk Management Framework

The Company's Depositary is responsible for independent day to day monitoring of compliance of each Sub-Fund's investment guidelines and limits, reporting any breaches to the AIFM, Investment Manager or Company, as appropriate. These guidelines and limits are set to ensure that the risk borne by each Sub-Fund is appropriate. In addition, the Investment Manager reviews and monitors risk, exposure and performance from internally generated analysis using data fed directly from the Depositary, and this is supplemented with data received directly from the Sub-Investment Managers.

Role of the Investment Manager

The Investment Manager has responsibility for the on-going monitoring of investments within each of the Sub-Funds of the Company. This includes, but is not limited to, reviewing information on stale and static prices, suspended securities and securities in liquidation and securities valued at cost. If the Investment Manager has reasonable belief that the valuation of a particular security may not reflect fair market value, the VC will meet to consider the appropriate valuation of the security in question. The VC meets on a regular basis and formally reviews all new fair value assessments and other pricing issues. Ad-hoc fair value approvals may be received via email to the VC members or by means of extraordinary meetings of the VC should the need arise. The VC may then make recommendations to the Board of the Investment Manager, who in turn can then review fair value pricing.

Further to this, the Investment Manager has responsibility for the selection and monitoring of the Sub-Investment Managers. To that end, the Investment Manager follows a well defined and rigorous due diligence review of each Sub-Investment Manager. Each Sub-Investment Manager must complete annual compliance questionnaires and are subject to periodic compliance reviews by the Compliance Group of the Investment Manager.

The portfolio managers within the Investment Manager monitor the Sub-Funds on an ongoing basis. Any inappropriate use of FDIs (such as a non-approved FDI) or excessive exposures will typically be picked up as part of their ongoing review. Apart from ongoing review of the portfolios, the Investment Manager will receive a detailed FDI report monthly from each Sub-Investment Manager. The report will list out the FDI positions and give details of the various exposure levels. This is reviewed in detail by the Investment Manager and any issues arising are followed up with the relevant Sub-Investment Manager.

7. Financial Instruments and Associated Risks (continued)

Role of the Administrator

The Administrator provides the Company administration services and valuation of all assets and liabilities including FDIs used by the Sub-Funds at each valuation point. Any issues identified by the Administrator are immediately brought to the attention of the Investment Manager for further investigation.

Role of the Depositary - Independent Compliance Monitoring

The Company's Depositary carries out a separate and independent compliance monitoring role to those carried out by the Investment Manager, investment service providers, and Administrator. As part of its fiduciary role to a regulated fund, the Depositary reviews all of the investment objectives and limits (including FDI limits) on an ongoing basis. While not appointed by the Investment Manager (the Depositary is appointed by the Company), any breaches identified by the Depositary are immediately brought to the attention of the Investment Manager for investigation and resolution.

Role of Sub-Investment Managers

As mentioned above, discretionary investment management has been outsourced to the Sub-Investment Managers. In addition to the oversight and independent monitoring being carried out by the Investment Manager, Administrator and Depositary, each Sub-Investment Manager must have adequate controls and procedures in place to manage their respective portfolios within the limits prescribed under the AIFMD Regulations and the Central Bank guidance in respect of FDIs.

Permanent Risk Management Function

The AIFM has appointed a Head of Risk Management and Designated Persons (the "Designated Persons") for the Managerial Functions* of Operational Risk Management and Fund Risk Management. Together these Designated Persons and Head of Risk constitute the Company's Permanent Risk Management Function ("PRMF") and are responsible for the implementation of their respective obligations under the risk management policy, framework and procedures.

The Investment Manager is responsible for day to day monitoring of compliance with the AIFMD risk limits, including statutory limits concerning global exposure and counterparty risk.

The Investment Manager provides the relevant Designated Person(s) with updates and reports such as:

- Relevant information impacting on the risk profile of each managed Sub-Fund;
- Reports on breaches of compliance with AIFMD risk limits and investment and borrowing restrictions of each managed Sub-Fund;
- Reports, where applicable, on the adequacy and effectiveness of the risk management process; and
- Relevant information on the arrangements and procedures for the valuation of OTC derivatives.

*Managerial Functions refers to the six mandatory Pre-Approval Controlled ("PCF") roles set out in the Central Bank's Fund Management Company Guidance (commonly referred to as "CP86").

Market Price Risk

Market price risk results mainly from the uncertainty about the future prices of financial instruments held. It represents the potential loss a Sub-Fund may suffer through holding market positions in the face of market movements and changes in exchange rates.

All Sub-Funds' investments present a risk of loss of capital. The Investment Manager and Sub-Investment Managers moderate this risk by ensuring a careful selection of securities and other financial instruments within the specified limits as detailed in the Prospectus and approved by the Directors.

Market risk is controlled and monitored through the application of pre-agreed portfolio control ranges which cover attributes such as asset allocation, duration, yield curve and liquidity. The Investment Manager uses historic data to measure market risk, which is controlled relative to the benchmark.

7. Financial Instruments and Associated Risks (continued)

Market Price Risk (continued)

The following table highlights the market price risk associated with the various financial instruments held by the Company. The market price risk of futures is shown separately. Other FDIs do not include market price risk.

	Mercer PIF Fund plc Fair Value 30 Jun 2023 €	Impact of 5% price increase 30 Jun 2023 €	Mercer PIF Fund plc Fair Value 30 Jun 2022 €	Impact of 5% price increase 30 Jun 2022 €
Securities and CIS				
Government bonds	2,227,050,534	111,352,527	1,760,659,530	88,032,977
Corporate bonds	103,032,255	5,151,613	133,692,384	6,684,619
ABS	1,134,702	56,735	1,518,001	75,900
Total Securities	2,331,217,491	116,560,875	1,895,869,915	94,793,496
CIS	145,051,046	7,252,552	149,363,423	7,468,171

FDIs	Mercer PIF Fund plc Notional 30 Jun 2023 €	Impact of 5% price increase 30 Jun 2023 €	Mercer PIF Fund plc Notional 30 Jun 2022 €	Impact of 5% price increase 30 Jun 2022 €
Futures	(3,154,890)	(157,745)	(6,177,371)	(308,869)

If the price of each of the Sub-Fund's underlying investments to which the Sub-Fund had exposure at 30 June 2023 and at 30 June 2022 had increased by 5% with all other variables held constant, the impact is as shown in the table above. Conversely, if the price of each of the Sub-Fund's underlying investments to which the Sub-Fund had exposure had decreased by 5%, this would have an equal but opposite effect on the net assets attributable to holders of redeemable participating shares of the Sub-Fund.

Liquidity Risk

The Company's assets comprise mainly of realisable securities and investments in CIS. The Company's main liability and exposure is to daily cash redemptions of redeemable shares. Assets from a Sub-Fund may need to be sold if insufficient cash is available to finance such redemptions. It therefore invests the majority of its assets in investments that are traded in an active market and can be readily disposed of.

The Investment Manager carries out a liquidity analysis at least on a quarterly basis. Additional analyses are completed as required, particularly during times of market stress. The liquidity analysis is then reviewed by the Investment Risk Management Committee and Fund Risk Committee. This liquidity analysis incorporates specific liability stress scenarios, which assess the ability of the asset liquidity profile to meet stressed investor redemptions, taking investor concentration into consideration. In the event that these stress tests indicate that investors' stressed liquidity requirements may exceed the asset liquidity capacity, this will be escalated and brought to the attention of the AIFM Board as a Key Risk Indicator, alongside analysis and commentary as well as any remedial action proposed. The liquidity of pooled Sub-Funds has been derived with consideration of redemption notification, dealing and settlement terms, in line with the European Securities and Markets Authority ("ESMA") and AIFMD guidance. For segregated accounts, a liquidity scoring methodology is used based on trading volume data. The AIFM Board has also approved a procedure document with respect to the application of Liquidity Management Procedures in exceptional circumstances. The procedure document sets out the Liquidity Management Tools (LMTs) used both in the ordinary course of business and exceptional circumstances. The procedure document also outlines the course of action the AIFM Board will take in the instance of an exceptional liquidity event. The AIFM Board have also approved a Liquidity Stress Testing Policy. This policy outlines the mechanisms by which Fund Liquidity Stress Testing is undertaken, in compliance with the ESMA Guidelines on Liquidity Stress Testing in UCITS and AIFs (the "Liquidity Guidelines").

The Company entered into a credit facility agreement with State Street Bank and Trust Company. Such facility is intended to be used for settlement mismatches, and not as substitute for lack of liquidity within the Sub-Funds of the Company.

The Sub-Funds may, from time to time, invest in derivative contracts traded OTC, which may not be traded in an organised market and may be less liquid. In addition, some of the investee funds are offshore open-ended investment funds which may be subject to redemption restrictions which only allow redemptions at specific infrequent dates with considerable notice periods. These funds can sometimes also have the ability to temporarily suspend the right of their investors to redeem their investment during periods of exceptional market conditions. As a result, the Sub-Funds may not be able to liquidate these as quickly as its cash investments at an amount which represents their fair value. However, this will be

7. Financial Instruments and Associated Risks (continued)

Liquidity Risk (continued)

managed as per the below and would always be a small proportion of a portfolio. The Company holds a number of investments in CIS. There were no redemption restrictions, gates or lockups in place on these investments at the financial year end date.

The majority of assets held by the Sub-Funds are negotiable securities and investments in CIS. The ability to sell on demand ensures that the Investment Manager can efficiently alter the investment strategy as required. The ability to sell also permits the financing of any unexpected withdrawals from a portfolio. It is important that these assets are readily tradeable and the Investment Manager will ensure that assets are only held where an efficient secondary market is operating. From time to time the secondary market in any particular issue or market may become less liquid, so to minimise this risk the Investment Manager will also ensure that a portfolio is well diversified. In some circumstances the markets in which the Sub-Funds trade can be illiquid, thereby making it difficult to acquire or dispose of investments at prices quoted on the relevant exchanges. In addition, suspension by an exchange of trading in a particular security could make it impossible for positions to be realised and thereby expose the Company to losses.

Investors in the Company may redeem on any dealing day. The Company may, if it receives a request for the repurchase of shares in respect of 10% or more of the outstanding shares of any Sub-Fund, elect to restrict the total number of shares repurchased to 10% or more of the outstanding shares, in which case, redemption requests will be scaled down pro rata and the balance of outstanding redemption requests shall be treated as if they were received on each subsequent dealing day until all the shares to which the original request related have been redeemed.

During the current and prior financial year, no such redemption restrictions have been applied by the Company or by underlying investment schemes invested into by the Company.

As at 30 June 2023, all of the liabilities of the Sub-Funds including the net assets attributable to redeemable participating Shareholders are due within one month. As at 30 June 2022, all of the liabilities of the Sub-Funds including the net assets attributable to redeemable participating Shareholders are due within one month with the exception of the following:

30 June 2022

Derivative financial liabilities	Sub-Fund Ccy	1-3 Months	3 Months - 1 Year	> 1 Year
Mercer UK Credit Fund	GB£	(134,440)	-	-

The tables below analyse each Sub-Fund's foreign currency derivatives into relevant maturity groupings based on the remaining period at the financial year end date to the contractual maturity date.

30 June 2023

		Inflows		Outflows	
Open forward foreign currency contracts	Ccy	< 1 Month	1-3 Months	< 1 Month	1-3 Months
Mercer UK Credit Fund	GB£	6,310,451	-	(6,165,302)	-

30 June 2022

		Inflows		Outflows	
Open forward foreign currency contracts	Ccy	< 1 Month	1-3 Months	< 1 Month	1-3 Months
Mercer UK Credit Fund	GB£	-	6,685,306	-	(6,819,433)

7. Financial Instruments and Associated Risks (continued)

Liquidity Risk (continued)

Liquidity details included in the table below are reflective of the Sub-Funds' ability to liquidate positions from the investment portfolio as at 30 June 2023 and 30 June 2022.

30 June 2023

	Ccy	1 Day	Liquidity Profile (%) 3 Days	5 Days	10 Days
MGI Diversified Equity Fund	€	100	100	100	100
MGI Balanced Managed Fund	€	100	100	100	100
Mercer Medium Term Inflation Linked Bond Fund*/**	€	30	74	96	100
Mercer UK Credit Fund	GB£	96	99	99	99
Mercer Sterling Inflation Linked LDI Bond Fund	GB£	100	100	100	100
Mercer Sterling Nominal LDI Bond Fund	GB£	100	100	100	100
Mercer Passive Euro Inflation Linked Bond Fund	€	90	100	100	100

*The investor base in this Sub-Fund are predominately investors with a long term investment horizon. Also, the investor base is not concentrated. Therefore, there are no concerns with the liquidity of this Sub-Fund.

**There were no concerns with this Sub-Fund being able to meet redemption requests during the period.

30 June 2022

	Ccy	1 Day	Liquidity Profile (%) 3 Days	5 Days	10 Days
MGI Diversified Equity Fund	€	100	100	100	100
MGI Balanced Managed Fund	€	100	100	100	100
Mercer Medium Term Inflation Linked Bond Fund*/**	€	19	52	84	100
Mercer UK Credit Fund	GB£	89	98	99	100
Mercer Sterling Inflation Linked LDI Bond Fund	GB£	100	100	100	100
Mercer Sterling Nominal LDI Bond Fund	GB£	100	100	100	100
Mercer Enhanced Yield Fund	€	100	100	100	100
Mercer Passive Euro Inflation Linked Bond Fund	€	100	100	100	100

*The investor base in this Sub-Fund are predominately investors with a long term investment horizon. Also, the investor base is not concentrated. Therefore, there are no concerns with the liquidity of this Sub-Fund.

**There were no concerns with this Sub-Fund being able to meet redemption requests during the period.

The liquidity buckets shown are in line with the dealing cycles of the Sub-Funds. As all Sub-Funds are daily traded, the buckets are grouped to show the liquidity profile of each Sub-Fund from 1 day onwards. There is no guarantee that this level of liquidity will be maintained.

The liquidity profile has been calculated on a maximum liquidity basis. Maximum liquidity is an approach to liquidity where securities are sold based on maximum available amount of assets that can be sold on each business day by the Sub-Fund.

Credit Risk

The Company takes on exposure to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Company has counterparty risk in relation to transactions it enters into with brokers, bank and other third parties if the counterparty was to fail to complete any transaction to which the Company is a party.

The Company delegates counterparty selection and management to the Sub-Investment Managers. The Company delegates all derivative trading to the Sub-Investment Managers, who are responsible for trading within agreed investment guidelines and ensuring pre-trade compliance with applicable regulations. During the negotiation of these investment guidelines, the use of derivatives will be discussed, and if deemed appropriate, then the exact derivatives to be permitted in the Sub-Funds will be outlined. Derivative use outside of these limits is not permitted, which is monitored by daily compliance reports reviewed by the Company.

As part of the operational risk assessment ("ORA"), a due diligence is performed on each Sub-Investment Manager prior to their appointment. Counterparty controls are reviewed as part of this ORA. Each Sub-Investment Manager must achieve an acceptable ORA rating before being appointed.

(i) Credit quality analysis
The Company has a credit risk exposure to the Depositary and sub-custodian in relation to cash.

7. **Financial Instruments and Associated Risks (continued)**

Credit Risk (continued)

(i) Credit quality analysis (continued)

Cash balances and bank overdrafts are held by State Street Bank, London which had a credit rating of AA- at the financial year ended 30 June 2023 (30 June 2022: AA-).

Cash balances held in US Dollar bank accounts with State Street Bank, London automatically transfer into overnight deposit accounts held by State Street Cayman Trust Company Ltd., Cayman Islands, which had a credit rating of A- at the financial year ended 30 June 2023 (30 June 2022: A-).

State Street Bank International GmbH, the Collateral Manager/Secured Party, had a credit rating of AA- at the financial year ended 30 June 2023 (30 June 2022: AA-).

Due from broker/Due to broker represents margin accounts and cash collateral balances held by the Sub-Funds at the financial year end.

Margin Cash

Margin cash balances at 30 June 2023 and 30 June 2022 were as follows:

Credit rating	30 Jun 2023 €	30 Jun 2022 €
A-	305,240	100,571
	305,240	100,571

Cash Collateral

In addition to the above, the following amounts were pledged or held as cash collateral at 30 June 2023 and 30 June 2022:

Credit rating	30 Jun 2023 €	30 Jun 2022 €
A+	-	174,258
	-	174,258

The Company is also exposed to counterparty risk on its derivative positions, being the risk that a counterparty will default or be unable to pay in full its financial obligations. Controlling credit risk is paramount in the Investment Manager's choice of counterparties. Credit risk arising from receivables from investee funds relating to redemptions or transactions awaiting settlement. Risk relating to unsettled receivables is considered small due to short settlement period involved and the due diligence permitted on the investee funds. The maximum exposure related to unsettled trades equals the amount shown in the Statement of Financial Position. There are no past due or impaired assets as at 30 June 2023 or at 30 June 2022.

Derivatives

The Company mitigates the credit risk of FDIs by entering into master netting agreements and holding collateral in the form of cash and marketable securities.

The following are the credit ratings of the counterparties to the derivative contracts held by the Sub-Funds:

	30 Jun 2023	30 Jun 2022
Bank of America Merrill Lynch	A+	A+
Barclays Bank	A+	A
Citigroup	A+	-
HSBC Bank	-	A+
JP Morgan Chase Bank	A-	A-

7. **Financial Instruments and Associated Risks (continued)**

Credit Risk (continued)

(ii) Concentration of credit risk

The following table outlines the fair value credit exposures of the Company in debt securities based on Standard and Poor's ratings at 30 June 2023 and 30 June 2022.

	30 Jun 2023		30 Jun 2022	
Rating	**% Holding**	**€**	**% Holding**	**€**
AAA	40.63	947,060,637	40.87	775,096,476
AA+	0.06	1,496,282	0.14	2,628,338
AA	47.91	1,116,570,012	37.93	719,027,868
AA-	0.12	2,854,257	12.04	228,224,553
A+	0.24	5,656,936	0.53	10,134,398
A	3.10	72,333,515	0.48	9,064,539
A-	0.84	19,529,713	1.26	23,861,168
BBB+	1.32	30,737,567	2.86	54,162,245
BBB	5.24	122,253,916	1.71	32,421,025
BBB-	0.44	10,256,943	1.78	33,667,545
BB+	0.02	486,052	0.07	1,276,375
BB	0.01	195,865	0.03	629,352
BB-	0.03	793,694	0.02	353,627
B+	-	-	0.02	421,520
B	-	-	0.02	392,520
B-	-	-	0.03	514,978
CCC	-	-	0.07	1,388,399
CCC-	0.01	244,724	-	-
CC-	-	33,115	-	-
NR	0.03	714,263	0.14	2,604,989

(iii) Amounts arising from ECL

Impairment on cash and cash equivalents, balances due from brokers has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that these exposures have low credit risk based on the external credit ratings of the counterparties.

The Investment Manager monitors changes in credit risk on these exposures by tracking published external credit ratings of the counterparties. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in the published ratings, the Company supplements this by reviewing changes in bond yields, where available.

Loss given default parameters generally reflect an assumed recovery rate of 40%. However, if the asset were credit impaired, then the estimate of loss would be based on a specific assessment of expected cash shortfalls and on the original effective interest rate.

