

Mercer PIF Fund plc

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

Interim Report and Unaudited Financial Statements

For the financial period from 1 July 2020 to 31 December 2020

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COMPANY REGISTRATION NUMBER

421024

INVESTMENT MANAGER AND DISTRIBUTOR**Mercer Global Investments Europe Limited**

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ADMINISTRATOR, REGISTRAR & TRANSFER AGENT**State Street Fund Services (Ireland) Limited**

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INDEPENDENT AUDITOR**KPMG**

Chartered Accountants
Statutory Audit Firm
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SECRETARY**Matsack Trust Limited**

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DIRECTORS

Gráinne Alexander*§
Tom Finlay*§
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Liam Miley*§
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ALTERNATIVE INVESTMENT FUND MANAGER**Mercer Global Investments Management Limited**

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DEPOSITARY**State Street Custodial Services (Ireland) Limited**

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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 Medium Term Inflation Linked Bond Fund, Mercer UK Credit Fund, Mercer Sterling Inflation Linked LDI Bond Fund, Mercer Sterling Nominal LDI Bond Fund, Mercer Enhanced Yield Fund.

* Independent Director.

§ Non-executive Director.

General

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 (as amended) to market solely to professional investors and knowledgeable investors. 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 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 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 period.

As at 31 December 2020, the Company consisted of seventeen Sub-Funds, eight of which are in operation at 31 December 2020 (30 June 2020: eight) and are listed below.

Name	Functional Currency	Functional Currency Symbol	Launch Date
MGI Diversified Equity Fund	Euro	€	19 Aug 2006
MGI Balanced Managed Fund	Euro	€	19 Aug 2006
MGI Global (ex UK) Equity Fund*	US Dollar	US\$	19 Aug 2006
MGI UK Moderate Growth Fund*	British Pound	GB£	19 Aug 2006
MGI UK Growth Fund*	British Pound	GB£	19 Aug 2006
MGI UK High Growth Fund*	British Pound	GB£	19 Aug 2006
MGI UK Defensive Fund*	British Pound	GB£	19 Aug 2006
Mercer Medium Term Inflation Linked Bond Fund	Euro	€	19 Aug 2006
Mercer Passive Global Equity Fund*	US Dollar	US\$	15 Dec 2009
MGI Europe (ex UK) Equity Fund**	Euro	€	n/a
MGI U.S. Equity Fund**	US Dollar	US\$	n/a
Mercer UK Credit Fund	British Pound	GB£	9 Mar 2010
Mercer Passive UK Equity Fund*	British Pound	GB£	8 Mar 2010
Mercer Sterling Inflation Linked LDI Bond Fund	British Pound	GB£	24 Aug 2010
Mercer Sterling Nominal LDI Bond Fund	British Pound	GB£	24 Aug 2010
Mercer Enhanced Yield Fund	Euro	€	15 Oct 2010
Mercer Euro Inflation Linked Bond Fund	Euro	€	21 Jan 2011

*These Sub-Funds terminated but are not de-authorised as at 31 December 2020.

**These Sub-Funds are authorised but not launched as at 31 December 2020.

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Introduction

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

Q3 2020 saw markets continue to rebound in response to massive government stimulus packages across the developed world. Both global manufacturing and service Purchasing Manager Indicators continued to move towards expansionary territory. The strong economic recuperation that started in early summer continued over the third quarter but started to slow towards quarter end. The rebound narrative along with continued monetary and fiscal policy support drove a risk-on rally, leading to another quarter of strong returns for risk assets and weaker performance for defensive assets. In spite of this, the longer term structural damage was apparent with high profile employers announcing large lay-offs and a number of companies filed for bankruptcy. The extraordinary government intervention has undoubtedly helped rescue countless businesses from bankruptcy and individuals who have lost their jobs.

European and UK equities rose and fell in line with global equities over the quarter as pandemic-related setbacks emerged in a few countries. Japan was the only large developed country that actually saw positive returns amid a smooth leadership transition and expected continuity in terms of fiscal and monetary stimulus and no immediate prospect of restrictions being tightened. Emerging markets lagged global markets with strong performance in China partly offset by a sharp decline in Brazil.

Within equity markets, the divergence between headline tech stocks and other sectors of the market continued to be a strong feature of index returns and "value" continues to significantly lag other drivers of return. In line with broader risk assets, fixed income assets have bounced back strongly over the third quarter of the year, aided by significant support from policymakers.

Monetary and fiscal support remained highly accommodative. The US Federal Reserve extended seven emergency lending programs and reiterated its pledge to maintain aggressive measures to support the economy. The US Federal Reserve formally announced its switch to an average inflation targeting regime with 2% average inflation targeted. The UK announced an additional £38bn package while the EU ultimately agreed on a stimulus program amounting to almost €2 trillion including its first common debt issuance. Government bond yields moved lower over the quarter as risk appetite faded.

Q4 2020 saw strong positive returns for risk assets, in spite of negative developments on the virus front in the form of a more contagious COVID-19 strain that started to spread globally leading many countries back into tight lockdowns. However, investors looked through these setbacks and focused on the roll-out of the first COVID-19 vaccine in December which suggests that a reopening-driven economic rebound in the first half of 2021 is now a feasible scenario. At the same time, the outcome of the US election and the orderly resolution of Brexit were well received.

The US economy rebounded by 33.4% quarter-on-quarter (annualised) to the end of September 2020 which is the biggest expansion ever. Early estimates for the fourth quarter of 2020 indicate low single digit growth at best after COVID-19 restrictions returned to many US states. Monetary and fiscal policy remained very loose, with the US Federal Reserve committing to maintain asset purchases at current levels for the coming months at least. A \$900bn fiscal stimulus package was also approved. Markets reacted positively to the result of the November election.

China is still furthest ahead in terms of economic recovery after its GDP rebounded over the last two quarters, with lost output in early 2020 already fully recovered. Emerging markets outside the Far East remain more severely affected by COVID-19 and daily COVID-19 case growth is still high. On the other hand, a weaker US Dollar has been beneficial for emerging markets, many of which borrow in hard currencies.

Quarter-on-quarter GDP also saw record rebounds over the third quarter for the Eurozone and Japan of 12.5% and 5.3% respectively (non-annualised). Whilst Japan is expected to see low growth over the fourth quarter, renewed COVID-19 lockdowns in Europe that started early in the quarter are expected to result in negative GDP growth in low single digits for the Eurozone for the fourth quarter. In the UK, quarter-on-quarter GDP rebounded by 16% to the end of September (non-annualised). The Brexit deal at year end was well received by markets but this was tempered by tighter lockdown measures at year end.

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 Investment Manager's fee, net of Sub-Investment Managers' fees and of all other expenses including custody and administration costs depending on the structure of the Sub-Fund.

Share Class Investment Performance to 31 December 2020 (EUR)**MGI Diversified Equity Fund**

Portfolio	Performance over the Last Six Months	
	Sub-Fund (%)	Benchmark (%)
Mercer Passive Global Equity Fund		
Mercer Passive Global Equity Fund (Hedged)		
Mercer Low Volatility Equity Fund		
Mercer Global Small Cap Equity Fund		
MGI Emerging Markets Equity Fund		
MGI Diversified Equity Fund	15.9	18.2

Performance shown is in EUR terms.

The benchmark for the MGI Diversified Equity Fund is a composite of 40% MSCI World Hedged (NDR) Index, 25% MSCI World (NDR) Index, 15% MSCI Small Cap (NDR) Index and 20% MSCI Emerging Markets (NDR) Index.

The MGI Diversified Equity Fund underperformed the composite benchmark by 2.3% over the last six months.

There were no changes to the list of funds into which the Sub-Fund invested during the period.

MGI Balanced Managed Fund

Portfolio	Performance over the Last Six Months	
	Sub-Fund (%)	Benchmark (%)
Mercer Passive Global Equity Fund		
MGI Emerging Markets Debt Fund		
Mercer Global High Yield Bond Fund (Hedged)		
Mercer Diversified Growth Fund		
Mercer Euro Nominal Bond Long Duration Fund		
Mercer Global Buy & Maintain Credit Fund (Hedged)		
MGI Balanced Managed Fund	7.4	1.1

Performance shown is in EUR terms.

The benchmark for the MGI Balanced Managed Fund is the FTSE 1 Month Euro Deposit Index. The benchmark shown in the table above is the long term objective: FTSE 1 Month Euro Deposit Index + 2.8% p.a.

The MGI Balanced Managed Fund outperformed the benchmark by 6.3% over the last six months.

There were no changes to the list of funds into which the Sub-Fund invested during the period.

Share Class Investment Performance to 31 December 2020 (EUR) (continued)

Mercer Medium Term Inflation Linked Bond Fund

Sub-Investment Manager	Performance over the Last Six Months	
	Sub-Fund (%)	Benchmark (%)
Irish Life Investment Managers Limited		
Mercer Medium Term Inflation Linked Bond Fund	5.4	5.5

Performance shown is in EUR terms.

The benchmark for the Mercer Medium Term Inflation Linked Bond Fund is a composite with overall duration of 13-18 years.

The Mercer Medium Term Inflation Linked Bond Fund underperformed the composite benchmark by 0.1% over the last six months.

There were no Sub-Investment Manager changes during the period.

Mercer Enhanced Yield Fund

Portfolio	Performance over the Last Six Months	
	Sub-Fund (%)	Benchmark (%)
MGI Emerging Markets Debt Fund		
Mercer Global High Yield Bond Fund (Hedged)		
Mercer Absolute Return Fixed Income Fund (Hedged)		
Mercer Enhanced Yield Fund	6.1	3.9

Performance shown is in EUR terms.

The benchmark for the Mercer Enhanced Yield Bond Fund is a composite of 26.33% FTSE EUR 1 Month Euro Deposit Index, 33.33% JP Morgan GBI-EM Global Diversified Index and 40.33% BofAML Global High Yield Constrained (Hedged EUR) Index.

The Mercer Enhanced Yield Fund outperformed the composite benchmark by 2.2% over the last six months.

There were no changes to the list of funds into which the Sub-Fund invested during the period.

Mercer Euro Inflation Linked Bond Fund

Sub-Investment Manager	Performance over the Last Six Months	
	Sub-Fund (%)	Benchmark (%)
Irish Life Investment Managers Limited		
Mercer Euro Inflation Linked Bond Fund	6.0	6.0

Performance shown is in EUR terms.

The benchmark for the Mercer Euro Inflation Linked Bond Fund is the Merrill Lynch EMU Direct Government HICP Linked Over 5Yr GDP Weighted Index.

The Mercer Euro Inflation Linked Bond Fund performed in line with its benchmark over the last six months.

There were no Sub-Investment Manager changes during the period.

Share Class Investment Performance to 31 December 2020 (GBP)

Mercer UK Credit Fund

Portfolio	Performance over the Last Six Months	
	Sub-Fund (%)	Benchmark (%)
Insight Investment Management (Global) Limited		
M&G Investment Management Limited		
Mercer UK Credit Fund	5.5	4.9

Performance shown is in GBP terms.

The benchmark for the Mercer UK Credit Fund is the ICE BofAML Sterling Corporate & Collateralised All-Stocks (ex-Subordinated Financials) Index.

The Mercer UK Credit Fund outperformed the benchmark by 0.6% over the last six months.

There were no Sub-Investment Manager changes during the period.

Mercer Sterling Inflation Linked LDI Bond Fund

Sub-Investment Manager	Performance over the Last Six Months	
	Sub-Fund (%)	Benchmark (%)
BlackRock Investment Management (UK) Limited		
Mercer Sterling Inflation Linked LDI Bond Fund	-2.7	-2.7

Performance shown is in GBP terms.

The benchmark for the Mercer Sterling Inflation Linked LDI Bond Fund is the BlackRock Investment Management (UK) Limited Custom Index.

The Mercer Sterling Inflation Linked LDI Bond Fund performed in line with its composite benchmark over the last six months.

There were no Sub-Investment Manager changes during the period.

Mercer Sterling Nominal LDI Bond Fund

Sub-Investment Manager	Performance over the Last Six Months	
	Sub-Fund (%)	Benchmark (%)
BlackRock Investment Management (UK) Limited		
Mercer Sterling Nominal LDI Bond Fund	-2.4	-2.4

Performance shown is in GBP terms.