Offsetting financial assets and financial liabilities

Offsetting and amounts subject to master netting arrangement and similar agreements

Each Sub-Fund is a party to various master netting agreements. While the terms and conditions of these agreements may vary, all transactions under any such agreement constitute a single contractual relationship. Each party's obligation to make any payments, deliveries or other transfers in respect of any transaction under such an agreement may be netted against the other party's obligations under such agreement. A default by a party in performance with respect to one transaction under such an agreement would give the other party the right to terminate all transactions under such agreement and calculate one net amount owed from one party to the other.

Upon entering into a centrally cleared derivative contract the Sub-Fund may pledge cash and/or securities to a trading account as collateral to a central clearing house, through a broker, in accordance with the initial margin requirements of the central clearing house. Exchange-traded and centrally cleared derivatives contracts are valued at least daily, and as such, the net appreciation or depreciation of the derivative contracts causes the value of the respective trading account to move either above or below the initial margin requirement. On a daily basis the Sub-Funds will pay or receive cash in an amount that will bring the total value of each trading account back in line with the respective initial margin requirement. Such receipts or payments of cash are known as variation margin. The movement of variation margin between the Sub-Funds and the respective brokers usually occurs the morning after the close of a trading session, and therefore at the end of each day, the total value of a trading account may be greater or less than the initial margin requirement by an amount equal to the current day's net change in unrealised appreciation or depreciation of the derivative contracts.

7. Financial Instruments and Associated Risks (continued)

Offsetting financial assets and financial liabilities (continued)

Offsetting and amounts subject to master netting arrangement and similar agreements (continued)

At 30 June 2023 the amount that is due to be paid to, or received from the relevant brokers, on the morning after the close of a trading session is reflected as a variation margin receivable or variation margin payable, as applicable, in the Statement of Financial Position.

For certain Sub-Funds the legal right to offset may be at the Sub-Fund level as opposed to the Sub-Investment Manager level. The following tables are prepared on a Sub-Investment Manager level to be prudent for financial reporting purposes. The Sub-Fund level in the tables represents offsetting in relation to forward foreign currency contracts with the counterparty of State Street Bank and Trust.

The following tables present the Sub-Funds' derivative financial assets and financial liabilities by net exposure to each counterparty at Sub-Investment Manager level and any related collateral pledged/received and margin cash as at 30 June 2023:

Mercer UK Credit Fund

Offsetting Financial Assets

Sub-Investment Manager	Counterparty	Gross Financial Assets GB£	Financial instruments available to offset GB£	Net amount GB£	Cash collateral received GB£	Non-cash collateral received GB£	Margin cash GB£	Net amount GB£
M&G	Bank of America Merril Lynch	1,681	-	1,681	-	-	-	1,681
	Barclays Bank	99,575	-	99,575	-	-	-	99,575
	Citigroup	47,439	(300)	47,139	-	-	-	47,139
Total		**148,695**	**(300)**	**148,395**	**-**	**-**	**-**	**148,395**

Offsetting Financial Liabilities

Sub-Investment Manager	Counterparty	Gross Financial Liabilities GB£	Financial instruments available to offset GB£	Net amount GB£	Cash collateral pledged GB£	Non-cash collateral pledged GB£	Margin cash GB£	Net amount GB£
M&G	Citigroup	(300)	300	-	-	-	-	-
	JP Morgan Chase Bank	(3,246)	-	(3,246)	-	-	3,246	-
Total		**(3,546)**	**300**	**(3,246)**	**-**	**-**	**3,246**	**-**

The following tables present the Sub-Funds' derivative financial assets and financial liabilities by net exposure to each counterparty at Sub-Investment Manager level and any related collateral pledged/received and margin cash as at 30 June 2022:

Mercer UK Credit Fund

Offsetting Financial Assets

Sub-Investment Manager	Counterparty	Gross Financial Assets GB£	Financial instruments available to offset GB£	Net amount GB£	Cash collateral received GB£	Non-cash collateral received GB£	Margin cash GB£	Net amount GB£
M&G	Barclays Bank	313	-	313	-	-	-	313
Total		**313**	**-**	**313**	**-**	**-**	**-**	**313**

7. Financial Instruments and Associated Risks (continued)

Offsetting financial assets and financial liabilities (continued)

Offsetting and amounts subject to master netting arrangement and similar agreements (continued)

Offsetting Financial Liabilities

Sub-Investment Manager	Counterparty	Gross Financial Liabilities GB£	Financial instruments available to offset GB£	Net amount GB£	Cash collateral pledged GB£	Non-cash collateral pledged GB£	Margin cash GB£	Net amount GB£
M&G	Bank of America Merrill Lynch	(31,880)	-	(31,880)	-	-	-	(31,880)
	HSBC Bank	(102,560)	-	(102,560)	102,560	-	-	-
Total		**(134,440)**	**-**	**(134,440)**	**102,560**			**(31,880)**

Concentration Risk

The Investment Manager reviews the concentration of securities held based on industries and geographical location.

The Company's exposure to industries above 5% of the NAV at 30 June 2023 and 30 June 2022 is set out in the table below:

	30 Jun 2023 % of NAV	30 Jun 2022 % of NAV
Sovereign Debt	89.42	82.36

Foreign Currency Risk

Foreign currency risk arises on financial instruments that are denominated in a foreign currency i.e. in a currency other than the functional currency in which they are measured. The value of the Company's investments can be affected by currency translation movements as some of the assets and income may be denominated in currencies other than the base or functional currency of the Company. Shares are issued and redeemed in GB£ and €. A portion of the financial assets/net assets of the Sub-Funds are denominated in currencies other than base currency with the effect that the Statement of Financial Position and total returns can be significantly affected by currency movements. The Company is therefore exposed to currency risk, as the value of the securities denominated in other currencies will fluctuate due to changes in exchange rates.

The Investment Manager has identified three principal areas where foreign currency risk could impact the Company:

- movements in exchange rates affecting the value of investments;
- movements in exchange rates affecting the income received; and
- movements in exchange rates affecting the holders of redeemable participating shares in currencies other than the operational currency of the relevant Sub-Fund.

Currency exposure is monitored closely and is considered to be part of the overall investment process. Currency forwards may be used to ensure that the currency exposure of a Sub-Fund is in line with its investment objectives. The Sub-Funds may receive income in currencies other than its base currency and the base value can be affected by movements in exchange rates. Sub-Funds with hedged Share Classes may receive subscriptions or pay redemptions in currencies other than its base currency.

The Investment Manager, or a Sub-Investment Manager, may hedge the foreign currency exposure of classes denominated in a currency other than the base currency of a Sub-Fund in order that investors in that class receive a return in the currency of that class substantially in line with the investment objective of the Sub-Fund. As foreign exchange hedging may be utilised for the benefit of a particular class, transactions will be clearly attributable to that class and the cost and related liabilities and/or benefits shall be for the account of that class only. Accordingly, such costs and related liabilities and/or benefits will be reflected in the NAV per share for shares of any such class.

Per IFRS 7, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency. However, it is the Company's policy that foreign exchange risk is monitored and managed by the Sub-Investment Managers for both monetary and non-monetary assets and liabilities and that the overall exposure is reviewed by the Board of Directors.

7. Financial Instruments and Associated Risks (continued)

Foreign Currency Risk (continued)

In line with the Prospectus, in some cases the Company manages the Sub-Funds' exposure to foreign exchange movements by entering into foreign exchange hedging transactions, while in others the Company elects not to hedge the foreign currency risk but take the effect of the exposure.

As at the financial year ended 30 June 2023 and 30 June 2022, none of the Sub-Funds had a significant foreign currency risk sensitivity greater than +/- 1% of the Sub-Funds' NAV.

Interest Rate Risk

Interest rate risk profile and sensitivity analysis

Interest rate risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest-bearing financial assets and liabilities expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The Company invests some of its assets in equities, CIS and forward foreign currency contracts, none of which pay interest. As a result the Company is subject to limited risk due to fluctuations in the prevailing levels of market interest rates on these investments.

To the extent any of the underlying funds into which the Sub-Funds invest themselves invest in other CIS, the underlying investment funds may be exposed to interest rate fluctuations arising from portfolios of such CIS.

The Sub-Funds may invest in inflation-linked bonds. Inflation-linked bonds are fixed income securities whose principal value is adjusted periodically according to the rate of inflation. Index-linked gilts differ from conventional gilts in that both the semi-annual coupon payments and the principal payment are adjusted in line with movements in a specified index. They are designed to cut out the inflation risk of a bond.

The inflation-linked bonds held by the Sub-Funds are linked to movements in the below indices:

UK Government	General Index of Retail Prices in UK
France	EU HICP ex Tobacco
Germany	EU HICP ex Tobacco
Italy	EU HICP ex Tobacco
Spain	EU HICP ex Tobacco

The Sub-Funds hold interest bearing securities, the majority of which earn a fixed interest rate, Mercer UK Credit Fund, listed in the table below holds interest bearing securities that earn fixed and floating interest rates.

	30 Jun 2023		30 Jun 2022	
	Fixed	**Floating**	**Fixed**	**Floating**
Mercer UK Credit Fund	GB£ 92,683,572	GB£ 12,031,936	GB£ 128,597,100	GB£ 9,443,392

The table below summarises the interest rate sensitivity gap of each relevant Sub-Fund's exposure to interest rate risks. It includes each relevant Sub-Fund's assets and trading liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates.

The Sub-Funds not mentioned below are mainly investing in non-interest bearing assets or its investments have a very short time to maturity. As a result, those Sub-Funds are not subject to significant amounts of risk due to fluctuations in the prevailing level of market interest rates.

The sensitivity analysis reflects how net assets attributable to holders of redeemable participating shares would have been affected by changes in the relevant risk variable that were reasonably possible at the reporting date.

The Company has determined that a fluctuation in yield of 25 bps is reasonably possible, considering the economic environment in which the Sub-Funds operate. The table below sets out the effect on the Sub-Funds' net assets attributable to holders of redeemable participating shares of a reasonably possible reduction of 25 bps in yield at 30 June 2023. An increase in yield of the same amount would have resulted in an equal but opposite effect to the amounts shown. The impact of such an increase or reduction has been estimated by calculating the fair value changes of the fixed-interest debt securities and other fixed-interest bearing assets less liabilities and derivatives. This impact is primarily from the decrease in the fair value of fixed income securities. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

7. **Financial Instruments and Associated Risks (continued)**

Interest Rate Risk (continued)

Interest rate risk profile and sensitivity analysis (continued)

As at 30 June 2023

	Ccy	< 1 Month	1-3 Months	3 Months - 1 Year	1-5 Years	> 5 Years	Non-interest bearing	Net Assets	(%)*	Effective Duration (Years)
MGI Diversified Equity Fund	€	244,775	-	-	-	-	50,215,596	50,460,371	-	-
MGI Balanced Managed Fund	€	440,284	-	-	-	-	94,861,777	95,302,061	-	-
Mercer Medium Term Inflation Linked Bond Fund	€	2,609,131	-	-	-	1,488,046,829	3,514,354	1,494,170,314	4.02	16.07
Mercer UK Credit Fund	GB£	2,710,721	-	383,567	32,553,029	71,778,912	1,925,826	109,352,055	1.64	6.54
Mercer Sterling Inflation Linked LDI Bond Fund	GB£	234,313	-	-	-	148,049,375	801,626	149,085,314	8.85	35.40
Mercer Sterling Nominal LDI Bond Fund	GB£	152,660	-	-	-	46,835,004	228,159	47,215,823	5.57	22.26
Mercer Passive Euro Inflation Linked Bond Fund	€	(74,221)	-	-	-	494,027,337	2,635,775	496,588,891	2.79	11.16

*Impact of 25 bps decrease in interest rates on NAV.

As at 30 June 2022

	Ccy	< 1 Month	1-3 Months	3 Months - 1 Year	1-5 Years	> 5 Years	Non-interest bearing	Net Assets	(%)*	Effective Duration (Years)
MGI Balanced Managed Fund	€	737,018	-	-	-	-	92,879,919	93,616,937	-	-
Mercer Medium Term Inflation Linked Bond Fund	€	3,757,621	-	-	-	1,393,231,745	9,470,197	1,406,459,563	3.56	14.25
Mercer UK Credit Fund	GB£	2,727,409	-	1,565,128	32,247,133	104,228,231	1,848,629	142,616,530	1.92	7.69
Mercer Sterling Inflation Linked LDI Bond Fund	GB£	106,412	-	-	-	45,494,046	(37,917)	45,562,541	9.84	39.37
Mercer Sterling Nominal LDI Bond Fund	GB£	222,963	-	-	-	128,024,087	516,609	128,763,659	6.70	26.79
Mercer Enhanced Yield Fund	€	49,024	-	-	-	-	13,913,016	13,962,040	0.92	3.69
Mercer Passive Euro Inflation Linked Bond Fund	€	264,904	-	-	-	140,697,388	475,190	141,437,482	2.88	11.51

*Impact of 25 bps decrease in interest rates on NAV.

Emerging Markets Risk

The Company invests in equities and CIS investing in emerging markets*. It should be appreciated that liquidity and settlement risks may not provide the same degree of Shareholder protection or information to investors as would generally apply internationally.

*those countries set out in the Morgan Stanley Capital International Emerging Markets Index and/or such other markets as the Directors may from time to time determine.

Leverage Risk

Any leverage resulting from the use of FDIs and EPM techniques are in accordance with the requirements of the Central Bank.

Where consistent with its investment objectives and policy, a Sub-Fund may utilise a variety of exchange traded and OTC derivative instruments as part of its investment policy or for hedging purposes.

The use of derivatives may expose a Sub-Fund to a higher degree of risk. In particular, derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard underlying bonds or equities. Derivative positions can therefore increase Sub-Fund volatility.

Leverage on a gross exposure basis is calculated by taking the sum of exposures of all positions held within a Sub-Fund, without applying netting or hedging arrangements and is expressed as a percentage of the NAV.

7. **Financial Instruments and Associated Risks (continued)**

Leverage Risk (continued)

Leverage on a net or commitment basis is calculated by taking the absolute value of all positions held within a Sub-Fund after applying hedging and netting arrangements and is expressed as a percentage of the NAV.

The following tables detail the leverage limits under the gross and the commitment approaches as well as the maximum leverage calculated under both the gross and the commitment approaches.

The following leverage values have been calculated as at 30 June 2023.

30 Jun 2023	Max Gross Approach %	Gross % NAV	Max Commitment Approach %	Commitment % NAV
MGI Diversified Equity Fund	200	100	200	100
MGI Balanced Managed Fund	200	100	200	100
Mercer Medium Term Inflation Linked Bond Fund	400	100	300	100
Mercer UK Credit Fund	400	106	300	106
Mercer Sterling Inflation Linked LDI Bond Fund	400	99	300	99
Mercer Sterling Nominal LDI Bond Fund	400	99	300	100
Mercer Enhanced Yield Fund*	200	-	200	-
Mercer Passive Euro Inflation Linked Bond Fund	200	99	150	100

*Sub-Fund terminated during the financial year ended 30 June 2023.

The following leverage values have been calculated as at 30 June 2022.

30 Jun 2022	Max Gross Approach %	Gross % NAV	Max Commitment Approach %	Commitment % NAV
MGI Diversified Equity Fund	200	100	200	100
MGI Balanced Managed Fund	200	100	200	100
Mercer Medium Term Inflation Linked Bond Fund	400	99	300	99
Mercer UK Credit Fund	400	104	300	104
Mercer Sterling Inflation Linked LDI Bond Fund	400	100	300	100
Mercer Sterling Nominal LDI Bond Fund	400	99	300	100
Mercer Enhanced Yield Fund	200	100	200	100
Mercer Passive Euro Inflation Linked Bond Fund	400	99	300	100

Legal, Tax and Regulatory Risk

Legal, tax and regulatory changes could occur at any time, during the existence of the Company which may adversely affect the Company. See Note 6 to the financial statements for details of taxation.

Valuation Techniques

The fair value of the instruments that are not traded in an active market (for example, OTC derivatives) are estimated using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value or another investment that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provide a reliable estimate or prices obtained in actual market transactions.

Where the discounted cash flow techniques are used, estimated future cash flows are based on management's best estimate and the discount rate used is a market rate at the reporting date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the reporting date. Fair values for unquoted equity instruments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded are estimated at the amount that the Company would receive or pay to terminate the contract at the reporting date taking into account current market conditions and the creditworthiness of the counterparties.

Financial assets include investments in CIS. The fair value of such assets is based on the underlying fund administrator's calculation of the NAV per share (market value of the fund's assets less liabilities divided by the number of shares) which will be the latest bid price published by the CIS, taking into account any adjustments that may be required to account for illiquidity, low trading volumes or any such factors that may indicate that the bid price may not be fair value. The fair value of any investments in closed-ended investment funds is based on the bid prices available on the principal market for such security at the valuation date taking into account any adjustments that may be required to account for illiquidity, low trading volumes or any such factors that may indicate that the bid price may not be fair value. There were no adjustments or discounts applied in the valuation of any of the underlying investments in such CIS.

7. Financial Instruments and Associated Risks (continued)

Fair Value of Financial Assets and Liabilities

Securities, CIS and FDIs are held at FVTPL. All other assets and financial liabilities are stated at amortised cost, which approximates fair value with the exception of redeemable participating shares which are stated at their redemption amount.

IFRS 13 requires the Company to classify assets and liabilities in fair value hierarchy that reflects the significance of the inputs used in making the measurements. IFRS 13 establishes a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices);

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgement by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

For each class of assets and liabilities not measured at FVTPL in the Statement of Financial Position, but for which fair value is disclosed, IFRS 13 requires the Company to disclose the level within the fair value hierarchy that the fair value measurement would be categorised and a description of the valuation technique and inputs used in the technique.

The financial instruments not measured at FVTPL are short-term financial assets and financial liabilities whose carrying amounts approximate fair value, because of their short-term nature and, for the financial assets, high credit quality of counterparties.

Cash and cash equivalents include deposits held with banks, cash due from broker, bank overdraft and other short-term investments in an active market and they are categorised as Level 1.

Receivables for investments sold, subscriptions receivable and other assets include the contractual amounts for settlement of trades and other obligations due to the Company. Payable for investments sold, redemptions payable and other expenses payables represent the contractual amounts and obligations due by the Company for settlement of trades and expenses. All receivable and payable balances are categorised as Level 2.

The puttable value of redeemable shares is calculated based on the net difference between total assets and all other liabilities of each Sub-Fund within the Company in accordance with the Sub-Funds' offering memorandum. A demand feature is attached to these shares, as they are redeemable at the holders' option and can be put back to the Sub-Funds at any dealing date for cash equal to a proportionate share of the Sub-Fund's NAV attributable to the Share Class. The fair value is based on the amount payable on demand. As such, Level 2 is deemed to be the most appropriate categorisation for net assets attributable to holders of redeemable shares.

7. **Financial Instruments and Associated Risks (continued)**

Fair Value of Financial Assets and Liabilities (continued)

Fair Value Hierarchy

The financial instruments at 30 June 2023 and 30 June 2022 are classified as follows:

	Level
ABS	2
CIS	2
Government bonds	2
Corporate bonds	2
Futures contracts	1
Forward foreign currency contracts	2

Transfers between levels of the fair value hierarchy occur when the pricing source or methodology used to price an investment change which triggers a change in level as defined under IFRS 13. For the financial reporting purposes transfers are deemed to have occurred at the end of the financial year.

There were no transfers of financial instruments between Levels 1 and 2 during the financial year ended 30 June 2023 and 30 June 2022.

There were no investments classified as Level 3 as at 30 June 2023 or as at 30 June 2022.

8. **Interest income calculated using EIR**

The following table details the Sub-Funds with interest income calculated using the EIR at 30 June 2023:

	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£
Interest income calculated using EIR:						
- Cash and cash equivalents	477	1,124	4,132	14,389	1,153	461
- Broker balances/collateral balances	-	-	-	2,801	-	-
- Deposits	-	-	-	1,214	-	-
Total interest income calculated using EIR	**477**	**1,124**	**4,132**	**18,404**	**1,153**	**461**

	Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Interest income calculated using EIR:			
- Cash and cash equivalents	257	2,091	26,504
- Broker balances/collateral balances	-	-	3,225
- Deposits	-	-	1,398
Total interest income calculated using EIR	**257**	**2,091**	**31,127**

8. Interest income calculated using EIR (continued)

The following table details the Sub-Funds with interest income calculated using the EIR at 30 June 2022:

	Mercer UK Credit Fund GB£	Mercer PIF Fund plc €
Interest income calculated using the EIR:		
- Cash and cash equivalents	176	208
- Deposits	277	326
Total interest income calculated using the EIR	**453**	**534**

9. Net gain/(loss) from financial instruments at FVTPL

The following table details the amounts of Net gain/(loss) from financial instruments at FVTPL at 30 June 2023:

	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£
Net gain/(loss) from financial instruments at FVTPL is composed of the following:						
- Interest income on debt securities	-	-	93,919,875	4,676,995	28,486,599	2,368,353
- Net gains and losses	3,982,298	2,332,580	(111,984,050)	(15,370,282)	(81,239,491)	(42,239,686)
Total net gain/(loss) from financial instruments at FVTPL	**3,982,298**	**2,332,580**	**(18,064,175)**	**(10,693,287)**	**(52,752,892)**	**(39,871,333)**

	*Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Net gain/(loss) from financial instruments at FVTPL is composed of the following:			
- Interest income on debt securities	-	31,203,963	166,030,984
- Net gains and losses	567,062	(45,555,484)	(310,511,910)
Total net gain/(loss) from financial instruments at FVTPL	**567,062**	**(14,351,521)**	**(144,480,926)**

*Sub-Fund terminated during the financial year ended 30 June 2023.

9. Net gain/(loss) from financial instruments at FVTPL (continued)

The following table details the amounts of Net loss from financial instruments at FVTPL at 30 June 2022:

	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£	Mercer Sterling Nominal LDI Bond Fund GB£
Net loss from financial instruments at FVTPL is composed of the following:						
- Interest income on debt securities	-	-	90,969,321	5,709,616	3,965,074	2,798,851
- Net gains and losses	(5,412,794)	(6,513,178)	(183,747,188)	(29,976,789)	(26,918,831)	(59,306,530)
Total net loss from financial instruments at FVTPL	**(5,412,794)**	**(6,513,178)**	**(92,777,867)**	**(24,267,173)**	**(22,953,757)**	**(56,507,679)**

	Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Net loss from financial instruments at FVTPL is composed of the following:			
- Interest income on debt securities	-	8,964,738	114,646,893
- Net gains and losses	(1,560,803)	(18,594,152)	(352,891,278)
Total net loss from financial instruments at FVTPL	**(1,560,803)**	**(9,629,414)**	**(238,244,385)**

10. Debtors and Creditors

All debtors and creditors amounts fall due within one financial year.

11. Share capital

Authorised share capital

The authorised share capital of the Company is 500,000,000,002 shares of no par value divided into 2 subscriber shares, issued and fully paid up, and 500,000,000,000 unclassified shares of no par value.

Subscriber share capital

The subscriber share capital does not form part of Shareholders' funds, and is disclosed in the financial statements by way of this note only. In the opinion of the Directors, this disclosure reflects the nature of the Company's business as an investment fund. Subscriber shares entitle the holders to attend and vote at general meetings of the Company but do not entitle the holders to participate in the profits or assets of the Company except for a return of capital on winding up. Shares entitle the holders to attend and vote at general meetings of the Company and to participate equally (subject to any differences between fees, charges and expenses applicable to different classes of shares) in the profits and assets of the Company on the terms and conditions set out in the relevant Supplement. Matsack Trust Limited and Matsack Nominees Limited hold the 2 issued and fully paid subscriber shares at 30 June 2023 and 30 June 2022.

Redeemable share capital

The redeemable shares issued by the Sub-Fund provide an investor with the right to require redemption for cash at a value proportionate to the investor's share in the Sub-Fund's net assets at each redemption date and are classified as liabilities. The amounts relating to proceeds from redeemable participating shares issued and payment for redeemable participating shares redeemed are reflected in the functional currency of the Sub-Fund and are inclusive of the anti-dilution charges.

11. Share capital (continued)

Redeemable share capital (continued)

The rights attaching to the redeemable shares are as follows:

- Investors in the Sub-Fund may redeem on any dealing day.
- All shares carry a right to receive notice of, attend and vote at general meetings.

Note 3 to the financial statements details the different expenses and fee rates charged to each Share Class. In the instance where a suitable Management Fee for a given investor is not available from the Share Classes listed below, a new Share Class may be created in the Sub-Fund in accordance with the requirements of the Central Bank and using the following Share Class naming convention: Share Class type – Management Fee – accumulating/distributing – currency. Any such new Share Class will be added to the Supplement in accordance with the requirements of the Central Bank.

The rights attached to each series or class of share may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that series or class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that series or class. The rights attaching to any series or class of shares shall not be deemed to be varied by the creation or issue of further shares ranking pari passu with shares already in issue, unless otherwise expressly provided by the terms of issue of those shares.

The Company may from time to time by ordinary resolution increase its capital, consolidate its shares into a smaller number of shares, sub-divide shares into a larger number of shares or cancel any shares not taken or agreed to be taken by any person. The Company may by special resolution from time to time reduce its share capital in any way permitted by law.

Capital Management

The Company's capital includes issued ordinary shares. The capital of the Company is managed in accordance with the Company's investment objectives, policies and restrictions as outlined in the Company's Prospectus, while maintaining sufficient liquidity to meet Shareholder redemptions.

The Company does not have any externally imposed capital requirements.

Swing pricing and anti-dilution levy

To enable a Sub-Fund to recover the cost of investing Sub-Fund assets upon an investor's subscription for shares and the cost of liquidating Sub-Fund assets upon a Shareholder's redemption of shares and to preserve the value of the assets of the relevant Sub-Fund, each Shareholder may be subject to swing pricing or an anti-dilution levy of up to 3% of the subscription proceeds or redemption proceeds. In calculating the swing pricing, the NAV of a Sub-Fund is swung by a "swing factor", the Directors may, in respect of net redemptions, adjust downward the NAV per Share and may also, in respect of net subscriptions, adjust upward the NAV per Share. The Administrator will calculate the NAV for the relevant Sub-Fund and then adjust ("swing") the NAV by a pre-determined amount. The direction of the swing will depend on whether there are net subscriptions or redemptions in the relevant Sub-Fund on the relevant Dealing Day, while the magnitude of the swing will be based on pre-determined estimates of the average trading costs in the relevant asset class(es) in which the Sub-Fund is invested. The Net assets attributable to holders of redeemable participating shares in the Statement of Financial Position is inclusive of any swing adjustments applied to the Sub-Funds.

Swing pricing was not applied to any of the Sub-Funds as at the financial year ended 30 June 2023 or 30 June 2022.

An anti-dilution levy, if applicable, would be paid to the Sub-Fund for the benefit of all Shareholders and would not be paid to the AIFM or the Investment Manager. The anti-dilution levy is deducted from subscription proceeds and will correspondingly reduce the number of shares purchased by the investor or will be deducted from redemption proceeds and will correspondingly reduce the amounts received by a Shareholder upon redeeming its shares from the Sub-Fund. Proceeds from redeemable participating shares are inclusive of anti-dilution charges.

An anti-dilution levy was not applied to any of the Sub-Funds during the financial year ended 30 June 2023 or 30 June 2022.

Share movement

All proceeds from redeemable participating shares issued and payments for redeemable participating shares redeemed are shown in the base currency of the Sub-Fund.

11. Share capital (continued)

Share movement (continued)

30 June 2023

	Shares at 30 Jun 2022	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2023	Proceeds from shares issued	Payment for shares redeemed
MGI Diversified Equity Fund						**€**	**€**
Class I-1 €	115,210	18,962	(9,510)	-	124,662	3,118,094	(1,574,026)
Class M-7 €	11,000	907	(918)	-	10,989	203,174	(201,614)
Class M-8 €	38,627	2,340	(2,087)	-	38,880	775,930	(698,043)
Class M-12 €	63,559	21,501	(7,274)	-	77,786	3,394,762	(1,121,282)

	Shares at 30 Jun 2022	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2023	Proceeds from shares issued	Payment for shares redeemed
MGI Balanced Managed Fund						**€**	**€**
Class M-7 €	1,430	3	-	-	1,433	397	-
Class M-8 €	357,080	25,105	(33,065)	-	349,120	3,500,539	(4,594,078)
Class M-10 €	35,537	6,433	(10,145)	-	31,825	875,970	(1,381,423)
Class M-14 €	46,746	12,416	(5,210)	-	53,952	1,615,415	(668,650)
Class A11-0.2500 €	337,673	19,704	(17,574)	-	339,803	2,019,721	(1,802,545)

	Shares at 30 Jun 2022	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2023	Proceeds from shares issued	Payment for shares redeemed
Mercer Medium Term Inflation Linked Bond Fund						**€**	**€**
Class M-1 €	1,366,968	425,467	(57,475)	-	1,734,960	65,933,229	(8,831,467)
Class M-3 €	5,986,439	2,099,978	(1,734,437)	-	6,351,980	313,877,510	(267,017,568)
Class M-4 €	1,244,811	217,343	(170,511)	-	1,291,643	29,129,251	(23,361,498)
Class M-6 €	694,312	73,453	(70,062)	-	697,703	9,265,304	(8,930,339)

	Shares at 30 Jun 2022	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2023	Proceeds from shares issued	Payment for shares redeemed
Mercer UK Credit Fund						**GB£**	**GB£**
Class M-1 £	170,669	15,483	(5,116)	-	181,036	1,391,557	(482,890)
Class M-2 £	50,240	27	(40,578)	-	9,689	4,258	(5,566,223)
Class M-6 £	379,688	37,919	(127,878)	(5,154)	284,575	5,335,120	(17,572,734)
Class M-7 £ Distributing	684,638	1	(40,684)	8,461	652,416	74	(3,056,966)

	Shares at 30 Jun 2022	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2023	Proceeds from shares issued	Payment for shares redeemed
Mercer Sterling Inflation Linked LDI Bond Fund						**GB£**	**GB£**
Class M-4 £	61,929	773,654	(664,568)	-	171,015	125,260,764	(102,790,842)
Class M-5 £ Distributing***	10,820	173,782	(180,030)	-	4,572	9,833,037	(8,066,226)
Class M-7 £	140,034	327,740	(365,388)	-	102,386	45,801,038	(55,360,591)
Class M-9 £	16,437	5,917,685	(4,796,833)	-	1,137,289	633,136,679	(506,868,733)

	Shares at 30 Jun 2022	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2023	Proceeds from shares issued	Payment for shares redeemed
Mercer Sterling Nominal LDI Bond Fund						**GB£**	**GB£**
Class M-4 £	423,019	105,371	(278,882)	-	249,508	15,687,359	(35,477,592)
Class M-5 £ Distributing**	254,851	7,327	(262,178)	-	-	547,338	(15,507,052)
Class M-7 £	222,161	527,742	(587,619)	-	162,284	66,481,848	(72,944,059)

	Shares at 30 Jun 2022	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2023	Proceeds from shares issued	Payment for shares redeemed
Mercer Enhanced Yield Fund**						**€**	**€**
Class M-4 €**	79,164	59	(79,223)	-	-	7,498	(10,073,228)
Class M-6 €**	41,010	62	(41,072)	-	-	6,591	(4,391,765)

11. Share capital (continued)

Share movement (continued)

30 June 2023 (continued)

Mercer Passive Euro Inflation Linked Bond Fund	Shares at 30 Jun 2022	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2023	Proceeds from shares issued €	Payment for shares redeemed €
Class M-3 €	726,180	27,379	(91,216)	-	662,343	3,908,222	(12,884,465)
Class M-4 €	161,031	16,105	(51,802)	-	125,334	1,984,905	(6,485,133)
Class A3-0.0750 €	75,000	61,000	-	-	136,000	5,468,560	-
Class A9-0.2000 €	86,740	-	(6,238)	-	80,502	-	(542,844)
Class Z1-0.0000 €*	-	3,855,360	(62,935)	-	3,792,425	384,849,987	(6,064,867)

*Share Class launched during the financial year ended 30 June 2023.

**Sub-Fund and Share Classes terminated during the financial year ended 30 June 2023.

***Share Class terminated and re-launched during the financial year ended 30 June 2023.

Details of Share Class launches and terminations have been outlined in the Report of the Directors.

30 June 2022

MGI Diversified Equity Fund	Shares at 30 Jun 2021	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2022	Proceeds from shares issued €	Payment for shares redeemed €
Class I-1 €	123,538	17,068	(25,396)	-	115,210	3,056,836	(4,569,069)
Class M-7 €	10,878	3,672	(3,550)	-	11,000	902,081	(871,503)
Class M-8 €	44,531	1,946	(7,850)	-	38,627	736,047	(2,830,325)
Class M-12 €	58,231	19,187	(13,859)	-	63,559	3,269,406	(2,310,984)

MGI Balanced Managed Fund	Shares at 30 Jun 2021	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2022	Proceeds from shares issued €	Payment for shares redeemed €
Class M-7 €	2,514	7	(1,091)	-	1,430	1,204	(191,620)
Class M-8 €	384,734	35,134	(62,788)	-	357,080	5,262,696	(9,342,410)
Class M-10 €	55,757	15,616	(35,836)	-	35,537	2,258,902	(5,184,487)
Class M-14 €	45,674	14,708	(13,636)	-	46,746	2,054,202	(1,927,889)
Class A11-0.2500 €	356,564	39,444	(58,335)	-	337,673	4,328,389	(6,392,277)

Mercer Medium Term Inflation Linked Bond Fund	Shares at 30 Jun 2021	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2022	Proceeds from shares issued €	Payment for shares redeemed €
Class M-1 €	1,078,882	439,444	(151,358)	-	1,366,968	79,930,855	(27,918,907)
Class M-3 €	6,207,064	1,154,019	(1,374,644)	-	5,986,439	198,438,208	(244,791,076)
Class M-4 €	1,166,982	219,652	(141,823)	-	1,244,811	32,614,747	(22,676,271)
Class M-6 €	698,532	90,989	(95,209)	-	694,312	12,836,197	(13,877,414)

Mercer UK Credit Fund	Shares at 30 Jun 2021	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2022	Proceeds from shares issued GB£	Payment for shares redeemed GB£
Class M-1 £	223,268	10,935	(63,534)	-	170,669	1,236,621	(7,473,063)
Class M-2 £	49,925	315	-	-	50,240	58,811	-
Class M-5 £**	33,753	7	(33,760)	-	-	1,260	(6,211,290)
Class M-6 £	610,761	2,286	(233,359)	-	379,688	374,607	(36,872,526)
Class M-7 £ Distributing	1,063,191	15	(378,568)	-	684,638	1,532	(40,669,542)

11. Share capital (continued)

Share movement (continued)

30 June 2022 (continued)

Mercer Sterling Inflation Linked LDI Bond Fund	Shares at 30 Jun 2021	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2022	Proceeds from shares issued GB£	Payment for shares redeemed GB£
Class M-4 £	79,759	29,493	(47,323)	-	61,929	9,034,812	(15,909,453)
Class M-5 £ Distributing	23,937	17,895	(31,012)	-	10,820	2,309,724	(2,868,475)
Class M-7 £	298,540	59,663	(218,169)	-	140,034	18,908,219	(81,362,845)
Class M-9 £	54,946	185	(38,694)	-	16,437	47,574	(8,356,370)

Mercer Sterling Nominal LDI Bond Fund	Shares at 30 Jun 2021	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2022	Proceeds from shares issued GB£	Payment for shares redeemed GB£
Class M-4 £	244,939	224,945	(46,865)	-	423,019	53,446,853	(9,600,784)
Class M-5 £ Distributing	259,266	19,241	(23,656)	-	254,851	2,493,540	(2,403,504)
Class M-7 £	409,597	150,457	(337,893)	-	222,161	34,892,216	(80,175,661)

Mercer Enhanced Yield Fund	Shares at 30 Jun 2021	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2022	Proceeds from shares issued €	Payment for shares redeemed €
Class M-4 €	73,721	7,286	(1,843)	-	79,164	998,347	(238,034)
Class M-6 €	46,592	1,916	(7,498)	-	41,010	221,363	(828,973)

Mercer Passive Euro Inflation Linked Bond Fund	Shares at 30 Jun 2021	Shares issued	Shares redeemed	Shares transferred	Shares at 30 Jun 2022	Proceeds from shares issued €	Payment for shares redeemed €
Class M-3 €	434,344	415,033	(123,197)	-	726,180	66,869,469	(20,009,422)
Class M-4 €	198,038	25,870	(62,877)	-	161,031	3,708,399	(8,837,106)
Class A3-0.0750 €*	-	75,000	-	-	75,000	7,522,469	-
Class A9-0.2000 €*	-	89,654	(2,914)	-	86,740	8,980,700	(272,879)

*Share Class launched during the financial year ended 30 June 2022.
**Share Class terminated during the financial year ended 30 June 2022.

Significant Shareholders

As at 30 June 2023 and 30 June 2022 there were no Shareholders who owned more than 20% of the Company's NAV.