The benchmark for the Mercer Sterling Inflation Linked LDI Bond Fund is the BlackRock Investment Management (UK) Limited Custom Index.

The Mercer Sterling Nominal LDI Bond Fund performed in line with its composite benchmark over the last six months.

There were no Sub-Investment Manager changes during the period.

Market Outlook

Entering 2021, forecasting the exact profile of the growth path ahead is difficult, but we expect the global economy to continue to grow strongly and make up lost ground, especially as the hope of large-scale vaccinations looks increasingly likely. One of the big uncertainties are concerns whether those economies will get back to where they would have been had COVID-19 never hit. Increased debt may potentially hold back the economy for years to come, while accelerated technology use and development may ultimately boost the economy.

The US economy contracted sharply due to lockdown measures aimed to limit the spread of COVID-19. However, as these measures were lifted, economic activity rebounded and Q3 GDP was at 33% SAAR. Inflation in the US has fallen sharply, currently at 1.5%. Nevertheless, it is anticipated to rise in the long term on the back of high debt levels and central banks being more willing to tolerate an inflation overshoot.

European countries have come together to launch a €750 billion recovery fund – the first time the EU has been willing to engage in large-scale fiscal transfers funded by commonly issued debt. In addition to supporting growth over the next few years, the recent measures taken by the EU establish a precedent for future risk-sharing.

The last minute Brexit deal was good news for the UK and EU after the 11-month transition period as early trade disruptions in the New Year were averted. However, the impact of both COVID-19 and the new deal will likely cause a permanent hit to the UK economy.

In the Japanese labour market, a time lag between decelerating economic activity and increases in unemployment could see a sluggish rebound in consumer spending as contract workers fear for their job security. In any case, the recovery trajectory in Japan should be slightly slower than that of the Eurozone.

Mercer Global Investments Europe Limited

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January 2021

	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 Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Assets										
Cash and cash equivalents	5	230,766	2,809,180	1,890,251	5,563,694	223,043	386,504	52,702	144,231	12,023,835
Due from broker	5	-	-	-	750,771	-	-	-	-	838,757
Subscriptions receivable		-	-	4,367,665	-	1,096,797	608,749	-	46,890	6,319,980
Other assets		2,264	5,222	5,395,397	3,800,123	30,799	812,532	44	262,089	10,852,653
Deposits		-	-	-	10,000,123	-	-	-	-	11,172,074
Financial assets at fair value through profit or loss:	5									
- Securities		-	-	1,342,390,062	300,076,469	166,339,839	297,683,127	-	100,244,636	2,296,281,704
- Collective investment schemes		43,606,039	98,315,997	-	2,386,027	-	-	15,387,649	-	159,975,339
- Financial derivative instruments		-	-	-	364,555	-	-	-	-	407,279
Total assets		43,839,069	101,130,399	1,354,043,375	322,941,762	167,690,478	299,490,912	15,440,395	100,697,846	2,497,871,621
Liabilities										
Financial liabilities held for trading:	5									
- Financial derivative instruments		-	-	-	(419,304)	-	-	-	-	(468,444)
Expenses payable		(18,837)	(28,721)	(476,847)	(537,271)	(96,933)	(162,337)	(10,586)	(54,489)	(1,479,371)
Redemptions payable		-	-	(31,491)	-	-	-	-	(4,951)	(36,442)
Payable for securities purchased		-	-	(4,152,244)	-	(982,427)	(544,309)	-	-	(5,857,904)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(18,837)	(28,721)	(4,660,582)	(956,575)	(1,079,360)	(706,646)	(10,586)	(59,440)	(7,842,161)
Net assets attributable to holders of redeemable participating shares		43,820,232	101,101,678	1,349,382,793	321,985,187	166,611,118	298,784,266	15,429,809	100,638,406	2,490,029,460

The accompanying notes form an integral part of these financial statements.

Mercer PIF Fund plc
**Comparative Audited Statement of Financial Position
as at 30 June 2020**

	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 Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Assets										
Cash and cash equivalents	5	122,502	717,954	2,627,164	17,102,053	628,046	578,518	42,177	161,177	23,812,467
Due from broker	5	-	-	-	2,457,716	-	-	-	-	2,703,758
Receivable for securities sold		-	-	-	59,632,055	-	-	71,997	-	65,673,818
Subscriptions receivable		-	81,719	5,799,370	-	960,701	10,353,503	-	-	18,327,958
Other assets		153	781	9,340,924	6,032,042	34,271	2,824,357	68	440,472	19,563,113
Deposits		-	-	-	10,000,055	-	-	-	-	11,001,161
Financial assets at fair value through profit or loss:	5	-	-	-	-	-	-	-	-	-
- Securities		-	-	1,267,096,861	479,229,893	192,980,124	382,629,531	-	100,399,197	2,527,935,605
- Collective investment schemes		35,772,743	91,327,556	-	26,549,371	-	-	14,548,287	-	170,855,815
- Financial derivative instruments		-	-	-	486,983	-	-	-	-	535,735
Total assets		35,895,398	92,128,010	1,284,864,319	601,490,168	194,603,142	396,385,909	14,662,529	101,000,846	2,840,409,430
Liabilities										
Financial liabilities held for trading:	5	-	-	-	(1,483,439)	-	-	-	-	(1,631,946)
- Financial derivative instruments		-	-	-	(200,608)	-	-	-	-	(220,691)
Due to broker	5	-	-	-	(150,823)	-	-	-	-	(165,922)
Bank overdraft		-	-	-	-	-	-	-	-	-
Expenses payable		(14,453)	(23,786)	(428,856)	(806,142)	(95,656)	(157,607)	(8,613)	(49,114)	(1,690,284)
Redemptions payable		(489,667)	-	(469,745)	(74,037,719)	(145,113)	(32,481,532)	-	-	(118,301,947)
Payable for securities purchased		-	-	(5,812,835)	(4,038,268)	(1,155,665)	(9,275,993)	(83,751)	-	(21,815,096)
Total liabilities (excluding net assets attributable to holders of redeemable participating shares)		(504,120)	(23,786)	(6,711,436)	(80,716,999)	(1,396,434)	(41,915,132)	(92,364)	(49,114)	(143,825,886)
Net assets attributable to holders of redeemable participating shares		35,391,278	92,104,224	1,278,152,883	520,773,169	193,206,708	354,470,777	14,570,165	100,951,732	2,696,583,544

The accompanying notes form an integral part of these financial statements.

	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 Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Income										
Interest income calculated using the effective interest method		-	-	-	2,717	-	-	-	-	3,023
Net income/(expense) from financial instruments at fair value through profit or loss		5,639,856	6,988,809	69,413,250	20,424,318	(4,627,514)	(8,308,471)	895,265	6,159,732	97,427,464
Net investment income/(expense)		5,639,856	6,988,809	69,413,250	20,427,035	(4,627,514)	(8,308,471)	895,265	6,159,732	97,430,487
Expenses	2	(71,938)	(114,168)	(2,080,644)	(1,508,199)	(419,949)	(671,846)	(40,036)	(252,712)	(5,451,915)
Net income/(expense) from operations before finance costs		5,567,918	6,874,641	67,332,606	18,918,836	(5,047,463)	(8,980,317)	855,229	5,907,020	91,978,572
Finance costs										
Bank interest expense		(838)	(8,059)	(15,439)	(6,663)	(83)	(27)	(106)	(1,783)	(33,760)
Distributions	8	-	-	-	(1,779,648)	(82,817)	(222,520)	-	-	(2,319,485)
Total finance costs		(838)	(8,059)	(15,439)	(1,786,311)	(82,900)	(222,547)	(106)	(1,783)	(2,353,245)
Change in net assets attributable to holders of redeemable participating shares		5,567,080	6,866,582	67,317,167	17,132,525	(5,130,363)	(9,202,864)	855,123	5,905,237	89,625,327

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. The accompanying notes form an integral part of these financial statements.

	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 Euro Inflation Linked Bond Fund €	Mercer PIF Fund plc €
Income										
Interest income calculated using the effective interest method		-	-	971	25,671	87	339	64	-	30,802
Net income/(expense) from financial instruments at fair value through profit or loss		3,118,036	5,817,384	4,883,625	29,863,311	(6,209,567)	40,995,673	809,542	1,831,753	90,202,118
Net investment income/(expense)		3,118,036	5,817,384	4,884,596	29,888,982	(6,209,480)	40,996,012	809,606	1,831,753	90,232,920
Expenses	2	(76,175)	(118,656)	(1,858,400)	(2,856,065)	(519,746)	(1,004,504)	(48,751)	(226,478)	(7,324,827)
Interest expense		-	-	-	(578)	-	-	-	-	(658)
Net income/(expense) from operations before finance costs		3,041,861	5,698,728	3,026,196	27,032,339	(6,729,226)	39,991,508	760,855	1,605,275	82,907,435
Finance costs										
Bank interest expense		(790)	(10,521)	(26,484)	(11,958)	-	(132)	(114)	(1,946)	(53,645)
Distributions	8	-	-	-	(2,598,917)	(121,147)	(179,597)	-	-	(3,307,472)
Total finance costs		(790)	(10,521)	(26,484)	(2,610,875)	(121,147)	(179,729)	(114)	(1,946)	(3,361,117)
Change in net assets attributable to holders of redeemable participating shares		3,041,071	5,688,207	2,999,712	24,421,464	(6,850,373)	39,811,779	760,741	1,603,329	79,546,318

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. The accompanying notes form an integral part of these financial statements.

	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 Euro Inflation Linked Bond Fund €
Net assets attributable to holders of redeemable participating shares at beginning of the financial period	35,391,278	92,104,224	1,278,152,883	520,773,169	193,206,708	354,470,777	14,570,165	100,951,732
Proceeds from redeemable participating shares issued	5,015,449	7,845,767	85,735,623	12,114,277	60,160,255	87,874,946	299,894	9,134,460
Payments for redeemable participating shares redeemed	(2,153,575)	(5,714,895)	(81,822,880)	(228,034,784)	(81,625,482)	(134,358,593)	(295,373)	(15,353,023)
Change in net assets attributable to holders of redeemable participating shares	5,567,080	6,866,582	67,317,167	17,132,525	(5,130,363)	(9,202,864)	855,123	5,905,237
Net assets attributable to holders of redeemable participating shares at end of financial period	43,820,232	101,101,678	1,349,382,793	321,985,187	166,611,118	298,784,266	15,429,809	100,638,406

The accompanying notes form an integral part of these financial statements.

	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 Euro Inflation Linked Bond Fund €
Net assets attributable to holders of redeemable participating shares at beginning of the financial period	38,493,057	96,443,682	1,070,133,361	876,808,222	228,263,894	519,286,601	30,977,639	83,412,543
Proceeds from redeemable participating shares issued	2,972,180	7,074,270	240,406,895	1,994,091	56,497,473	98,556,460	388,888	22,079,286
Payments for redeemable participating shares redeemed	(4,980,870)	(7,092,533)	(65,740,431)	(276,247,653)	(65,574,148)	(280,856,514)	(18,665,941)	(5,588,792)
Change in net assets attributable to holders of redeemable participating shares	3,041,071	5,688,207	2,999,712	24,421,464	(6,850,373)	39,811,779	760,741	1,603,329
Net assets attributable to holders of redeemable participating shares at end of financial period	39,525,438	102,113,626	1,247,799,537	626,976,124	212,336,846	376,798,326	13,461,327	101,506,366

The accompanying notes form an integral part of these financial statements.