12. Dividends

The following dividends were declared and paid during the financial year ended 30 June 2023:

Sub-Fund	Share Class	Total dividend per Share Class	Dividend per Share	Ex-Date
Mercer UK Credit Fund	Class M-7 £ Distributing	GB£ 447,274	GB£ 0.6533	1 Jul 2022
	Class M-7 £ Distributing	GB£ 495,610	GB£ 0.7239	3 Oct 2022
	Class M-7 £ Distributing	GB£ 472,469	GB£ 0.7337	3 Jan 2023
	Class M-7 £ Distributing	GB£ 498,250	GB£ 0.7637	3 Apr 2023
Mercer Sterling Inflation Linked LDI Bond Fund	Class M-5 £ Distributing	GB£ 25,839	GB£ 2.3880	1 Jul 2022
	Class M-5 £ Distributing	GB£ 13,182	GB£ 1.2177	3 Oct 2022
Mercer Sterling Nominal LDI Bond Fund	Class M-5 £ Distributing	GB£ 83,973	GB£ 0.3295	1 Jul 2022
	Class M-5 £ Distributing	GB£ 87,490	GB£ 0.3495	3 Oct 2022
	Class M-5 £ Distributing	GB£ 8,674	GB£ 0.3523	3 Jan 2023
	Class M-5 £ Distributing	GB£ 3,256	GB£ 0.3596	3 Apr 2023

12. Dividends (continued)

The following dividends were declared and paid during the financial year ended 30 June 2022:

Sub-Fund	Share Class	Total dividend per Share Class	Dividend per Share	Ex-Date
Mercer UK Credit Fund	Class M-7 £ Distributing	GB£ 684,908	GB£ 0.6442	1 Jul 2021
	Class M-7 £ Distributing	GB£ 461,583	GB£ 0.6742	1 Oct 2021
	Class M-7 £ Distributing	GB£ 449,191	GB£ 0.6561	4 Jan 2022
	Class M-7 £ Distributing	GB£ 458,707	GB£ 0.6700	1 Apr 2022
Mercer Sterling Inflation Linked LDI Bond Fund	Class M-5 £ Distributing	GB£ 18,171	GB£ 0.7591	1 Jul 2021
	Class M-5 £ Distributing	GB£ 14,069	GB£ 0.5875	1 Oct 2021
	Class M-5 £ Distributing	GB£ 32,642	GB£ 0.8794	4 Jan 2022
	Class M-5 £ Distributing	GB£ 30,618	GB£ 0.7874	1 Apr 2022
Mercer Sterling Nominal LDI Bond Fund	Class M-5 £ Distributing	GB£ 81,462	GB£ 0.3142	1 Jul 2021
	Class M-5 £ Distributing	GB£ 76,067	GB£ 0.3046	1 Oct 2021
	Class M-5 £ Distributing	GB£ 81,904	GB£ 0.3050	4 Jan 2022
	Class M-5 £ Distributing	GB£ 82,689	GB£ 0.3144	1 Apr 2022

13. Significant events during the financial year

Prospectus and Supplement updates

The Prospectus and Supplements of the Sub-Funds have been updated during the financial year. Details of these updates have been outlined in the Report of the Directors.

Share Class launches and terminations

Details of Share Class launches and terminations have been outlined in the Report of the Directors.

There were no other significant events affecting the Company during the financial year that require amendment to or disclosure in the financial statements.

14. Subsequent events

Share Class launches and terminations

Details of Share Class launches and terminations have been outlined in the Report of the Directors.

Dividends

The following dividends have been declared since the financial year end date:

Sub-Fund	Share Class	Total dividend per Share Class	Dividend per Share	Ex-Date
Mercer UK Credit Fund	Class M-7 £ Distributing	GB£ 424,984	GB£ 0.6514	3 Jul 2023
	Class M-7 £ Distributing	GB£ 501,447	GB£ 0.7787	2 Oct 2023
Mercer Sterling Inflation Linked LDI Bond Fund	Class M-5 £ Distributing	GB£ 16,769	GB£ 3.6681	3 Jul 2023
	Class M-5 £ Distributing	GB£ 2,116	GB£ 0.4627	2 Oct 2023

15. Approval of financial statements

The financial statements were approved by the Board of Directors on 24 October 2023.

The table below outlines additional supplemental information regarding underlying CIS held by the Sub-Funds of the Company as at 30 June 2023. The supplemental information includes (where available) the regulatory status, underlying manager name and fee information with regard to these investments.

Underlying Fund	Jurisdiction/ Regulatory Status*	Fund Manager	Share Class*** Management fee %	Performance fee** %	Redemption fee %
BlackRock Fixed Income Dublin Funds plc - iShares Global Inflation-Linked Bond Index Fund	Ireland	BlackRock Asset Management Ireland Limited	0.03%	n/a	n/a
BlackRock Index Selection Fund - iShares Europe ex-UK Index Fund	Ireland	BlackRock Asset Management Ireland Limited	0.15%	n/a	n/a
BlackRock Index Selection Fund - iShares UK Index Fund	Ireland	BlackRock Asset Management Ireland Limited	0.30%	n/a	n/a
Mercer QIF Fund plc - Mercer China Equity Fund	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
Mercer UCITS Common Contractual Fund - Mercer Passive Fundamental Indexation Global Equity UCITS CCF	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
Mercer UCITS Common Contractual Fund - Mercer Passive Sustainable Global Equity UCITS CCF	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
MGI Funds plc - Acadian Systematic Macro	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
MGI Funds plc - Mercer Absolute Return Fixed Income Fund	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
MGI Funds plc - Mercer Diversified Growth Fund	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
MGI Funds plc - Mercer Global Buy & Maintain Credit Fund	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
MGI Funds plc - Mercer Global Small Cap Equity Fund	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
MGI Funds plc - Mercer Low Volatility Equity Fund	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
MGI Funds plc - MGI Emerging Markets Equity Fund	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
MGI Funds plc - MGI Euro Bond Fund	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
MGI Funds plc - MGI Euro Cash Fund	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a

*The funds are regulated in the jurisdiction noted above.
**Further information on the performance fees can be found in the relevant fund's documentation.
***Investments by Sub-Funds of the Company into funds also managed by the AIFM are not charged an investment management fee at the level of the underlying fund, thereby ensuring that there is no double charging of fees by the AIFM. However, there may be a hedging fee applied to any investments by the Sub-Funds in to hedged Share Classes of the underlying fund.

General

Mercer PIF Fund plc (the "Company") is an open-ended umbrella fund investment company with variable capital and with segregated liability between Sub-Funds, organised under the laws of Ireland. The Company is an Alternative Investment Fund ("AIF") within the meaning of the Alternative Investment Fund Manager ("AIFM") Regulations and accordingly Mercer Global Investments Management Limited ("MGIM") has been appointed as AIFM of the Company. State Street Custodial Services (Ireland) Limited (the "Depositary") are the Depositary of the Company for the purpose of the AIFM Regulations and were appointed pursuant to the terms of the Depositary agreement.

The investment objective of the Company is the collective investment of its Sub-Funds in financial assets with the aim of spreading investment risk and giving the members of the Company the benefit of the results of the management of its Sub-Funds. The Company's objective to spread investment risk has been maintained during the financial year.

The Company consists of nine (30 June 2022: seventeen) Sub-Funds, seven of which are active as at 30 June 2023 (30 June 2022: eight). The following table outlines the functional currency, launch date and SFDR classification of each Sub-Fund.

Sub-Funds - Active

Name	Functional Currency	Functional Currency Symbol	Launch Date	SFDR Classification
MGI Diversified Equity Fund	Euro	€	19 Aug 2006	Article 8
MGI Balanced Managed Fund	Euro	€	19 Aug 2006	Article 8
Mercer Medium Term Inflation Linked Bond Fund	Euro	€	19 Aug 2006	Article 6
Mercer UK Credit Fund	British Pound	GB£	9 Mar 2010	Article 8
Mercer Sterling Inflation Linked LDI Bond Fund	British Pound	GB£	24 Aug 2010	Article 6
Mercer Sterling Nominal LDI Bond Fund	British Pound	GB£	24 Aug 2010	Article 6
Mercer Passive Euro Inflation Linked Bond Fund*	Euro	€	21 Jan 2011	Article 6

*Effective 9 January 2023, Mercer Euro Inflation Linked Bond Fund changed its name to Mercer Passive Euro Inflation Linked Bond Fund.

Sub-Funds - Terminated but not de-authorised

Name	Functional Currency	Functional Currency Symbol	Launch Date	SFDR Classification
Mercer Passive Global Equity Fund	US Dollar	US$	15 Dec 2009	-
Mercer Enhanced Yield Fund	Euro	€	15 Oct 2010	-

Cash and cash equivalents held by terminated but not de-authorised Sub-Funds as at 30 June 2023 amounted to € 25,498.

SFDR Level 2 Sub-Fund disclosures and related Responsible Investment documents and policies can be found on the Mercer Funds Website (Fund Information (mercer.com)) and the Responsible Investment Website (responsible-investment (mercer.com)).

Where it is appropriate to its investment objective and policies a Sub-Fund may also invest in other Sub-Funds of this Company. A Sub-Fund may only invest in another Sub-Fund of this Company if the Sub-Fund in which it is investing does not itself hold Shares in any other Sub-Fund of this Company. Any commission received by the AIFM or Investment Manager in respect of such investment will be paid into the assets of the Sub-Fund. Any Sub-Fund that is invested in another Sub-Fund of this Company or any other fund to which the AIFM or the Investment Manager has been appointed will be invested in a Share Class for which no Management or Investment Management Fee is charged. No subscription, conversion or redemption fees will be charged on any such cross investments by a Sub-Fund.

Data Protection Notice

The General Data Protection Regulation (Regulation (EU) 2016/679) ("GDPR") came into effect on 25 May 2018. Information on how the Shareholders' personal data is processed in accordance with GDPR can be found here:
https://investment-solutions.mercer.com/global/all/en/investment-solutions-home/corporate-policies.html.

Directory of Sub-Investment Managers per Sub-Fund

Mercer Medium Term Inflation Linked Bond Fund
Irish Life Investment Managers Limited
Mercer UK Credit Fund
M&G Investment Management Limited
Mercer Sterling Inflation Linked LDI Bond Fund
Blackrock Investment Management (UK) Limited
Mercer Sterling Nominal LDI Bond Fund
Blackrock Investment Management (UK) Limited
Mercer Passive Euro Inflation Linked Bond Fund
Irish Life Investment Managers Limited

Portfolio movements

A complete list of the acquisitions and disposals of investments during the financial year is available upon request from the Administrator, free of charge.

Soft commissions and directed brokerage arrangements

Sub-Investment Managers appointed by the Investment Manager are not permitted to enter into soft commission arrangements which would result in them receiving research for free, with the exception of minor non-monetary benefits as defined in Markets in Financial Instruments Directive ("MiFID"). Managers can accept research if they pay for it themselves or if they pay for it via a Research Payment Account ("RPA") which is funded by the assets of the Sub-Fund or similar means which result in the same level of protection as the RPA method.

Net gain/(loss) from financial instruments at FVTPL

All gains on securities and derivatives sold during the financial year are included in realised gain on investments and other derivative contracts while all losses realised on the sale of securities and other derivatives during the financial year are included in realised loss on investments and other derivative contracts.

30 June 2023

	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£
Realised gain on investments and other derivative contracts	4,693,727	14,206,561	1,083,546	1,011,201	20,037,448
Realised loss on investments and other derivative contracts	(8,949)	(1,304,615)	(71,176,389)	(13,250,811)	(99,985,938)
Change in unrealised gain on investments and other derivative contracts	3,153,719	1,865,014	15,689,970	7,005,200	-
Change in unrealised loss on investments and other derivative contracts	(3,856,199)	(12,434,380)	(57,581,177)	(10,335,768)	(1,290,997)
Net gain/(loss) on foreign exchange	-	-	-	199,896	(4)
	3,982,298	**2,332,580**	**(111,984,050)**	**(15,370,282)**	**(81,239,491)**

Net gain/(loss) from financial instruments at FVTPL (continued)

	Mercer Sterling Nominal LDI Bond Fund GB£	*Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €
Realised gain on investments and other derivative contracts	836	242,263	121,899
Realised loss on investments and other derivative contracts	(81,066,880)	(321,043)	(5,017,203)
Change in unrealised gain on investments and other derivative contracts	38,826,358	645,842	970,735
Change in unrealised loss on investments and other derivative contracts	-	-	(41,630,915)
Net gain on foreign exchange	-	-	-
	(42,239,686)	**567,062**	**(45,555,484)**

*Sub-Fund terminated during the financial year ended 30 June 2023.

30 June 2022

	MGI Diversified Equity Fund €	MGI Balanced Managed Fund €	Mercer Medium Term Inflation Linked Bond Fund €	Mercer UK Credit Fund GB£	Mercer Sterling Inflation Linked LDI Bond Fund GB£
Realised gain on investments and other derivative contracts	1,774,389	4,601,268	30,239,399	4,831,061	12,118,630
Realised loss on investments and other derivative contracts	(111)	-	(265,899)	(5,092,530)	(5,308,454)
Change in unrealised gain on investments and other derivative contracts	-	-	-	1,281,457	-
Change in unrealised loss on investments and other derivative contracts	(7,187,072)	(11,114,446)	(213,720,688)	(31,004,253)	(33,729,007)
Net gain on foreign exchange	-	-	-	7,476	-
	(5,412,794)	**(6,513,178)**	**(183,747,188)**	**(29,976,789)**	**(26,918,831)**

	Mercer Sterling Nominal LDI Bond Fund GB£	Mercer Enhanced Yield Fund €	Mercer Passive Euro Inflation Linked Bond Fund €
Realised gain on investments and other derivative contracts	16,906	52,327	2,162,547
Realised loss on investments and other derivative contracts	(15,144,071)	(22,986)	(271,767)
Change in unrealised gain on investments and other derivative contracts	-	-	-
Change in unrealised loss on investments and other derivative contracts	(44,179,365)	(1,589,068)	(20,484,932)
Net loss on foreign exchange	-	(1,076)	-
	(59,306,530)	**(1,560,803)**	**(18,594,152)**

EPM techniques

The Company may employ investment techniques and instruments for EPM of the assets of the Company or of any Sub-Fund and for short-term investment purposes under the conditions and limits set out in the Prospectus.

The Company may, for the purposes of hedging, enter into put and call options, spot and forward contracts, financial futures, stock and bond index futures contracts, repurchase agreements and securities lending agreements. In particular, a Sub-Fund may seek to hedge its investments against currency fluctuations which are adverse to its base currency by utilising currency options, futures contracts and forward foreign exchange contracts.

A Sub-Fund may also from time to time make use of exchange traded stock index and other futures contracts for the purpose of EPM to enable it to maintain the appropriate exposure to stock markets in accordance with the relevant Investment Manager's recommended overall asset allocation.

Details of any FDI's held at 30 June 2023 can be found in the Portfolio Statements for each relevant Sub-Fund. Note 7 to the financial statements provides details of the risks associated with the use of FDIs.

NAV comparative tables

	Total NAV			NAV per share†		
MGI Diversified Equity Fund	**30 Jun 2023**	**30 Jun 2022**	**30 Jun 2021**	**30 Jun 2023**	**30 Jun 2022**	**30 Jun 2021**
Class I-1 €	€ 21,525,024	€ 18,293,298	€ 22,102,362	€ 172.67	€ 158.78	€ 178.91
Class M-7 €	€ 2,573,486	€ 2,371,329	€ 2,644,808	€ 234.18	€ 215.57	€ 243.14
Class M-8 €	€ 13,688,169	€ 12,564,527	€ 16,398,289	€ 352.06	€ 325.28	€ 368.24
Class M-12 €	€ 12,673,692	€ 9,510,575	€ 9,805,142	€ 162.93	€ 149.63	€ 168.38
MGI Balanced Managed Fund						
Class M-7 €	€ 234,080	€ 229,007	€ 433,238	€ 163.40	€ 160.13	€ 172.33
Class M-8 €	€ 48,741,723	€ 48,733,455	€ 56,367,424	€ 139.61	€ 136.48	€ 146.51
Class M-10 €	€ 4,301,462	€ 4,700,083	€ 7,924,392	€ 135.16	€ 132.26	€ 142.12
Class M-14 €	€ 7,041,553	€ 5,957,499	€ 6,241,942	€ 130.52	€ 127.44	€ 136.66
Class A11-0.2500 €	€ 34,983,243	€ 33,996,893	€ 38,553,225	€ 102.95	€ 100.68	€ 108.12
Mercer Medium Term Inflation Linked Bond Fund						
Class M-1 €	€ 270,554,397	€ 217,812,865	€ 184,731,956	€ 155.94	€ 159.34	€ 171.23
Class M-3 €	€ 959,778,732	€ 925,270,189	€ 1,032,064,779	€ 151.10	€ 154.56	€ 166.27
Class M-4 €	€ 175,237,830	€ 172,925,752	€ 174,571,870	€ 135.67	€ 138.92	€ 149.59
Class M-6 €	€ 88,599,355	€ 90,450,757	€ 98,180,520	€ 126.99	€ 130.27	€ 140.55
Mercer UK Credit Fund						
Class M-1 £	GB£ 16,888,095	GB£ 17,207,106	GB£ 26,102,268	GB£ 93.29	GB£ 100.82	GB£ 116.91
Class M-2 £	GB£ 1,457,051	GB£ 8,177,850	GB£ 9,437,360	GB£ 150.38	GB£ 162.77	GB£ 189.03
Class M-5 £	-	-	GB£ 6,231,486	-	-	GB£ 184.62
Class M-6 £	GB£ 38,141,072	GB£ 55,210,484	GB£ 103,376,310	GB£ 134.03	GB£ 145.41	GB£ 169.26
Class M-7 £ Distributing	GB£ 52,865,837	GB£ 62,021,090	GB£ 114,525,799	GB£ 81.03	GB£ 90.59	GB£ 107.72
Mercer Sterling Inflation Linked LDI Bond Fund						
Class M-4 £	GB£ 24,006,925	GB£ 13,410,109	GB£ 28,529,714	GB£ 140.38	GB£ 216.54	GB£ 357.70
Class M-5 £ Distributing***	GB£ 407,175	GB£ 766,156	GB£ 2,874,267	GB£ 89.06	GB£ 70.81	GB£ 120.08
Class M-7 £	GB£ 13,641,258	GB£ 28,902,099	GB£ 102,225,110	GB£ 133.23	GB£ 206.39	GB£ 342.42
Class M-9 £	GB£ 111,029,956	GB£ 2,484,177	GB£ 13,767,199	GB£ 97.63	GB£ 151.13	GB£ 250.56
Mercer Sterling Nominal LDI Bond Fund						
Class M-4 £	GB£ 28,940,273	GB£ 72,411,817	GB£ 60,326,805	GB£ 115.99	GB£ 171.18	GB£ 246.29
Class M-5 £ Distributing**	-	GB£ 19,269,278	GB£ 28,575,137	-	GB£ 75.61	GB£ 110.22
Class M-7 £	GB£ 18,275,550	GB£ 37,082,564	GB£ 98,795,215	GB£ 112.61	GB£ 166.92	GB£ 241.20
Mercer Enhanced Yield Fund**						
Class M-4 €**	-	€ 9,713,389	€ 10,068,393	-	€ 122.70	€ 136.57

NAV comparative tables (continued)

	Total NAV			NAV per share†		
Mercer Enhanced Yield Fund (continued)**	**30 Jun 2023**	**30 Jun 2022**	**30 Jun 2021**	**30 Jun 2023**	**30 Jun 2022**	**30 Jun 2021**
Class M-6 €**	-	€ 4,248,651	€ 5,382,950	-	€ 103.60	€ 115.53
Mercer Passive Euro Inflation Linked Bond Fund						
Class M-3 €	€ 94,241,412	€ 105,866,927	€ 66,762,097	€ 142.28	€ 145.79	€ 153.71
Class M-4 €	€ 15,733,685	€ 20,736,994	€ 26,920,920	€ 125.53	€ 128.78	€ 135.94
Class A3-0.0750 €	€ 12,368,240	€ 6,967,142	-	€ 90.94	€ 92.90	-
Class A9-0.2000 €	€ 7,138,228	€ 7,866,419	-	€ 88.67	€ 90.69	-
Class Z1-0.0000 €*	€ 367,107,326	-	-	€ 96.80	-	-

*Share Class launched during the financial year ended 30 June 2023.

**Sub-Fund and Share Classes terminated during the financial year ended 30 June 2023.

***Share Class terminated and re-launched during the financial year ended 30 June 2023.

†Dealing NAV.