	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 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	5,567,080	6,866,582	67,317,167	17,132,525	(5,130,363)	(9,202,864)	855,123	5,905,237	89,625,327
Adjustments for:									
Distributions paid to Shareholders	-	-	-	1,779,648	82,817	222,520	-	-	2,319,485
Movement in due from/to broker	-	-	-	1,506,337	-	-	-	-	1,675,756
Movement in financial assets at fair value through profit or loss	(7,833,296)	(6,988,441)	¹ (105,934,384)	258,910,555	26,467,047	76,214,720	(851,116)	154,561	280,808,223
Movement in deposits	-	-	-	(68)	-	-	-	-	(76)
Unrealised movement on derivative assets and liabilities	-	-	-	(941,707)	-	-	-	-	(1,047,622)
Operating cash flows before movements in working capital	(2,266,216)	(121,859)	(38,617,217)	278,387,290	21,419,501	67,234,376	4,007	6,059,798	373,381,093
Movement in receivables	(2,111)	(4,441)	3,945,527	2,231,919	3,472	2,011,825	24	178,383	8,842,286
Movement in payables	4,384	4,935	47,991	(268,871)	1,277	4,730	1,973	5,375	(227,771)
Cash provided by operations	2,273	494	3,993,518	1,963,048	4,749	2,016,555	1,997	183,758	8,614,515
Net cash (used in)/provided by operating activities	(2,263,943)	(121,365)	(34,623,699)	280,350,338	21,424,250	69,250,931	6,004	6,243,556	381,995,608
Financing activities									
Proceeds from subscriptions	5,015,449	7,927,486	87,167,328	12,114,277	60,024,159	97,539,621	299,894	9,087,570	285,614,246
Payment of redemptions	(2,643,242)	(5,714,895)	¹ (53,280,542)	(302,072,503)	(81,770,595)	(166,840,125)	(295,373)	(15,348,072)	(677,002,165)
Distributions paid to Shareholders	-	-	-	(1,779,648)	(82,817)	(142,441)	-	-	(2,230,399)
Net cash provided by/(used in) financing activities	2,372,207	2,212,591	33,886,786	(291,737,874)	(21,829,253)	(69,442,945)	4,521	(6,260,502)	(393,618,318)
Net increase/(decrease) in cash and cash equivalents	108,264	2,091,226	(736,913)	(11,387,536)	(405,003)	(192,014)	10,525	(16,946)	(11,622,710)
Cash and cash equivalents at the beginning of the financial period	122,502	717,954	2,627,164	16,951,230	628,046	578,518	42,177	161,177	23,646,545
Cash and cash equivalents at the end of the financial period	230,766	2,809,180	1,890,251	5,563,694	223,043	386,504	52,702	144,231	12,023,835
Cash and cash equivalent - Statement of Financial Position	230,766	2,809,180	1,890,251	5,563,694	223,043	386,504	52,702	144,231	12,023,835
Cash and cash equivalents - Statement of Cash Flow	230,766	2,809,180	1,890,251	5,563,694	223,043	386,504	52,702	144,231	12,023,835
Supplementary Information									
Interest received	-	-	6,726,450	8,650,145	464,877	4,406,887	-	285,508	8,839,335
Interest paid	(838)	(8,059)	(15,439)	(6,663)	(83)	(27)	(106)	(1,783)	(33,760)
Dividends received	-	-	-	13,598	-	-	-	-	15,127
Taxation paid	-	(8)	-	-	(1)	-	-	-	-

¹These amounts exclude non-cash transactions of € 28,980,592. Please refer to Note 3 to the financial statements.

The accompanying notes form an integral part of these financial statements.

Mercer PIF Fund plc

Comparative Unaudited Statement of Cash Flows for the financial period ended 31 December 2019

	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 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	3,041,071	5,688,207	2,999,712	24,421,464	(6,850,373)	39,811,779	760,741	1,603,329	79,546,318
Adjustments for:									
Distributions paid to Shareholders	-	-	-	2,598,917	121,147	179,597	-	-	3,307,472
Movement in due from/to broker	-	-	-	1,707,401	-	-	-	-	1,947,532
Movement in financial assets at fair value through profit or loss	(1,037,841)	(5,817,183)	(110,212,650)	256,662,028	16,154,974	140,913,944	17,469,565	(17,969,047)	354,351,341
Unrealised movement on derivative assets and liabilities	-	-	-	(3,280,740)	-	-	-	-	(3,742,147)
Operating cash flows before movements in working capital	2,003,230	(128,976)	(107,212,938)	282,109,070	9,425,748	180,905,320	18,230,306	(16,365,718)	435,410,516
Movement in receivables	(29)	(20)	2,131,576	2,322,706	941	1,419,449	(17)	83,216	6,484,255
Movement in payables	(6,161)	(5,611)	49,258	312,702	(19,870)	(39,720)	(13,562)	(5,199)	307,435
Cash (used in)/provided by operations	(6,190)	(5,631)	2,180,834	2,635,408	(18,929)	1,379,729	(13,579)	78,017	6,791,690
Net cash provided by/(used in) operating activities	1,997,040	(134,607)	(105,032,104)	284,744,478	9,406,819	182,285,049	18,216,727	(16,287,701)	442,202,206
Financing activities									
Proceeds from subscriptions	2,972,180	7,074,270	225,725,161	1,994,091	56,497,473	98,556,460	388,888	21,645,255	438,103,883
Payment of redemptions	(4,980,870)	(7,109,493)	(120,512,469)	(297,668,298)	(65,574,148)	(280,856,514)	(18,665,941)	(5,588,792)	(891,543,273)
Distributions paid to Shareholders	-	-	-	(2,598,917)	(121,147)	(179,597)	-	-	(3,307,472)
Net cash (used in)/provided by financing activities	(2,008,690)	(35,223)	105,212,692	(298,273,124)	(9,197,822)	(182,479,651)	(18,277,053)	16,056,463	(456,746,862)
Net (decrease)/increase in cash and cash equivalents	(11,650)	(169,830)	180,588	(13,528,646)	208,997	(194,602)	(60,326)	(231,238)	(14,544,656)
Cash and cash equivalents at the beginning of the financial period	289,801	3,024,188	1,688,497	26,023,280	375,356	1,255,688	88,404	167,987	36,199,467
Cash and cash equivalents at the end of the financial period	278,151	2,854,358	1,869,085	12,494,634	584,353	1,061,086	28,078	(63,251)	21,654,811
Cash and cash equivalent - Statement of Financial Position	278,151	2,854,358	1,869,085	12,494,634	584,353	1,061,086	28,078	-	21,718,062
Bank overdraft - Statement of Financial Position	-	-	-	-	-	-	-	(63,251)	(63,251)
Cash and cash equivalents - Statement of Cash Flow	278,151	2,854,358	1,869,085	12,494,634	584,353	1,061,086	28,078	(63,251)	21,654,811
Supplementary Information									
Interest received	-	-	10,685,617	15,112,645	849,872	6,130,149	64	810,141	36,695,624
Interest paid	(790)	(10,521)	(26,484)	(11,958)	-	(132)	(114)	(1,946)	(53,645)
Dividends received	-	-	-	26,865	-	-	-	-	30,643
Taxation paid	-	-	-	(3,687)	-	-	-	-	(4,206)

The accompanying notes form an integral part of these financial statements.