Details of Share Class launches and terminations have been outlined in the Report of the Directors.

Exchange rates

The applicable financial year end exchange rates to the € were as follows:

	As at 30 June 2023	As at 30 June 2022
British Pound	0.8581	0.8608
US Dollar	1.0910	1.0454

The applicable average exchange rates to the € were as follows:

	Financial Year ended 30 June 2023	Financial Year ended 30 June 2022
British Pound	0.8686	0.8478

Remuneration Policy

Report on Remuneration

As part of its authorisation as an AIFM, Mercer Global Investments Management Limited ("MGIM", the "AIFM") has implemented a Remuneration Policy consistent with the European Securities and Markets Authority's ("ESMA") remuneration guidelines and in particular the provisions of Annex II of Directive 2011/61/EU. MGIM has been appointed as AIFM to Mercer QIF Fund plc, Mercer PIF Fund plc and Mercer QIF CCF ("the Funds").

The Policy has been devised in line with the business strategy, objectives, values and interests of MGIM and the Funds, and includes measures to avoid conflicts of interest, promote sound and effective risk management, including in respect of sustainability risks, and discourage risk taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Funds that MGIM manages.

The Policy extends to MGIM in its capacity as Management Company of the Funds. None of the Directors of MGIM are currently in receipt of variable remuneration in respect of their services as Director of MGIM or in respect of the Funds. Accordingly, the provisions of Annex II of Directive 2011/61/EU are not applicable with regard to the Directors of MGIM.

Given the nature of MGIM's business, and the range of services and activities that it undertakes, a delegation model has been employed whereby MGIM does not have any direct employees. Resources are engaged by MGIM pursuant to a Secondment Arrangement of employees from Mercer Global Investments Europe Limited ("MGIE" or the "Investment Manager") and to a lesser extent Mercer Ireland Limited with some supplementary services which continue to be provided under the existing Resource Sharing Agreement with MGIE dated 13 May 2014 (the "RSA"), as amended from time to time, pursuant to which the Investment Manager makes available to MGIM sufficient appropriately qualified employees to discharge certain functions for MGIM thus enabling MGIM to leverage off the skills, experience and knowledge of specialised staff employed by MGIE. Separately, MGIM has delegated discretionary portfolio management to MGIE. The MGIE Remuneration Policy is aligned with the remuneration requirements under the Investment Firms Directive (Directive (EU) 2019/2034), which are deemed equally as effective as the remuneration rules under AIFMD. Given that MGIM does not have any direct employees, the Board does not regard it as proportionate to establish a remuneration committee specifically for MGIM itself. Instead, the MGIE Remuneration Committee will oversee the remuneration process.

The Remuneration Policy is designed to discourage risk taking that is inconsistent with the risk profile of the Funds and is in line with the business strategy, objectives, values and interests of MGIM and the Funds. MGIE in its capacity as Investment Manager has sub delegated portfolio management to Sub-Investment Managers. The discretion of the Sub-Investment Manager, and thus its risk taking is strictly controlled within certain pre-determined narrow parameters and/or its investment decisions are rules based. The parameters take the form of detailed investment restrictions/investment guidelines in the prospectus and/or the investment management agreement. The Sub-Investment Manager is not permitted to manage outside of these parameters and as such cannot materially affect the risk profile of the Funds. Sub-Investment Managers are not incentivised or rewarded for taking excessive risk.

Quantitative Remuneration Disclosure

MGIM is required under the AIFMD to make quantitative disclosures of remuneration. These disclosures are made in line with the AIFM's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops the AIFM may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a Fund not being comparable to the disclosures made in the prior year, or in relation to other Mercer range fund disclosures in that same year.

To reflect the resourcing arrangements and the delegation of discretionary portfolio management services, disclosures are provided in relation to (a) the staff of MGIM and MGIE; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of the Funds.

All individuals included in the aggregated figures disclosed are rewarded in line with MGIM and MGIE's remuneration policies for their responsibilities across the relevant Mercer business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Fund is included in the aggregate figures disclosed.

Members of staff and senior management of the Investment Manager typically provide both AIFMD and non-AIFMD related services in respect of multiple funds, clients and functions of MGIM, MGIE and across the broader Mercer group. Therefore, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Fund according to an objective apportionment methodology which acknowledges the multiple-service nature of MGIE. Accordingly, the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by MGIM and MGIE to its staff which has been attributed to the Fund in respect of the financial year ending 30 June 2023 is € 491,063 (30 June 2022: € 439,847). This figure is comprised of fixed remuneration of € 381,817 (30 June 2022: € 366,751) and variable remuneration of € 109,246 (30 June 2022: € 73,096). There were a total of 232 (30 June 2022: 200) beneficiaries of the remuneration described above.

The amount of the aggregate remuneration awarded by MGIM and MGIE, which has been attributed to the Fund in respect of the financial year ending 30 June 2023, to its senior management was € 237,383 (30 June 2022: € 226,639), and to members of its staff whose actions have a material impact on the risk profile of the Fund was € 85,348 (30 June 2022: € 56,212).

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name: MGI Diversified Equity Fund

Legal entity identifier: 5493008YQPVTKYI78Z16

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** _%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 55.1% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** _%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

The Sub-Fund's environmental characteristics are to seek to mitigate the impact of climate change through progressive decarbonisation within the Sub-Fund's portfolio. The Sub-Fund will seek to reduce carbon emissions with a view to achieving net zero carbon emissions by 2050, and with an expectation of a 6% annualised reduction with a view to achieving at least a 45% reduction from 2019 levels by 2030, calculated relative to the size of the Sub-Fund.

The Sub-Fund commits to making a minimum allocation to sustainable investments of 25%.

The Investment Manager measured the attainment of the environmental and social characteristics by
•assessing the Weighted Average Carbon Intensity ('WACI') of the fund over the year to 30 June 2023 and since the baseline of end December 2019.
•assessing if the Sub-Fund met the minimum commitment to sustainable investments.

Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

How did the sustainability indicators perform?

The Sub-Fund's WACI and absolute carbon emissions relative to the size of the Sub-Fund ("Carbon Footprint"), is set out below, as at December 2019 (the Sub-Funds baseline), end of June 2022 and end of June 2023. Carbon footprint data for December 2019 is not available.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

The Sub-fund met its minimum commitment to sustainable investments throughout the applicable reporting period. The level of sustainable investments in the portfolio as at the date of reporting can be found in the table below.

Date	Carbon Footprint
31/12/2019	n/a
30/06/2022	55
30/06/2023	38

Date	WACI
31/12/2019	187
30/06/2022	138
30/06/2023	73

Level of Sustainable Investment
55.10%

…and compared to previous periods?

Not applicable. This is the first periodic reporting annex produced for this Sub-Fund.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The Sub-Fund's sustainable investments aimed to make a positive contribution to environmental objectives (namely, climate change adaptation and/or climate change mitigation) or social objectives (namely, the protection and/or advancement of economic, social and civil rights). Positive contribution to these objectives was measured under the Investment Manager's sustainable investments framework which requires positive alignment with reference to one or more of the UN Sustainable Development Goals (SDGs). The Investment Manager's set and applied an internal threshold for each of the environmental and social SDGs at a target level considered appropriate and representative of a sufficiently positive contribution.

During the period, the Investment Manager assessed (with ongoing monitoring) that those investments deemed to be sustainable investments, had a positive alignment exceeding the internal threshold set to one or more of the SDGs.

Sustainable Finance Disclosure Regulation (“SFDR”) and Taxonomy Regulation Disclosures (continued)

Principal adverse impacts are the most significant negative impact of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager assessed the sustainable investments to ensure that each investment did no significant harm to any environmental or socially sustainable investment objective through a consideration and appropriate use of relevant principal adverse sustainability indicators ("PAI Indicators").

How were the indicators for adverse impacts on sustainability factors taken into account?

Each PAI Indicator has been individually assessed, and where relevant, an absolute threshold or a relative threshold was set to ensure that the investee company did not breach the “do no significant harm” principle.

The Investment Manager has set an absolute threshold on PAIs 4,7,10 and 14, and relative thresholds on PAIs 2, 3, 6 and 13.

Any investment determined as breaching these thresholds was no longer considered a sustainable investment.

For certain PAI Indicators, the Investment Manager has determined that setting a threshold is not appropriate to determine that the investment does not cause significant harm. For example, certain PAI Indicators have inferior levels of data coverage and availability which can undermine the value or integrity of the given PAI Indicator. This can arise where data for a PAI Indicator is based on voluntary and non-standardised reporting by investee companies, or where the methodologies employed by investee companies are not comparable or available.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

For any potential sustainable investments, the Investment Manager considered the mandatory social PAIs (including PAI10 Violations of UNGC principles and OECD Guidelines for Multinational Enterprises) in reaching its determination that how sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Investment Manager used a third-party data provider for information to assess and monitor companies for UNGC compliance.
Under the Investment Manager's framework any companies identified as UNGC violators are not considered sustainable investments.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

How did this financial product consider principal adverse impacts on sustainability factors?

Where a Principal Adverse Impact (PAI) is integrated into investment considerations, management of the portfolio is completed with due consideration to reducing the negative impact of that indicator.
Identified PAIs and the impact of mitigating actions taken and any planned in respect of those PAIs are formally monitored at the quarterly investment risk management committee meetings and more regularly by the Portfolio Management team.
The PAIs for this financial product are set out below. These metrics are an average of each quarter end over the reporting period.

Indicator	Metric	Measure	Data Coverage %
Scope 1 GHG emissions	1617.4227	tCO2	84
Scope 2 GHG emissions	618.8477	tCO2	84
Scope 3 GHG emissions	16945.0958	tCO2	84
Total GHG emissions	19181.3663	tCO2	84
Carbon footprint (Scope 1,2 and 3 emissions)	478.5246	tCO2 per M invested	84
GHG intensity of investee companies (Scope 1,2 and 3 emissions)	788.2458	tCO2	84
Exposure to companies active in the fossil fuel sector	6.84	Percentage	84
Share of non-renewable energy consumption and production	79.2	Percentage	65
Energy consumption intensity per high impact climate sector	29.8718	GwH per million EUR invested	39
Activities negatively affecting biodiversity-sensitive areas	0.09	Percentage	82
Emissions to water	41.45407215	Tonnes per million EUR invested	10
Hazardous waste and radioactive waste ratio	2.294817075	Tonnes per million EUR invested	29
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.42	Percentage	84
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	60.68	Percentage	82
Unadjusted gender pay gap	11.03	Percentage	18
Board gender diversity	15.91	Percentage	100
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.01	Percentage	100
GHG intensity of investee countries	712.3094	tCO2	0
Investee countries subject to social violations (absolute)	0	Percentage	0
Investee countries subject to social violations (relative)	0	Percentage	0
Investments in companies without carbon emission reduction initiatives	35.1	Percentage	33
Lack of a human rights policy	16.09	Percentage	100
Average income inequality score	41.0523	Ratio	0

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: The top investments of the Sub-Fund as at the reporting period are shown below.

Largest investments	Sector	% Assets	Country
ISHARES EUROPE EX UK INDEX FUN ISHR EU EX UK IND FLEX ACC E	PRIVATE	3.94%	IRELAND
APPLE INC COMMON STOCK USD.00001	Information Technology	3.62%	UNITED STATES
ISHARES UK INDEX FUND ISHR UK INDEX FLEX ACC GBP	PRIVATE	2.94%	IRELAND
MICROSOFT CORP COMMON STOCK USD.00000625	Information Technology	2.41%	UNITED STATES
META PLATFORMS INC CLASS A COMMON STOCK USD.000006	Communication Services	1.21%	UNITED STATES
UNITEDHEALTH GROUP INC COMMON STOCK USD.01	Health Care	0.87%	UNITED STATES
TENCENT HOLDINGS LTD COMMON STOCK HKD.00002	Communication Services	0.72%	CAYMAN ISLANDS
CISCO SYSTEMS INC COMMON STOCK USD.001	Information Technology	0.71%	UNITED STATES
NVIDIA CORP COMMON STOCK USD.001	Information Technology	0.70%	UNITED STATES
NOVO NORDISK A/S B COMMON STOCK DKK.2	Health Care	0.69%	DENMARK
ALPHABET INC CL A COMMON STOCK USD.001	Communication Services	0.62%	UNITED STATES
TEXAS INSTRUMENTS INC COMMON STOCK USD1.0	Information Technology	0.60%	UNITED STATES
APPLIED MATERIALS INC COMMON STOCK USD.01	Information Technology	0.60%	UNITED STATES
ELEVANCE HEALTH INC COMMON STOCK USD.01	Health Care	0.58%	UNITED STATES
ACCENTURE PLC CL A COMMON STOCK USD.0000225	Information Technology	0.57%	IRELAND

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

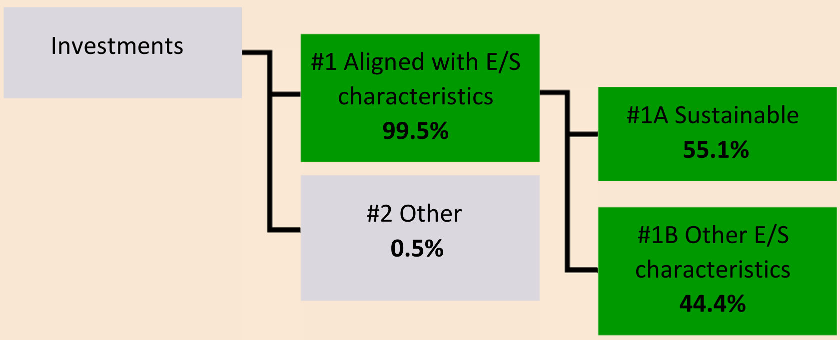
Please see the information below in this respect.

What was the asset allocation?

99.5% of the Sub-Fund's assets were delegated to the appointed Sub-Investment Manager(s) to manage the Sub-Fund in line with the environmental and/or social characteristics promoted by the Sub-Fund. The Sub-Fund did not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund. The Sub-Fund invested 55.1% in sustainable investments.

The remaining 0.5% of the Sub-Fund's assets are in other investments ("#2 Other"), which are not aligned with environmental and/or social characteristics promoted by the Sub-Fund.

These figures and the below table is as at the reporting date. The Sub-Fund met its expected asset allocation and minimum sustainable investment commitment at all times during the reporting period.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

In which economic sectors were the investments made?

The sectors and sub-sectors where investments of the Sub-Fund were made are set out below. These figures are as at the reporting date.

*Percentages may not add to 100% due to cash and derivative exposure.

Sector	Sub-Sector	% Assets
Information Technology	Software & Services	7.48%
Information Technology	Technology Hardware & Equipment	7.40%
Private	Funds	7.10%
Information Technology	Semiconductors & Semiconductor	6.87%
Health Care	Pharmaceuticals Biotechnology	6.81%
Industrials	Capital Goods	6.55%
Health Care	Health Care Equipment & Service	5.57%
Financials	Banks	4.85%
Communication Services	Media & Entertainment	4.62%
Financials	Financial Services	4.53%
Consumer Staples	Food Beverage & Tobacco	3.83%
Materials	Materials	3.67%
Consumer Discretionary	Consumer Durables & Apparel	2.69%
Financials	Insurance	2.57%
Consumer Discretionary	Automobiles & Components	2.39%
Consumer Discretionary	Consumer Discretionary Distrib	2.24%
Consumer Staples	Household & Personal Products	2.11%
Industrials	Commercial & Professional Serv	1.85%
Industrials	Transportation	1.85%
Consumer Staples	Consumer Staples Distribution	1.58%
Energy	Energy	1.54%
Real Estate	Equity Real Estate Investment	1.54%
Consumer Discretionary	Consumer Services	1.38%
Communication Services	Telecommunication Services	1.35%
Utilities	Utilities	1.21%
Real Estate	Real Estate Management & Devel	0.88%
Government	Sovereign	0.03%

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not commit to making environmentally sustainable investments within the meaning of the EU Taxonomy Regulation, and, accordingly, 0% of its sustainable investments with an environmental objective are considered as aligned with the EU Taxonomy.

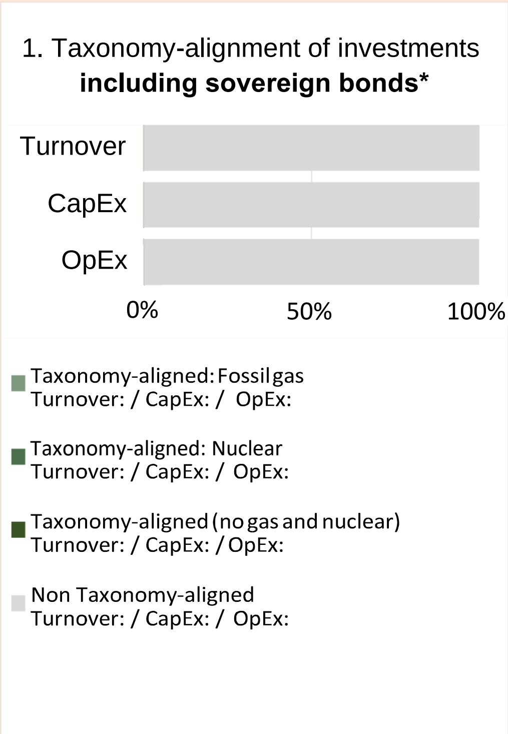
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

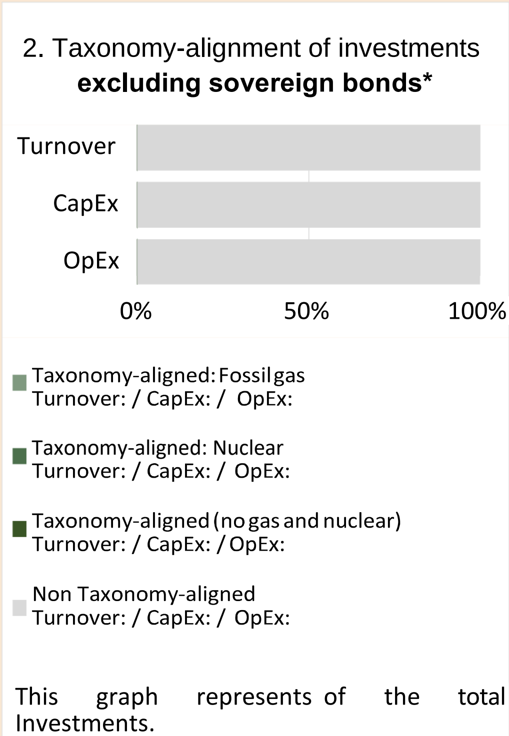
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy alignment of sovereign bonds*, the first graph shows the taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





** For the purpose of these graphs, 'sovereigns bonds' consist of all sovereign exposures.*

1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

What was the share of investments made in transitional and enabling activities?

For the purposes of this report, 0% of the Sub-Fund's investments were identified as being in transitional and enabling activities within the meaning of the EU Taxonomy Regulation.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable. This is the first periodic reporting annex produced for this Sub-Fund.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Sub-Fund had 55.1% in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy and/or sustainable investments with a social objective.
The Investment Manager's sustainable investments framework measures contribution to an environmental and/or social objectives of the sustainable investments through their positive contribution to one or more of the environmental and social SDGs. Consequently, the Sub-Fund does not distinguish between sustainable investments with an environmental or social objective. Accordingly, the Sub-Fund's proportion of sustainable investments is a mix of sustainable investments with an environmental objective that is not aligned with the EU Taxonomy or a social objective or a combination of both, and the exact composition may fluctuate.

What was the share of socially sustainable investments?

The Sub-Fund had 55.1% in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy and/or sustainable investments with a social objective.

The Investment Manager's sustainable investments framework measures contribution to an environmental and/or social objectives of the sustainable investments through their positive contribution to one or more of the environmental and social SDGs. Consequently, the Sub-Fund does not distinguish between sustainable investments with an environmental or social objective. Accordingly, the Sub-Fund's proportion of sustainable investments is a mix of sustainable investments with an environmental objective that is not aligned with the EU Taxonomy or a social objective or a combination of both, and the exact composition may fluctuate.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The 0.5% of assets which fell into the sub-category "#2 Other" represents the assets which were used for efficient portfolio management purposes or ancillary liquidity only. Such assets were cash, FX and financial derivative instruments which are used for liquidity management and hedging, and such assets are not subject to any minimum environmental or social safeguards.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In addition to identification and analysis of PAIs, the Investment Manager utilised the following mechanisms and guiding principles in order to meet the Sub-Fund's environmental characteristics during the reference period:

Investment Strategy: As part of the selection and continued monitoring of investments in underlying funds, the Investment Manager completed initial and ongoing diligence of underlying fund exposures by appointed sub-investment managers to the underlying funds. Carbon emissions and intensity metrics were taken into account by the portfolio management team when making asset allocation changes with the aim of ensuring that investment decisions were made in line with the binding commitment of progressive decarbonisation.

The Investment Manager implemented the strategy through investing in underlying funds which delegate investment management activities to appointed third party sub-investment managers (directly or at underlying fund level). The Investment Manager applied its oversight to the underlying fund portfolios and activities of the sub-investment managers throughout the reference period to ensure that the investment processes were implemented effectively on a continuous basis in line with the Sub-Fund's binding commitments and monitored the Sub-Fund's portfolio exposures using the ongoing monitoring of the sustainability indicators.

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

There is no index designated as a reference benchmark for the purpose of attaining the environmental characteristics promoted by this Fund.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

Product name:
MGI Balanced Managed Fund

Legal entity identifier:
5493002P57LTH02K7L56

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

- [ ] **Yes**
- [X] **No**

Yes:

- [ ] It made **sustainable investments with an environmental objective:** _%
  - [ ] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [ ] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It made **sustainable investments with a social objective:** _%

No:

- [X] It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 19.7% of sustainable investments
  - [ ] with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [X] with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
  - [X] with a social objective
- [ ] It promoted E/S characteristics, but **did not make any sustainable investments**

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund's environmental characteristics are to seek to mitigate the impact of climate change through progressive decarbonisation within the Sub-Fund's portfolio. The Sub-Fund will seek to reduce carbon emissions with a view to achieving net zero carbon emissions by 2050, and with an expectation of a 6% annualised reduction with a view to achieving at least a 45% reduction from 2019 levels by 2030, calculated relative to the size of the Sub-Fund.

The Sub-Fund commits to making a minimum allocation to sustainable investments of 15%.

The Investment Manager measured the attainment of the environmental and social characteristics by
•assessing the Weighted Average Carbon Intensity
('WACI') of the fund over the year to 30 June 2023 and since the baseline of end December 2019.
•assessing if the Sub-Fund met the minimum commitment to sustainable investments.

Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

How did the sustainability indicators perform?

The Sub-Funds WACI and absolute carbon emissions relative to the size of the Sub-Fund ("Carbon Footprint"), is set out below, as at December 2019 (the baseline), end of June 2022 and end of June 2023. Carbon footprint data is not available for December 2019.

The Sub-fund met its minimum commitment to sustainable investments throughout the applicable reporting period. The level of sustainable investments in the portfolio as at the date of reporting can be found in the table below.

Date	Carbon Footprint
31/12/2019	n/a
30/06/2022	69
30/06/2023	54

Date	WACI
31/12/2019	294
30/06/2022	228
30/06/2023	139

Level of Sustainable Investment
19.70%

…and compared to previousperiods?

Not applicable. This is the first periodic reporting annex produced for this Sub-Fund.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to suchobjectives?

The Sub-Fund's sustainable investments aimed to make a positive contribution to environmental objectives (namely, climate change adaptation and/or climate change mitigation) or social objectives (namely, the protection and/or advancement of economic, social and civil rights). Positive contribution to these objectives was measured under the Investment Manager's sustainable investments framework which requires positive alignment with reference to one or more of the UN Sustainable Development Goals (SDGs). The Investment Manager's set and applied an internal threshold for each of the environmental and social SDGs at a target level considered appropriate and representative of a sufficiently positive contribution.

During the period, the Investment Manager assessed (with ongoing monitoring) that those investments deemed to be sustainable investments, had a positive alignment exceeding the internal threshold set to one or more of the SDGs.

Sustainable Finance Disclosure Regulation (“SFDR”) and Taxonomy Regulation Disclosures (continued)

Principal adverse impacts are the most significant negative impact of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager assessed the sustainable investments to ensure that each investment did no significant harm to any environmental or socially sustainable investment objective through a consideration and appropriate use of relevant principal adverse sustainability indicators ("PAI Indicators").

How were the indicators for adverse impacts on sustainability factors taken into account?

Each PAI Indicator has been individually assessed, and where relevant, an absolute threshold or a relative threshold was set to ensure that the investee company did not breach the “do no significant harm” principle.

The Investment Manager has set an absolute threshold on PAIs 4,7,10 and 14, and relative thresholds on PAIs 2, 3, 6 and 13.

Any investment determined as breaching these thresholds was no longer considered a sustainable investment.

For certain PAI Indicators, the Investment Manager has determined that setting a threshold is not appropriate to determine that the investment does not cause significant harm. For example, certain PAI Indicators have inferior levels of data coverage and availability which can undermine the value or integrity of the given PAI Indicator. This can arise where data for a PAI Indicator is based on voluntary and non-standardised reporting by investee companies, or where the methodologies employed by investee companies are not comparable or available.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

For any potential sustainable investments, the Investment Manager considered the mandatory social PAIs (including PAI10 Violations of UNGC principles and OECD Guidelines for Multinational Enterprises) in reaching its determination that how sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Investment Manager used a third-party data provider for information to assess and monitor companies for UNGC compliance.
Under the Investment Manager's framework any companies identified as UNGC violators are not considered sustainable investments.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

How did this financial product consider principal adverse impacts on sustainability factors?

Where a Principal Adverse Impact (PAI) is integrated into investment considerations, management of the portfolio is completed with due consideration to reducing the negative impact of that indicator.
Identified PAIs and the impact of mitigating actions taken and any planned in respect of those PAIs are formally monitored at the quarterly investment risk management committee meetings and more regularly by the Portfolio Management team.
The PAIs for this financial product are set out below. These metrics are an average of each quarter end over the reporting period.

Indicator	Metric	Measure	Data Coverage %
Scope 1 GHG emissions	2462.4803	tCO2	19
Scope 2 GHG emissions	522.5543	tCO2	19
Scope 3 GHG emissions	14770.7812	tCO2	19
Total GHG emissions	17755.8158	tCO2	19
Carbon footprint (Scope 1, 2 and 3 emissions)	542.7306	tCO2 per M invested	23
GHG intensity of investee companies (Scope 1, 2 and 3 emissions)	1089.1539	tCO2	25
Exposure to companies active in the fossil fuel sector	14.83	Percentage	25
Share of non-renewable energy consumption and production	80.84	Percentage	18
Energy consumption intensity per high impact climate sector	28.1405	GwH per million EUR invested	10
Activities negatively affecting biodiversity-sensitive areas	0.12	Percentage	24
Emissions to water	29.07000255	Tonnes per million EUR invested	2
Hazardous waste and radioactive waste ratio	2.186314488	Tonnes per million EUR invested	7
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	0.43	Percentage	24
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	62.88	Percentage	24
Unadjusted gender pay gap	13.84	Percentage	5
Board gender diversity	18.88	Percentage	94
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0.02	Percentage	94
GHG intensity of investee countries	405.5949	tCO2	6
Investee countries subject to social violations (absolute)	1.25	Percentage	6
Investee countries subject to social violations (relative)	1.82	Percentage	6
Investments in companies without carbon emission reduction initiatives	39.57	Percentage	37
Lack of a human rights policy	16.86	Percentage	94
Average income inequality score	37.8296	Ratio	6

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: The top investments of the Sub-Fund as at the reporting period are shown below.

Largest investments	Sector	% Assets	Country
ISHARES GLOBAL INFLATION LINKE ISHARES GLB I LI BD IN FEA	PRIVATE	9.53%	IRELAND
TREASURY BILL 08/23 0.00000	GOVERNMENT	1.86%	UNITED STATES
ISHARES EUROPE EX UK INDEX FUN ISHR EU EX UK IND FLEX ACC E	PRIVATE	1.58%	IRELAND
LANDESBANK HESSEN-THUERINGEN G TD - 03Jul23	SHORT TERMS	1.36%	EU EUROPEAN UNION
PIMCO FUNDS GLOBAL INVESTORS PIMCO ASIA HGH YLD BD INSACC	PRIVATE	1.35%	IRELAND
INVESCO PHYSICAL GOLD ETC INVESCO PHYSICAL GOLD ETC	PRIVATE	1.33%	IRELAND
ISHARES UK INDEX FUND ISHR UK INDEX FLEX ACC GBP	PRIVATE	1.12%	IRELAND
ISHARES JAPAN INDEX FUND ISHR JAPAN INDEX FLX AC EUR	PRIVATE	0.94%	IRELAND
BRED BANQUE POPULAIRE TD - 03Jul23	SHORT TERMS	0.73%	EU EUROPEAN UNION
TREASURY BILL 07/23 0.00000	GOVERNMENT	0.71%	UNITED STATES
TREASURY BILL 12/23 0.00000	GOVERNMENT	0.69%	UNITED STATES
ISHARES US CORPORATE BOND INDE ISHARES US CRP B I F FA USD	PRIVATE	0.57%	IRELAND
TREASURY BILL 09/23 0.00000	GOVERNMENT	0.56%	UNITED STATES
GERMAN TREASURY BILL BILLS REGS 07/23 0.00000	GOVERNMENT	0.50%	GERMANY
TREASURY BILL 11/23 0.00000	GOVERNMENT	0.50%	UNITED STATES

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

Please see the information below in this respect.

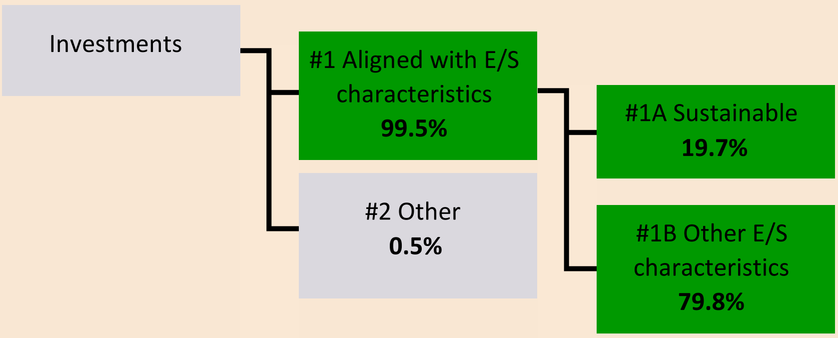
What was the asset allocation?

99.9% of the Sub-Fund's assets were delegated to the appointed Sub-Investment Manager(s) to manage the Sub-Fund in line with the environmental and/or social characteristics by the Sub-Fund.

The Sub-Fund did not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund. The Sub-Fund invested 19.7% in sustainable investments.

The remaining 0.5% of the Sub-Fund's assets are in other investments ("#2 Other"), which are not aligned with environmental and/or social characteristics promoted by the Sub-Fund.

These figures and the below table is as at the reporting date. The Sub-Fund met its expected asset allocation and minimum sustainable investment commitment at all times during the reporting period.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

In which economic sectors were the investments made?

The sectors and sub-sectors where investments of the Sub-Fund were made are set out below. These figures are as at the reporting date.

*Percentages may not add to 100% due to cash and derivative exposure.

Sector	Sub-Sector	% Assets
Private	Funds	21.64%
Government	Sovereign	21.12%
Short Terms	Cash	11.65%
Financials	Banks	5.72%
Real Estate	Equity Real Estate Investment	3.94%
Utilities	Utilities	3.53%
Communication Services	Telecommunication Services	1.55%
Industrials	Transportation	1.48%
Materials	Materials	1.44%
Energy	Energy	1.41%
Information Technology	Technology Hardware & Equipmen	1.35%
Industrials	Capital Goods	1.28%
Information Technology	Software & Services	1.16%
Information Technology	Semiconductors & Semiconductor	1.12%
Real Estate	Real Estate	1.03%
Health Care	Pharmaceuticals Biotechnology	1.58%
Consumer Staples	Food, Beverage & Tobacco	1.02%
Financials	Insurance	0.91%
Government	Sovereign	0.85%
Consumer Discretionary	Automobiles and Components	0.81%
Financials	Diversified Financials	0.78%
Communication Services	Media & Entertainment	0.70%
Communication Services	Software & Services	0.63%
Government	Regional Banks	0.63%
Financials	Financial Services	0.59%
Health Care	Health Care Equipment & Services	1.03%
Financials	Multi-National	0.53%
Industrials	Commercial & Professional Services	0.75%
Consumer Discretionary	Consumer Discretionary Distrib	0.49%
Mortgage Securities	Umbs Collateral	0.42%
Financials	Thrifts & Mortgage Finance	0.42%
Consumer Staples	Household & Personal Products	0.40%
Consumer Discretionary	Consumer Durables & Apparel	0.38%
Consumer Discretionary	Automobiles & Components	0.36%
Consumer Discretionary	Retailing	0.34%
Consumer Discretionary	Consumer Services	0.33%
Securitized	WL Collateral CMO	0.25%
Materials	Capital Goods	0.23%
Real Estate	Real Estate Management & Devel	0.22%
Consumer Staples	Consumer Staples Distribution	0.18%
Consumer Discretionary	Lodging	0.16%
Industrials	Materials	0.15%
Consumer Discretionary	Entertainment	0.14%
Securitized	Banks	0.13%
Mortgage Securities	Commercial MBS	0.12%
Securitized	Commercial MBS	0.11%
Mortgage Securities	WL Collateral CMO	0.11%

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

Communication Services	Entertainment	0.11%
Financials	Commercial & Professional Services	0.11%
Energy	Utilities	0.11%
Consumer Discretionary	Commercial & Professional Services	0.10%
Information Technology	Capital Goods	0.09%
Consumer Discretionary	Leisure Time	0.09%
Industrials	Automobiles and Components	0.08%
Government	Municipal	0.08%
Consumer Discretionary	Real Estate	0.07%
Energy	Oil & Gas	0.06%
Industrials	Industrials	0.06%
Consumer Discretionary	Software & Services	0.05%
Consumer Staples	Agriculture	0.05%
Financials	Real Estate	0.05%
Communication Services	Commercial & Professional Services	0.05%
Information Technology	Telecommunication Services	0.04%
Consumer Discretionary	Household & Personal Products	0.04%
Industrials	Consumer Services	0.03%
Financials	Investment Banking & Brokerage	0.03%
Consumer Discretionary	Food, Beverage & Tobacco	0.03%
Information Technology	Commercial & Professional Services	0.02%
Industrials	Commercial Services	0.02%
Consumer Discretionary	Health Care Equipment & Services	0.02%
Utilities	Energy	0.02%
Materials	Mining	0.01%
Energy	Retailing	0.01%
Government-Related	Local Authority	0.01%
Consumer Staples	Health Care Equipment & Services	0.01%

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

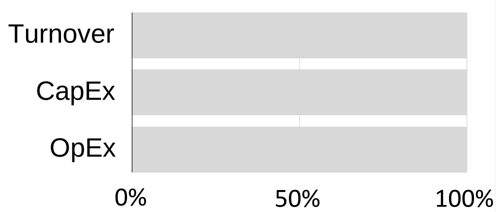
The Sub-Fund does not commit to making environmentally sustainable investments within the meaning of the EU Taxonomy Regulation, and, accordingly, 0% of its sustainable investments with an environmental objective are considered as aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

- [ ] Yes:
  - [ ] In fossil gas
  - [ ] In nuclear energy
- [x] No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy alignment of sovereign bonds*, the first graph shows the taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments **including sovereign bonds***



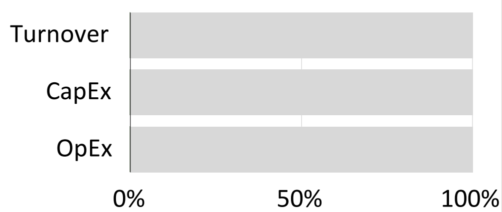
Taxonomy-aligned: Fossil gas
Turnover: / CapEx: / OpEx:

Taxonomy-aligned: Nuclear
Turnover: / CapEx: / OpEx:

Taxonomy-aligned (no gas and nuclear)
Turnover: / CapEx: / OpEx:

Non Taxonomy-aligned
Turnover: / CapEx: / OpEx:

2. Taxonomy-alignment of investments **excluding sovereign bonds***



Taxonomy-aligned: Fossil gas
Turnover: / CapEx: / OpEx:

Taxonomy-aligned: Nuclear
Turnover: / CapEx: / OpEx:

Taxonomy-aligned (no gas and nuclear)
Turnover: / CapEx: / OpEx:

Non Taxonomy-aligned
Turnover: / CapEx: / OpEx:

This graph represents of the total Investments.

** For the purpose of these graphs, 'sovereigns bonds' consist of all sovereign exposures.*

1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

What was the share of investments made in transitional and enabling activities?

For the purposes of this report, 0% of the Sub-Fund's investments were identified as being in transitional and enabling activities within the meaning of the EU Taxonomy Regulation.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable. This is the first periodic reporting annex produced for this Sub-Fund.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Sub-Fund had 19.7% in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy and/or sustainable investments with a social objective.
The Investment Manager's sustainable investments framework measures contribution to an environmental and/or social objectives of the sustainable investments through their positive contribution to one or more of the environmental and social SDGs. Consequently, the Sub-Fund does not distinguish between sustainable investments with an environmental or social objective. Accordingly, the Sub-Fund's proportion of sustainable investments is a mix of sustainable investments with an environmental objective that is not aligned with the EU Taxonomy or a social objective or a combination of both, and the exact composition may fluctuate.

What was the share of socially sustainable investments?

The Sub-Fund had 19.7% in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy and/or sustainable investments with a social objective.