1. Accounting policies**a) Basis of Preparation**

The unaudited interim financial statements have been prepared on a historical cost basis except for those financial assets and financial liabilities that have been measured at fair value.

b) Statement of compliance

These unaudited interim financial statements for the financial period ended 31 December 2020 have been prepared in accordance with the international accounting standards applicable to the interim financial reporting under IAS 34, the interpretations adopted by the International Accounting Standards Board ("IASB") as adopted by the European Union ("EU"), and the Regulations.

As a result, these unaudited interim financial statements are prepared on a condensed basis and do not contain all of the information and disclosures required in the full annual audited financial statements and should be read in conjunction with the annual report and audited financial statements for the financial year ended 30 June 2020, which have been prepared in accordance with EU endorsed International Financial Reporting Standards ("IFRS"). The condensed interim financial statements for the financial period ended 31 December 2020 are unaudited. We note that the statutory auditor's report in the annual report and audited financial statements for the financial year ended 30 June 2020 was unqualified.

The same accounting policies, presentation and methods of computation have been followed in these financial statements as were applied in the preparation of the Company's annual report and audited financial statements for the financial year ended 30 June 2020.

c) New standards, amendments and interpretations issued and effective for the financial period beginning 1 July 2020

There are no new standards, amendments or interpretations issued and effective for the financial period beginning 1 July 2020 that have a significant impact on the Company's financial position, performance or disclosures in its financial statements.

d) New standards, amendments and interpretations issued but not effective for the financial period beginning 1 July 2020 and not early adopted

There are no new standards, amendments or interpretations issued that are not yet effective that would be expected to have a significant impact on the Company.

2. Fees and expenses**Management Fees, Sub-Investment Managers' Fees and Voluntary Cap**

Mercer Global Investments Management Limited, the AIFM, is responsible for the payment of the Investment Manager's fee and the distributor's fee (including reasonable out of pocket expenses) out of the management fee. The fees and expenses of any Sub-Investment Manager, the Administrator and the Depositary (including reasonable out of pocket expenses) shall be paid by the Company out of the assets of the relevant Sub-Fund. Investments by Sub-Funds of the Company into funds also managed by the AIFM are not charged a management fee at the level of the underlying fund, thereby ensuring that there is no double charging of fees by the AIFM. The aggregate fees and expenses of the AIFM, Administrator, Depositary, distributor, Investment Manager and any Sub-Investment Manager will not exceed 3% per annum of the Net Assets Value ("NAV") of the Sub-Fund.

The Company can undertake to limit the annual expenses for certain classes through the use of a Voluntary Cap. As at 31 December 2020 and 30 June 2020 the Voluntary Cap as a percentage of net assets was as follows:

Sub-Fund	Share Class Description	31 Dec 2020			30 Jun 2020		
		Management Fee	Voluntary Cap	Maximum Fee	Management Fee	Voluntary Cap	Maximum 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%

2. Fees and expenses (continued)

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

Sub-Fund	Share Class Description	31 Dec 2020			30 Jun 2020		
		Management Fee	Voluntary Cap	Maximum Fee	Management Fee	Voluntary Cap	Maximum Fee
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-9 €	0.26%	0.40%	3.00%	0.26%	0.40%	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%	-	-	-
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 £, Class M-1 £ Distributing	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%	0.45%	n/a	3.00%
	Class M-6 £	0.63%	n/a	3.00%	0.63%	n/a	3.00%
	Class M-7 £	0.77%	n/a	3.00%	0.77%	n/a	3.00%
	Class M-7 £ Distributing	0.22%	n/a	3.00%	0.22%	n/a	3.00%
	Class M-9 £	0.56%	n/a	3.00%	0.56%	n/a	3.00%
Mercer Sterling Inflation Linked LDI Bond Fund	Class M-4 £	0.20%	n/a	3.00%	0.20%	0.34%	3.00%
	Class M-5 £ Distributing	0.33%	n/a	3.00%	0.33%	0.47%	3.00%
	Class M-7 £	0.63%	n/a	3.00%	0.63%	0.77%	3.00%
	Class M-9 £	0.56%	n/a	3.00%	0.56%	0.70%	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%
	Class M-8 £	0.77%	n/a	3.00%	0.77%	n/a	3.00%
Mercer Enhanced Yield Fund	Class M-2 €* Class M-4 € Class M-6 €	- 0.40% 0.59%	- n/a n/a	- 3.00% 3.00%	0.22% 0.40% 0.59%	n/a n/a n/a	3.00% 3.00% 3.00%
	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%

*This share class terminated during the financial year ended 30 June 2020.

3. Related parties

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

3. Related parties (continued)**Transactions with key management personnel****Management fees**

The AIFM has appointed Mercer Global Investments Europe Limited 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 fee of € 4,521,297 (31 December 2019: € 6,155,732). As detailed in Note 2 to the financial statements, the AIFM has, in some instances, undertaken to limit the annual expenses for each class through the use of a voluntary cap. The application of the voluntary cap has resulted in a total reimbursement of € 19,555 (31 December 2019: € 12,854) 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 period ended 31 December 2020 (31 December 2019: € Nil). The outstanding amounts payable as at the financial period end were a management fee of € 714,342 (30 June 2020: € 859,918).

Investments by Sub-Funds of the Company into funds also managed by the Investment Manager 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 Investment Manager.

Transactions with entities with significant influence

The following table details the management fee charged and the voluntary cap reimbursement received by the Sub-Funds for the financial period ended 31 December 2020 and 31 December 2019.

	Management Fee		Voluntary Cap Reimbursement	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
MGI Diversified Equity Fund	€ (71,829)	€ (75,963)	€ 7,231	€ 4,929
MGI Balanced Managed Fund	€ (114,164)	€ (118,658)	€ 12,324	€ 7,925
Mercer Medium Term Inflation Linked Bond Fund	€ (1,810,999)	€ (1,684,814)	-	-
Mercer UK Credit Fund	GB£ (1,063,004)	GB£ (2,114,993)	-	-
Mercer Sterling Inflation Linked LDI Bond Fund	GB£ (376,430)	GB£ (483,063)	-	-
Mercer Sterling Nominal LDI Bond Fund	GB£ (601,007)	GB£ (931,066)	-	-
Mercer Enhanced Yield Fund	€ (35,278)	€ (44,516)	-	-
Mercer Euro Inflation Linked Bond Fund	€ (219,037)	€ (206,295)	-	-

Directors' fees

Hooman Kaveh is the Chief Investment Officer for Mercer, Carmel Jordan is the Global Chief Transformation Delivery Officer for Mercer Global Investments Europe Ltd and Helen O'Beirne is the Head of Business Regulation and Conduct Risk for Mercer Global Investments Management Limited, the AIFM. Hooman Kaveh, Carmel Jordan and Helen O'Beirne do not receive a fee for their Directorship as non-independent Directors. The AIFM and the Investment Manager are related to Mercer (Ireland) Limited (the "Parent") as all three entities are wholly owned subsidiaries of Mercer Ireland Holdings Limited.

The Directors earned € 4,290 for the financial period ended 31 December 2020 (31 December 2019: € 12,671), of which € 722 was payable as at 31 December 2020 (30 June 2020: € 739). The Company does not bear the cost of Directors' expense reimbursements. These are paid by the Investment Manager.

Collateral Manager/Secured Party

State Street Bank International GmbH (the "Collateral Manager/Secured Party"), was appointed as the Collateral Manager/Secured Party on 6 October 2017.

Other related party transactions

The Company is related to MGI Funds plc by virtue of the fact that they are managed by Mercer Global Investments Management Limited, the AIFM, and have a common Investment Manager, Mercer Global Investments Europe Limited. The Company is further related to MGI Funds plc by virtue of the fact that they have common Directors. At the financial period end, the Company held the following related party interests:

3. Related parties (continued)

Other related party transactions (continued)

31 December 2020

Sub-Fund with related party investment	Related Party (Sub-Fund of Mercer MGI Fund plc)	Share Class	Number of shares held 31 Dec 2020	Investor Sub-Fund Currency	Fair value 31 Dec 2020	Financial period ended 31 Dec 2020		
						Purchases	Sales	
MGI Diversified Equity Fund	MGI Emerging Markets Equity Fund	Z-1 €	59,938	€	8,867,755	843,905	(391,060)	
	Mercer Global Small Cap Equity Fund	Z-1 €	23,316	€	6,556,459	111,534	(264,746)	
	Mercer Low Volatility Equity Fund	Z-1 €	38,960	€	8,505,010	1,323,096	-	
	Mercer Passive Global Equity Fund	Z-1 €	105,625	€	2,184,334	202,813	-	
	Mercer Passive Global Equity Fund	Z-1 € Hedged	-	€	-	-	(285,925)*	
	Mercer Passive Global Equity Fund	Z2-H-0.0200 €	1,492	€	17,492,481	1,195,603*	(541,639)	
MGI Balanced Managed Fund	MGI Emerging Markets Debt Fund	Z-1 €	41,800	€	4,419,468	-	-	
	Mercer Diversified Growth Fund	Z-1 €	198,108	€	41,622,492	-	-	
	Mercer Global High Yield Bond Fund	Z-1 € Hedged	-	€	-	-	-*	
	Mercer Global High Yield Bond Fund	Z2-H-0.0200 €	352	€	3,846,972	-*	-	
	Mercer Global Buy & Maintain Credit Fund	Z-1 € Hedged	-	€	-	-	-*	
	Mercer Global Buy & Maintain Credit Fund	Z2-H-0.0200 €	452	€	4,650,532	-*	-	
	Mercer Passive Global Equity Fund	Class Z-1 €	1,303,488	€	26,956,139	-	-	
	Mercer Euro Nominal Bond Long Duration Fund	Class Z-1 €	110,038	€	16,820,394	-	-	
	Mercer Enhanced Yield Fund	MGI Emerging Markets Debt Fund	Z-1 €	48,673	€	5,146,227	535,189	(417,160)
		Mercer Global High Yield Bond Fund	Z-1 € Hedged	-	€	-	-	-*
Mercer Global High Yield Bond Fund		Z2-H-0.0200 €	568	€	6,209,182	258,872*	(452,577)	
Mercer Absolute Return Fixed Income Fund		Z-1 € Hedged	-	€	-	150,000	(4,142,544)	
Mercer Absolute Return Fixed Income Fund		Z1-0.0000 €	387	€	4,032,240	4,011,331	-	

*Shares transferred between share classes during the financial period have been excluded.

30 June 2020

Sub-Fund with related party investment	Related Party (Sub-Fund of Mercer MGI Fund plc)	Share Class	Number of shares held 30 Jun 2020	Investor Sub-Fund Currency	Fair value 30 Jun 2020	Financial year ended 30 Jun 2020	
						Purchases	Sales
MGI Diversified Equity Fund	Mercer Global Small Cap Equity Fund	Z-1 €	24,051	€	5,620,863	708,140	(757,004)
	Mercer Low Volatility Equity Fund	Z-1 €	32,830	€	6,819,211	845,797	(1,453,650)
	Mercer Passive Global Equity Fund	Z-1 €	95,666	€	1,750,692	35,693	(268,232)
	Mercer Passive Global Equity Fund	Z-1 € Hedged	975,451	€	14,465,935	1,738,919	(2,738,746)
	MGI Emerging Markets Equity Fund	Z-1 €	56,937	€	7,116,042	1,091,750	(1,549,948)
MGI Balanced Managed Fund	Mercer Diversified Growth Fund	Z-1 €	198,108	€	38,874,734	-	(1,355,520)
	Mercer Euro Nominal Bond Long Duration Fund	Z-1 €	110,038	€	16,337,328	2,324,525	(3,419,975)
	Mercer Global Buy & Maintain Credit Fund	Z-1 € Hedged	35,275	€	4,481,362	-	(209,537)
	Mercer Global High Yield Bond Fund	Z-1 € Hedged	26,557	€	3,524,682	-	-
	Mercer Passive Global Equity Fund	Z-1 €	1,303,488	€	23,853,837	-	(983,447)
	MGI Emerging Markets Debt Fund	Z-1 €	41,800	€	4,255,613	-	-
Mercer Enhanced Yield Fund	Mercer Absolute Return Fixed Income Fund	Z-1 € Hedged	36,031	€	3,845,183	2,060,867	(7,521,262)
	Mercer Global High Yield Bond Fund	Z-1 € Hedged	44,212	€	5,867,873	3,112,346	(7,623,351)
	MGI Emerging Markets Debt Fund	Z-1 €	47,493	€	4,835,231	2,503,820	(9,098,432)

3. Related parties (continued)**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, general partner, depositary, AIFM, investment manager, or by delegates or group companies of these 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 period complied with the obligations set out in this paragraph.