The Investment Manager's sustainable investments framework measures contribution to an environmental and/or social objectives of the sustainable investments through their positive contribution to one or more of the environmental and social SDGs. Consequently, the Sub-Fund does not distinguish between sustainable investments with an environmental or social objective. Accordingly, the Sub-Fund's proportion of sustainable investments is a mix of sustainable investments with an environmental objective that is not aligned with the EU Taxonomy or a social objective or a combination of both, and the exact composition may fluctuate.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The 0.5% of assets which fell into the sub-category "#2 Other" represents the assets which were used for efficient portfolio management purposes or ancillary liquidity only. Such assets were cash, FX and financial derivative instruments which are used for liquidity management and hedging, and such assets are not subject to any minimum environmental or social safeguards.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In addition to identification and analysis of PAIs, the Investment Manager utilised the following mechanisms and guiding principles in order to meet the Sub-Fund's environmental characteristics during the reference period:

Investment Strategy: As part of the selection and continued monitoring of investments in underlying funds, the Investment Manager completed initial and ongoing diligence of underlying fund exposures by appointed sub-investment managers to the underlying funds. Carbon emissions and intensity metrics were taken into account by the portfolio management team when making asset allocation changes with the aim of ensuring that investment decisions were made in line with the binding commitment of progressive decarbonisation.

The Investment Manager implemented the strategy through investing in underlying funds which delegate investment management activities to appointed third party sub-investment managers (directly or at underlying fund level). The Investment Manager applied its oversight to the underlying fund portfolios and activities of the sub-investment managers throughout the reference period to ensure that the investment processes were implemented effectively on a continuous basis in line with the Sub-Fund's binding commitments and monitored the Sub-Fund's portfolio exposures using the ongoing monitoring of the sustainability indicators.

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

There is no index designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by this Fund.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name:
Mercer UK Credit Fund

Legal entity identifier:
549300OJS6X7V7STXR98

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** _%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 51.8% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** _%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The Sub-Fund's environmental characteristics are to seek to mitigate the impact of climate change by reducing the potential carbon footprint of the Sub-Fund.
The Sub-Fund seeks to avoid exposure to, in the opinion of the Investment Manager (or its delegate), the worst carbon emitters with the lowest carbon transition potential, being those companies:
- whose carbon emissions intensity exceed 3,000 tonnes/ m$USD revenue, being the worst carbon emitters, unless Investment Manager's (or its delegates') proprietary analysis of such companies indicates strong carbon transition potential; or
- that generate more than 1% of their revenue from (i) thermal coal extraction; (ii) arctic drilling; or (iii) oil tar sand mining.

The Sub-Fund's social characteristics are to avoid investment in companies that (i) are involved in the manufacture, distribution or sales of controversial weapons such as landmines, cluster munitions, chemical and biological weapons, nuclear weapons and (semi) automatic civilian firearms; or (ii) manufacture tobacco products or generate more than 50% of their revenue from tobacco distribution or sales. The Sub-Fund has no exposure to companies identified as in violation of UN Global Compact ("UNGC") principles and in respect of which the Investment Manager has determined that there is no/low remediation opportunity of such issues by engagement within an acceptable timeframe.

The Sub-Fund commits to making a minimum allocation to sustainable investments of 15%.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

The Investment Manager measured the attainment of the environmental and social characteristics by
•assessing the extent to which the screening criteria described above were applied
•assessing if the Sub-Fund met the minimum commitment to sustainable investments.

Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

How did the sustainability indicators perform?

Screening has been applied during the reference period to the Sub-Fund's portfolio in order:

•to identify companies based on the carbon intensity thresholds metrics set out above in order to determine exposure to considered the worst carbon emitters with the lowest carbon transition potential; and.

•to identify any companies falling within the additional exclusion criteria listed above.

Throughout the reporting period, the Sub-Fund had no exposure to companies not meeting the exclusionary criteria described above.

The Sub-Fund had no exposure to companies which the Investment Manager determined were UNGC violators with no/low remediation potential.

The Sub-fund met its minimum commitment to sustainable investments throughout the applicable reporting period. The level of sustainable investments in the portfolio as at the date of reporting can be found in the table below.

Level of Sustainable Investment
51.90%

…and compared to previous periods?

Not applicable. This is the first periodic reporting annex produced for this Sub-Fund.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The Sub-Fund's sustainable investments aimed to make a positive contribution to environmental objectives (namely, climate change adaptation and/or climate change mitigation) or social objectives (namely, the protection and/or advancement of economic, social and civil rights). Positive contribution to these objectives was measured under the Investment Manager's sustainable investments framework which requires positive alignment with reference to one or more of the UN Sustainable Development Goals (SDGs). The Investment Manager's set and applied an internal threshold for each of the environmental and social SDGs at a target level considered appropriate and representative of a sufficiently positive contribution.

During the period, the Investment Manager assessed (with ongoing monitoring) that those investments deemed to be sustainable investments, had a positive alignment exceeding the internal threshold set to one or more of the SDGs.

Sustainable Finance Disclosure Regulation (“SFDR”) and Taxonomy Regulation Disclosures (continued)

Principal adverse impacts are the most significant negative impact of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

The Investment Manager assessed the sustainable investments to ensure that each investment did no significant harm to any environmental or socially sustainable investment objective through a consideration and appropriate use of relevant principal adverse sustainability indicators ("PAI Indicators").

How were the indicators for adverse impacts on sustainability factors taken into account?

Each PAI Indicator has been individually assessed, and where relevant, an absolute threshold or a relative threshold was set to ensure that the investee company did not breach the “do no significant harm” principle.

The Investment Manager has set an absolute threshold on PAIs 4,7,10 and 14, and relative thresholds on PAIs 2, 3, 6 and 13.

Any investment determined as breaching these thresholds was no longer considered a sustainable investment.

For certain PAI Indicators, the Investment Manager has determined that setting a threshold is not appropriate to determine that the investment does not cause significant harm. For example, certain PAI Indicators have inferior levels of data coverage and availability which can undermine the value or integrity of the given PAI Indicator. This can arise where data for a PAI Indicator is based on voluntary and non-standardised reporting by investee companies, or where the methodologies employed by investee companies are not comparable or available.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

For any potential sustainable investments, the Investment Manager considered the mandatory social PAIs (including PAI10 Violations of UNGC principles and OECD Guidelines for Multinational Enterprises) in reaching its determination that how sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The Investment Manager used a third-party data provider for information to assess and monitor companies for UNGC compliance.
Under the Investment Manager's framework any companies identified as UNGC violators are not considered sustainable investments.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

How did this financial product consider principal adverse impacts on sustainability factors?

Where a Principal Adverse Impact (PAI) is integrated into investment considerations, engagement, exclusion, or management of the portfolio is completed with due consideration to reducing the negative impact of that indicator.
Identified PAIs and the impact of mitigating actions taken and any planned in respect of those PAIs are formally monitored at quarterly investment risk management committee meetings and more regularly by the Portfolio Management team.
The PAIs for this financial product are set out below. These metrics are an average of each quarter end over the reporting period.

Indicator	Metric	Measure	Data Coverage %
Scope 1 GHG emissions	2755.9839	tCO2	43
Scope 2 GHG emissions	579.3536	tCO2	43
Scope 3 GHG emissions	22911.3091	tCO2	43
Total GHG emissions	26246.6467	tCO2	43
Carbon footprint (Scope 1,2 and 3 emissions)	361.8459	tCO2 per M invested	39
GHG intensity of investee companies (Scope 1,2 and 3 emissions)	926.5969	tCO2	61
Exposure to companies active in the fossil fuel sector	11.38	Percentage	62
Share of non-renewable energy consumption and production	72.59	Percentage	47
Energy consumption intensity per high impact climate sector	2.7353	GwH per million EUR invested	14
Activities negatively affecting biodiversity-sensitive areas	0.05	Percentage	61
Emissions to water	0.008827291	Tonnes per million EUR invested	2
Hazardous waste and radioactive waste ratio	0.372079462	Tonnes per million EUR invested	6
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	1.34	Percentage	61
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	61.44	Percentage	61
Unadjusted gender pay gap	19.74	Percentage	33
Board gender diversity	23.96	Percentage	88
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	0	Percentage	88
GHG intensity of investee countries	190.6517	tCO2	12
Investee countries subject to social violations (absolute)	0	Percentage	12
Investee countries subject to social violations (relative)	0	Percentage	12
Investments in companies without carbon emission reduction initiatives	23.63	Percentage	18
Lack of a human rights policy	19.65	Percentage	88
Average income inequality score	35.6282	Ratio	12

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: The top investments of the Sub-Fund as at the reporting period are shown below.

What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
UNITED KINGDOM GILT BONDS REGS 03/25 5	GOVERNMENT	3.65%	UNITED KINGDOM
UNITED KINGDOM GILT BONDS REGS 01/26 0.125	GOVERNMENT	3.19%	UNITED KINGDOM
UNITED KINGDOM GILT BONDS REGS 10/26 0.375	GOVERNMENT	1.49%	UNITED KINGDOM
UNITED KINGDOM GILT BONDS REGS 09/39 4.25	GOVERNMENT	1.46%	UNITED KINGDOM
ELECTRICITE DE FRANCE SA SR UNSECURED REGS 01/14 6	Utilities	1.36%	FRANCE
UNITED KINGDOM GILT BONDS REGS 01/49 1.75	GOVERNMENT	1.19%	UNITED KINGDOM
BARCLAYS PLC SR UNSECURED REGS 01/31 VAR	Financials	1.18%	UNITED KINGDOM
THAMES WATER UTIL FIN SR SECURED REGS 09/37 5.125	Utilities	1.16%	UNITED KINGDOM
UNITED KINGDOM GILT BONDS REGS 01/44 3.25	GOVERNMENT	1.16%	UNITED KINGDOM
E.ON INTL FINANCE BV COMPANY GUAR REGS 06/30 6.25	Utilities	0.98%	NETHERLANDS
E.ON INTL FINANCE BV COMPANY GUAR REGS 10/37 5.875	Utilities	0.88%	NETHERLANDS
DEUTSCHE BANK AG SR UNSECURED REGS 12/30 VAR	Financials	0.84%	GERMANY
ENEL FINANCE INTL NV COMPANY GUAR 144A 10/52 7.75	Utilities	0.84%	NETHERLANDS
UBS GROUP AG SR UNSECURED REGS 11/29 VAR	Financials	0.78%	SWITZERLAND
UNITED KINGDOM GILT BONDS REGS 07/47 1.5	GOVERNMENT	0.75%	UNITED KINGDOM

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

Please see the information below in this respect.

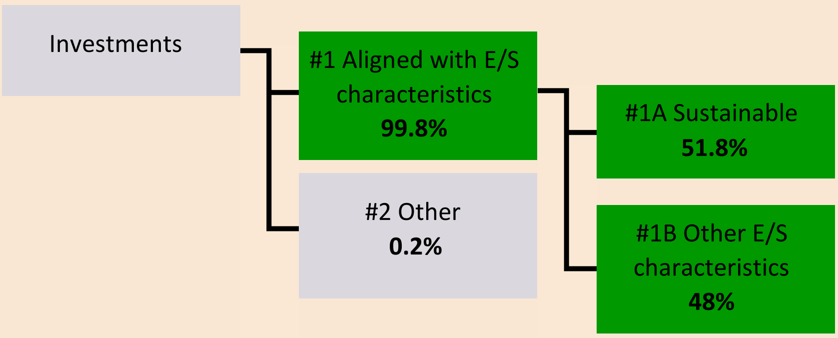
What was the asset allocation?

99.8% of the Sub-Fund's assets were delegated to the appointed Sub-Investment Manager(s) to manage the Sub-Fund in line with the environmental and/or social characteristics by the Sub-Fund.

The Sub-Fund did not use derivatives to attain the environmental or social characteristics promoted by the Sub-Fund. The Sub-Fund invested 51.8% in sustainable investments.

The remaining 0.2% of the Sub-Fund's assets are in other investments ("#2 Other"), which are not aligned with environmental and/or social characteristics promoted by the Sub-Fund.

These figures and the below table is as at the reporting date. The Sub-Fund met its expected asset allocation and minimum sustainable investment commitment at all times during the reporting period.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

In which economic sectors were the investments made?

The sectors and sub-sectors where investments of the Sub-Fund were made are set out below. These figures are as at the reporting date.

*Percentages may not add to 100% due to cash and derivative exposure.

Sector	Sub-Sector	% Assets
Financials	Banks	18.98%
Government	Sovereign	18.66%
Real Estate	Real Estate	13.83%
Financials	Real Estate	10.76%
Communication Services	Telecommunication Services	5.84%
Financials	Insurance	4.13%
Industrials	Transportation	3.59%
Industrials	Capital Goods	2.10%
Consumer Discretionary	Automobiles and Components	1.99%
Communication Services	Software & Services	1.92%
Energy	Utilities	1.33%
Industrials	Commercial & Professional Services	1.30%
Consumer Staples	Food, Beverage & Tobacco	1.26%
Financials	Diversified Financials	1.21%
Consumer Discretionary	Commercial & Professional Services	1.08%
Information Technology	Software & Services	0.83%
Industrials	Consumer Services	0.82%
Health Care	Pharmaceuticals, Biotechnology & Life Sciences	0.76%
Government	Municipal	0.69%
Consumer Discretionary	Entertainment	0.65%
Financials	Thrifts & Mortgage Finance	0.51%
Consumer Discretionary	Retailing	0.45%
Communication Services	Entertainment	0.44%
Financials	Commercial & Professional Services	0.40%
Information Technology	Technology Hardware & Equipment	0.37%
Energy	Energy	0.33%
Materials	Materials	0.31%
Consumer Discretionary	Food, Beverage & Tobacco	0.26%
Communication Services	Commercial & Professional Services	0.25%
Consumer Discretionary	Retailing	0.21%
Health Care	Health Care Equipment & Services	0.19%

Sustainable Finance Disclosure Regulation (“SFDR”) and Taxonomy Regulation Disclosures (continued)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not commit to making environmentally sustainable investments within the meaning of the EU Taxonomy Regulation, and, accordingly, 0% of its sustainable investments with an environmental objective are considered as aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1]?

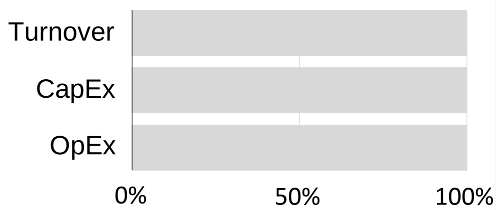
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

X No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy alignment of sovereign bonds*, the first graph shows the taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.

1. Taxonomy-alignment of investments **including sovereign bonds***



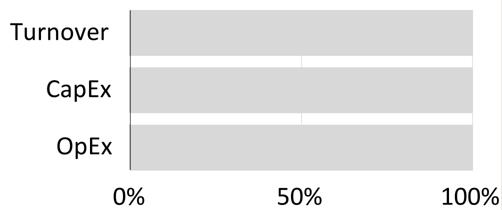
Taxonomy-aligned: Fossil gas
Turnover: / CapEx: / OpEx:

Taxonomy-aligned: Nuclear
Turnover: / CapEx: / OpEx:

Taxonomy-aligned (no gas and nuclear)
Turnover: / CapEx: / OpEx:

Non Taxonomy-aligned
Turnover: / CapEx: / OpEx:

2. Taxonomy-alignment of investments **excluding sovereign bonds***



Taxonomy-aligned: Fossil gas
Turnover: / CapEx: / OpEx:

Taxonomy-aligned: Nuclear
Turnover: / CapEx: / OpEx:

Taxonomy-aligned (no gas and nuclear)
Turnover: / CapEx: / OpEx:

Non Taxonomy-aligned
Turnover: / CapEx: / OpEx:

This graph represents of the total Investments.

** For the purpose of these graphs, 'sovereigns bonds' consist of all sovereign exposures.*

1 Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

What was the share of investments made in transitional and enabling activities?

For the purposes of this report, 0% of the Sub-Fund's investments were identified as being in transitional and enabling activities within the meaning of the EU Taxonomy Regulation.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

Not applicable. This is the first periodic reporting annex produced for this Sub-Fund.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

The Sub-Fund had 51.8% in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy and/or sustainable investments with a social objective. The Investment Manager's sustainable investments framework measures contribution to an environmental and/or social objectives of the sustainable investments through their positive contribution to one or more of the environmental and social SDGs. Consequently, the Sub-Fund does not distinguish between sustainable investments with an environmental or social objective. Accordingly, the Sub-Fund's proportion of sustainable investments is a mix of sustainable investments with an environmental objective that is not aligned with the EU Taxonomy or a social objective or a combination of both, and the exact composition may fluctuate.

What was the share of socially sustainable investments?

The Sub-Fund had 51.8% in sustainable investments with an environmental objective that are not aligned with the EU Taxonomy and/or sustainable investments with a social objective.

The Investment Manager's sustainable investments framework measures contribution to an environmental and/or social objectives of the sustainable investments through their positive contribution to one or more of the environmental and social SDGs. Consequently, the Sub-Fund does not distinguish between sustainable investments with an environmental or social objective. Accordingly, the Sub-Fund's proportion of sustainable investments is a mix of sustainable investments with an environmental objective that is not aligned with the EU Taxonomy or a social objective or a combination of both, and the exact composition may fluctuate.

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

The 0.2% of assets which fell into the sub-category "#2 Other" represents the assets which were used for efficient portfolio management purposes or ancillary liquidity only. Such assets were cash, FX and financial derivative instruments which are used for liquidity management and hedging, and such assets are not subject to any minimum environmental or social safeguards.

Sustainable Finance Disclosure Regulation (“SFDR”) and Taxonomy Regulation Disclosures (continued)

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

In addition to identification and analysis of PAIs, the Investment Manager utilised a combination of the following mechanisms and guiding principles in order to meet the Sub-Fund's environmental and social characteristics during the reference period:

Exclusions: The Investment Manager monitored the portfolio on an ongoing basis and ensured its exclusions framework was effectively applied (which covers activity-based exclusions and revenue-based exclusions of companies with material exposure to certain activities) in line with the exclusions promoted by this Sub-Fund and in line with the mitigating actions in the form of exclusions considered and applied as part of the PAI framework for the Sub-Fund. The application of the exclusions were monitored on a daily basis to ensure adherence based on available data and in line with the Investment Manager's exclusions framework.

Engagement: The Investment Managers’ engagement framework identified priority areas for engagement which were communicated to the appointed sub-investment manager. The Investment Manager also screened and monitored listed portfolios for high-severity ESG-related risks as flagged according to the UN Global Compact (“UNGC”) Principles that relate to human rights, labour, environment and corruption issues. The securities identified through the screen were deemed an engagement priority. Stewardship activities are monitored via an annual Manager Engagement Survey.

Investment Strategy: As part of the selection and continued monitoring of investments, the Investment Manager completed initial and ongoing diligence of underlying fund exposures to excluded securities and attained assurance around effective implementation of the exclusions by appointed sub-investment managers to the Sub-Fund as binding criteria in the investment process, with the aim of ensuring that investment decisions were made in line with the binding commitment to avoid companies with high carbon emissions (deemed as over 3000tCo2), and low transition capacity.

The Investment Manager implemented the strategy through delegating investment management activities to an appointed third party sub-investment manager. The Investment Manager applied its oversight to the Sub-Fund and activities of the sub-investment manager throughout the reference period to ensure that the investment processes were implemented effectively on a continuous basis in line with the Sub-Fund's binding commitments and monitored the Sub-Fund's portfolio exposures using the ongoing monitoring of the sustainability indicators. Oversight of the investment strategy was formally reviewed on a quarterly basis via investment management risk committee meetings and regular meetings with the sub-investment manager.

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

There is no index designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by this Fund.

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

Product Name: **Legal entity Identifier:**

Mercer Medium Term Inflation Linked Bond Fund **635400I3IGCOKZQQVH87**

PAIs for this Sub-Fund are reviewed at quarterly Investment Risk Management Committee meetings, taking into account data coverage and relevance. The Investment Manager has not, based on its monitoring in the period, set any specific targets on these metrics having regard to the nature and profile of the portfolios. As such, the Investment Manager over the period has no additional actions to report in relation to mitigating these PAIs at present for this Sub-Fund. PAI trends continue to be monitored, as applicable to the portfolio, for adverse developments. Should a PAI present or begin trending adversely such that it is then considered outside of its expected range, the Investment Manager will investigate and may action a mitigation plan if appropriate. This may also involve liaising with the relevant Sub-Investment Manager(s) where it is determined that there are practical actions to be taken in the investment process, including informing engagement priorities and strategies where this is considered an effective mitigating action.

The PAIs for this financial product are set out below. These metrics are an average of each quarter end over the reporting period. If there are no corporate assets in the Sub-Fund or there is no data available for a particular metric of any of the corporate assets in the Sub-Fund, the metric may show as a blank.

Indicator	Metric	Measure	Data Coverage %
Scope 1 GHG emissions		tCO2	
Scope 2 GHG emissions		tCO2	
Scope 3 GHG emissions		tCO2	
Total GHG emissions		tCO2	
Carbon footprint		tCO2 per M invested	
GHG intensity of investee companies		tCO2	
Exposure to companies active in the fossil fuel sector		Percentage	
Share of non-renewable energy consumption and production		Percentage	
Energy consumption intensity per high impact climate sector		GwH per million EUR invested	
Activities negatively affecting biodiversity-sensitive areas		Percentage	
Emissions to water		Tonnes per million EUR invested	
Hazardous waste and radioactive waste ratio		Tonnes per million EUR invested	
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises		Percentage	
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises		Percentage	
Unadjusted gender pay gap		Percentage	
Board gender diversity		Percentage	
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)		Percentage	
GHG intensity of investee countries	197.06	tCO2	99
Investee countries subject to social violations (absolute)		Percentage	
Investee countries subject to social violations (relative)		Percentage	
Investments in companies without carbon emission reduction initiatives		Percentage	
Lack of a human rights policy		Percentage	
Average income inequality score	32.09	Ratio	99

Sustainable Finance Disclosure Regulation ("SFDR") and Taxonomy Regulation Disclosures (continued)

Product Name: **Legal entity Identifier:**

Mercer Passive Euro Inflation Linked Bond Fund **635400CC1UYX2ON3SD66**

PAIs for this Sub-Fund are reviewed at quarterly Investment Risk Management Committee meetings, taking into account data coverage and relevance. The Investment Manager has not, based on its monitoring in the period, set any specific targets on these metrics having regard to the nature and profile of the portfolios. As such, the Investment Manager over the period has no additional actions to report in relation to mitigating these PAIs at present for this Sub-Fund. PAI trends continue to be monitored, as applicable to the portfolio, for adverse developments. Should a PAI present or begin trending adversely such that it is then considered outside of its expected range, the Investment Manager will investigate and may action a mitigation plan if appropriate. This may also involve liaising with the relevant Sub-Investment Manager(s) where it is determined that there are practical actions to be taken in the investment process, including informing engagement priorities and strategies where this is considered an effective mitigating action.

The PAIs for this financial product are set out below. These metrics are an average of each quarter end over the reporting period. If there are no corporate assets in the Sub-Fund or there is no data available for a particular metric of any of the corporate assets in the Sub-Fund, the metric may show as a blank.

Indicator	Metric	Measure	Data Coverage %
Scope 1 GHG emissions		tCO2	
Scope 2 GHG emissions		tCO2	
Scope 3 GHG emissions		tCO2	
Total GHG emissions		tCO2	
Carbon footprint		tCO2 per M invested	
GHG intensity of investee companies		tCO2	
Exposure to companies active in the fossil fuel sector		Percentage	
Share of non-renewable energy consumption and production		Percentage	
Energy consumption intensity per high impact climate sector		GwH per million EUR invested	
Activities negatively affecting biodiversity-sensitive areas		Percentage	
Emissions to water		Tonnes per million EUR invested	
Hazardous waste and radioactive waste ratio		Tonnes per million EUR invested	
Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises		Percentage	
Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises		Percentage	
Unadjusted gender pay gap		Percentage	
Board gender diversity		Percentage	
Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)		Percentage	
GHG intensity of investee countries	214.11	tCO2	100
Investee countries subject to social violations (absolute)		Percentage	
Investee countries subject to social violations (relative)		Percentage	
Investments in companies without carbon emission reduction initiatives		Percentage	
Lack of a human rights policy		Percentage	
Average income inequality score	33.20	Ratio	100

Financial assets at fair value through profit or loss (2022: 99.54%)
Collective investment schemes (2022: 99.54%)

	Shares	Fair value €	% of Net assets
Ireland (2022: 99.54%)			
Mercer UCITS Common Contractual Fund - Mercer Passive Fundamental Indexation Global Equity UCITS CCF - Class Z2-H-0.0200 €	79	9,212,722	18.26
Mercer UCITS Common Contractual Fund - Mercer Passive Sustainable Global Equity UCITS CCF - Class Z2-H-0.0200 €	82	9,166,641	18.17
MGI Funds plc - Mercer Global Small Cap Equity Fund - Class Z-1 €	23,427	7,703,466	15.27
MGI Funds plc - Mercer Low Volatility Equity Fund - Class Z-1 €	25,316	6,882,593	13.64
MGI Funds plc - MGI Emerging Markets Equity Fund - Class Z-1 €	52,379	6,802,454	13.48
Other Ireland	–	10,414,413	20.63
Total collective investment schemes		**50,182,289**	**99.45**
Total financial assets at fair value through profit or loss		**50,182,289**	**99.45**
Total investments at fair value through profit or loss		**50,182,289**	**99.45**
Cash/(bank overdraft) (2022: (0.13%))		244,775	0.49
Net current assets (2022: 0.59%)		33,307	0.06
Net assets attributable to holders of redeemable participating shares		**50,460,371**	**100.00**

Country classifications are based upon country of incorporation and/or country of domicile.

Financial assets at fair value through profit or loss (2022: 99.23%)
Collective investment schemes (2022: 99.23%)

	Shares	Fair value €	% of Net assets
Ireland (2022: 99.23%)			
BlackRock Fixed Income Dublin Funds plc - iShares Global Inflation-Linked Bond Index Fund	38,338	6,599,060	6.93
MGI Funds plc - Mercer Absolute Return Fixed Income Fund - Class Z1-0.0000 €	1,059	10,397,690	10.91
MGI Funds plc - Mercer Diversified Growth Fund - Class Z-1 €	181,945	43,049,884	45.17
MGI Funds plc - MGI Euro Bond Fund - Class Z1-0.0000 €	1,340	11,483,955	12.05
MGI Funds plc - MGI Euro Cash Fund - Class Z-1 €	142,345	15,709,194	16.48
Other Ireland	–	7,628,974	8.01
Total collective investment schemes		**94,868,757**	**99.55**
Total financial assets at fair value through profit or loss		**94,868,757**	**99.55**
Total investments at fair value through profit or loss		**94,868,757**	**99.55**
Cash (2022: 0.79%)		440,284	0.46
Net current liabilities (2022: (0.02%))		(6,980)	(0.01)
Net assets attributable to holders of redeemable participating shares		**95,302,061**	**100.00**

Country classifications are based upon country of incorporation and/or country of domicile.

Financial assets at fair value through profit or loss (2022: 99.06%)
Securities (2022: 99.06%)
Government bonds (2022: 99.06%)

	Par value	Fair value €	% of Net assets
France (2022: 48.10%)			
France (Government of) 0.10% due 25/07/2038	96,895,241	90,459,460	6.05
France (Government of) 1.80% due 25/07/2040	209,610,559	249,761,462	16.72
France (Government of) 0.10% due 25/07/2047	132,499,048	119,045,095	7.97
France (Government of) 0.10% due 25/07/2053	220,994,184	197,100,293	13.19
Other France	–	80,235,509	5.37
		736,601,819	49.30
Germany (2022: 50.96%)			
Bundesrepublik Deutschland Inflation Linked Bond 0.50% due 15/04/2030	278,332,537	283,940,937	19.00
Bundesrepublik Deutschland Inflation Linked Bond 0.10% due 15/04/2033	170,805,268	171,326,224	11.47
Bundesrepublik Deutschland Inflation Linked Bond 0.10% due 15/04/2046	284,671,430	296,177,849	19.82
		751,445,010	50.29
Total government bonds		**1,488,046,829**	**99.59**
Total securities		**1,488,046,829**	**99.59**
Total financial assets at fair value through profit or loss		**1,488,046,829**	**99.59**
Total investments at fair value through profit or loss		**1,488,046,829**	**99.59**
Cash (2022: 0.27%)		2,609,131	0.17
Net current assets (2022: 0.67%)		3,514,354	0.24
Net assets attributable to holders of redeemable participating shares		**1,494,170,314**	**100.00**

Country classifications are based upon country of incorporation and/or country of domicile.

Financial assets at fair value through profit or loss (2022: 96.79%)
Securities (2022: 96.79%)
Asset backed securities (2022: 0.92%)

	Par value	Fair value GB£	% of Net assets
United Kingdom (2022: 0.92%)	–	973,688	0.89
Total asset backed securities		**973,688**	**0.89**
Corporate bonds (2022: 80.69%)			
Australia (2022: 1.19%)	–	1,357,439	1.24
Belgium (2022: 0.31%)	–	419,900	0.38
Bermuda (2022: Nil)	–	181,760	0.17
Canada (2022: 1.13%)	–	707,592	0.65
Cayman Islands (2022: 0.51%)	–	531,307	0.49
Denmark (2022: Nil)	–	539,934	0.49
Finland (2022: 0.50%)	–	517,087	0.47
France (2022: 5.89%)	–	6,356,374	5.81
Germany (2022: 0.63%)	–	1,703,925	1.56
Iceland (2022: Nil)	–	109,711	0.10
Ireland (2022: 1.38%)	–	308,623	0.28
Italy (2022: 0.47%)	–	854,164	0.78
Japan (2022: 0.81%)	–	784,971	0.72
Jersey (2022: 2.10%)	–	1,819,538	1.66
Luxembourg (2022: 1.64%)	–	1,505,090	1.38
Mexico (2022: 0.49%)	–	452,243	0.41
Netherlands (2022: 6.47%)	–	7,489,267	6.85
Singapore (2022: Nil)	–	447,889	0.41
Spain (2022: 0.70%)	–	940,086	0.86
Sweden (2022: 0.44%)	–	361,032	0.33
Switzerland (2022: 0.98%)	–	1,869,482	1.71
United Kingdom (2022: 40.72%)	–	43,785,672	40.04
United States of America (2022: 14.18%)	–	15,368,892	14.06
Total corporate bonds		**88,411,978**	**80.85**
Government bonds (2022: 15.18%)			
France (2022: 0.17%)	–	211,521	0.19
Mexico (2022: 0.42%)	–	382,034	0.35
United Kingdom (2022: 14.59%)	–	14,736,287	13.48
Total government bonds		**15,329,842**	**14.02**
Total securities		**104,715,508**	**95.76**

Financial derivative instruments (2022: 0.00%)
Open forward foreign currency contracts (2022: 0.00%)

Currency buy	Buy amount	Currency sell	Sell amount	Counterparty	Contract date	Unrealised gain GB£	% of Net assets
GBP	2,816,255	EUR	3,166,394	Barclays Bank	27/07/2023	96,277	0.09
GBP	110,420	EUR	126,586	Bank of America Merrill Lynch	27/07/2023	1,681	-
GBP	136,273	EUR	156,756	Citigroup*	27/07/2023	1,617	-
GBP	2,552,195	USD	3,186,993	Citigroup*	28/07/2023	45,822	0.04
GBP	147,149	USD	182,915	Barclays Bank	28/07/2023	3,298	-
Unrealised gain on open forward foreign currency contracts						**148,695**	**0.13**
Total financial derivative instruments at positive fair value						**148,695**	**0.13**
Total financial assets at fair value through profit or loss						**104,864,203**	**95.89**

Financial liabilities held for trading (2022: (0.09%))
Financial derivative instruments (2022: (0.09%))
Open forward foreign currency contracts (2022: (0.09%))

Currency buy	Buy amount	Currency sell	Sell amount	Counterparty	Contract date	Unrealised loss GB£	% of Net assets
EUR	270,000	GBP	235,179	JP Morgan Chase Bank	27/07/2023	(3,246)	-
GBP	127,211	EUR	148,393	Citigroup*	27/07/2023	(260)	-
GBP	40,621	USD	51,703	Citigroup*	28/07/2023	(40)	-
Unrealised loss on open forward foreign currency contracts						**(3,546)**	**-**
Total financial derivative instruments at negative fair value						**(3,546)**	**-**
Total financial liabilities held for trading						**(3,546)**	**-**

	Fair value GB£	% of Net assets
Total investments at fair value through profit or loss/held for trading	**104,860,657**	**95.89**

Financial derivative instruments settled to market (2022: 0.04%)
Futures contracts (2022: 0.04%)

	No. of contracts long/(short)	Currency	Counterparty	Maturity date	Notional GB£	Unrealised gain GB£	% of Net assets
10 Year US Ultra Futures	(3)	USD	JP Morgan Chase Bank	20/09/2023	(279,476)	1,807	-
Euro Bund Futures	(6)	EUR	JP Morgan Chase Bank	07/09/2023	(688,608)	1,802	-
Euro-Bobl Futures	(18)	EUR	JP Morgan Chase Bank	07/09/2023	(1,787,323)	15,423	0.02
Unrealised gain on futures contracts settled to market						**19,032**	**0.02**
Total financial derivative instruments settled to market at positive fair value						**19,032**	**0.02**
Variation margin received on financial derivative instruments settled to market						(19,032)	(0.02)
Total financial derivative instruments settled to market						**–**	**–**

Financial derivative instruments settled to market (2022: (0.01%))
Futures contracts (2022: (0.01%))

	No. of contracts long/(short)	Currency	Counterparty	Maturity date	Notional GB£	Unrealised loss GB£	% of Net assets
Euro-Buxl Futures	(1)	EUR	JP Morgan Chase Bank	07/09/2023	(119,797)	(3,587)	-
Long Gilt Future	22	GBP	JP Morgan Chase Bank	27/09/2023	2,096,600	(21,740)	(0.02)
US Ultra Bond Futures	(18)	USD	JP Morgan Chase Bank	20/09/2023	(1,928,608)	(29,624)	(0.03)
Unrealised loss on futures contract settled to market						**(54,951)**	**(0.05)**
Total financial derivative instruments settled to market at negative fair value						**(54,951)**	**(0.05)**
Variation margin paid on financial derivative instruments settled to market						54,951	0.05
Total financial derivative instruments settled to market						**–**	**–**

	Fair value GB£	% of Net assets
Cash (2022: 1.91%)	2,710,721	2.48
Net current assets (2022: 1.39%)	1,780,677	1.63
Net assets attributable to holders of redeemable participating shares	**109,352,055**	**100.00**

*Citigroup also incorporates positions held with Citibank.

Country classifications are based upon country of incorporation and/or country of domicile.

The following table outlines the geographic concentrations of financial assets at fair value through profit or loss at 30 June 2022 where the Sub-Fund is no longer invested in at 30 June 2023:

Financial assets at fair value through profit or loss

Securities	
Corporate bonds	
Guernsey	0.15%

Financial assets at fair value through profit or loss (2022: 99.85%)
Securities (2022: 99.85%)
Government bonds (2022: 99.85%)

	Par value	Fair value GB£	% of Net assets
United Kingdom (2022: 99.85%)			
United Kingdom Gilt Inflation Linked 0.38% due 22/03/2062	60,709,532	52,750,513	35.38
United Kingdom Gilt Inflation Linked 0.13% due 22/11/2065	61,352,017	48,805,530	32.74
United Kingdom Gilt Inflation Linked 0.13% due 22/03/2068	58,416,048	46,493,332	31.19
Total government bonds		**148,049,375**	**99.31**
Total securities		**148,049,375**	**99.31**
Total financial assets at fair value through profit or loss		**148,049,375**	**99.31**
Total investments at fair value through profit or loss		**148,049,375**	**99.31**
Cash (2022: 0.23%)		234,313	0.16
Net current assets/(liabilities) (2022: (0.08%))		801,626	0.53
Net assets attributable to holders of redeemable participating shares		**149,085,314**	**100.00**

Country classifications are based upon country of incorporation and/or country of domicile.

Financial assets at fair value through profit or loss (2022: 99.43%)
Securities (2022: 99.43%)
Government bonds (2022: 99.43%)

	Par value	Fair value GB£	% of Net assets
United Kingdom (2022: 99.43%)			
United Kingdom (Government of) 4.25% due 07/12/2055	14,237,740	13,994,275	29.64
United Kingdom (Government of) 0.50% due 22/10/2061	32,678,880	10,375,544	21.97
United Kingdom (Government of) 2.50% due 22/07/2065	17,840,540	12,042,365	25.51
United Kingdom (Government of) 1.63% due 22/10/2071	21,013,750	10,422,820	22.07
Total government bonds		**46,835,004**	**99.19**
Total securities		**46,835,004**	**99.19**
Total financial assets at fair value through profit or loss		**46,835,004**	**99.19**
Total investments at fair value through profit or loss		**46,835,004**	**99.19**
Cash (2022: 0.17%)		152,660	0.32
Net current assets (2022: 0.40%)		228,159	0.49
Net assets attributable to holders of redeemable participating shares		**47,215,823**	**100.00**

Country classifications are based upon country of incorporation and/or country of domicile.

Financial assets at fair value through profit or loss (2022: 99.48%)
Securities (2022: 99.48%)
Government bonds (2022: 99.48%)

	Par value	Fair value €	% of Net assets
France (2022: 27.11%)	–	132,982,424	26.78
Germany (2022: 39.24%)			
Bundesrepublik Deutschland 0.50% due 15/04/2030	96,311,021	98,251,688	19.79
Bundesrepublik Deutschland 0.10% due 15/04/2033	35,016,490	35,123,290	7.07
Bundesrepublik Deutschland 0.10% due 15/04/2046	59,616,793	62,026,504	12.49
		195,401,482	39.35
Italy (2022: 19.71%)	–	98,411,790	19.81
Spain (2022: 13.42%)			
Spain (Kingdom of) 1.00% due 30/11/2030	34,186,266	34,116,868	6.87
Spain (Kingdom of) 0.70% due 30/11/2033	34,594,013	33,114,773	6.67
		67,231,641	13.54
Total government bonds		**494,027,337**	**99.48**
Total securities		**494,027,337**	**99.48**
Total financial assets at fair value through profit or loss		**494,027,337**	**99.48**
Total investments at fair value through profit or loss		**494,027,337**	**99.48**
(Bank overdraft)/cash (2022: 0.19%)		(74,221)	(0.01)
Net current assets (2022: 0.33%)		2,635,775	0.53
Net assets attributable to holders of redeemable participating shares		**496,588,891**	**100.00**

Country classifications are based upon country of incorporation and/or country of domicile.

§Portfolio Statements form a part of these audited financial statements.