Significant Shareholders

The following table details the number of Shareholders with significant holdings of at least 20 per cent of the relevant Sub-Fund and the percentage of that holding as at 31 December 2020 and 30 June 2020.

Sub-Fund	Number of	Total	Aggregate	Number of	Total	Aggregate
	Significant		Shareholders			Significant
	Shareholders	Holding (shares)	as a % of the	Shareholders	Holding (shares)	as a % of the
	31 Dec 2020	31 Dec 2020	shares in issue	30 Jun 2020	30 Jun 2020	shares in issue
			31 Dec 2020			30 Jun 2020
MGI Diversified Equity Fund	2	174,255	75%	2	157,782	74%
MGI Balanced Managed Fund	1	385,529	46%	1	362,572	57%
Mercer UK Credit Fund	1	497,670	22%	1	752,774	21%
Mercer Sterling Inflation Linked LDI Bond Fund	1	172,570	28%	1	139,435	21%
Mercer Enhanced Yield Fund	2	75,786	62%	2	73,890	61%
Mercer Euro Inflation Linked Bond Fund	1	171,351	25%	1	167,142	23%

As at 31 December 2020 and 30 June 2020 there were no Shareholders who owned more than 20% of the Company's NAV.

In-specie and ex-specie transfers**31 December 2020**

Mercer Medium Term Inflation Linked Bond Fund actioned an ex-specie transfer of assets during the financial period ended 31 December 2020 amounting to € 29,264,450, which included cash of € 283,858.

31 December 2019

There were no in-specie or ex-specie transfers during the financial period 31 December 2019.

4. 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;

4. Taxation (continued)

- (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 period under review.

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.

Withholding tax expense incurred by the Company during the financial period amounted to € Nil (31 December 2019:€ Nil).

5. Financial Instruments and Associated Risks

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual report and audited financial statements for the financial year ended 30 June 2020.

Credit Risk

The Company has a credit risk exposure to the Depositary and sub-depositary in relation to cash.

All cash balances and bank overdrafts are held by State Street Bank, London which had a credit rating of AA- at the financial period ended 31 December 2020 (30 June 2020: 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 Limited which has a credit rating of A at the financial period ended 31 December 2020 (30 June 2020: A-).

State Street Bank International GmbH, the Collateral Manager/Secured Party, had a credit rating of AA- at the financial period ended 31 December 2020 (30 June 2020: AA-).

Due from broker represents margin accounts and cash collateral balances held by the Sub-Funds at financial period end. The following table details the amounts held by the brokers at the financial period ended 31 December 2020 and financial year ended 30 June 2020.

Margin Cash

Margin cash balances at 31 December 2020 and 30 June 2020 were as follows:

Credit rating	31 Dec 2020 €	30 Jun 2020 €
A+	523,079	1,229,762
A	-	351,215
A-	47,551	-

Cash Collateral

In addition to the above, the following amounts were pledged or held as cash collateral at 31 December 2020 and 30 June 2020:

Credit rating	31 Dec 2020 €	30 Jun 2020 €
A+	55,860	583,058
A	212,267	319,032

5. Financial Instruments and Associated Risks (continued)**Interest Rate Risk**

The table below summarises the Sub-Fund's relative sensitivity to interest rate changes. Effective duration indicates the sensitivity of a portfolio to a change in interest rates. The Company has determined that a fluctuation in yield of 25 basis points ("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 31 December 2020. An increase in yield of the same amount would have resulted in a roughly 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 change in the fair value of fixed income securities. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Sub-Fund	31 Dec 2020 (%)*	31 Dec 2020 Effective Duration (Years)	30 Jun 2020 (%)*	30 Jun 2020 Effective Duration (Years)
Mercer Medium Term Inflation Linked Bond Fund	3.53	14.12	3.56	14.22
Mercer UK Credit Fund	2.42	9.68	2.21	8.86
Mercer Sterling Inflation Linked LDI Bond Fund	11.01	44.03	11.14	44.55
Mercer Sterling Nominal LDI Bond Fund	8.07	32.27	7.17	28.66
Mercer Enhanced Yield Fund	1.00	4.00	0.99	3.94
Mercer Euro Inflation Linked Bond Fund	2.87	11.47	2.94	11.74

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

Brexit and associated risks

The United Kingdom ("UK") held a referendum on 23 June 2016 at which the electorate voted to leave the European Union ("EU"). After 3 years of negotiation a withdrawal agreement was ratified by both the European and the UK Parliament and the UK formally left the EU ("Brexit") on the 31 January 2020. Following this, there was a transition period to 31 December 2020 during which EU law continued to apply to the UK as if it were a member state while the EU and the UK negotiated a trade deal. The Trade and Co-operation deal ("Trade Deal") was reached on 24 December 2020 between the UK and the EU in advance of the end of the transition period, 31 December 2020. As part of the Trade Deal the EU and the UK agreed provisionally to apply the terms of the deal until 28 February 2021 to give the EU and UK sufficient time for it to be fully ratified. The nature and extent of the impact of the Brexit related changes impacting the markets and the provision of financial services are still being continuously monitored by both the AIFM and the Investment Manager.

Coronavirus ("COVID-19")

Since the start of January 2020, global financial markets have been monitoring and reacting to the novel coronavirus (2019-nCoV) that is believed to have originated in Wuhan, China. On 11 March 2020 the World Health Organisation ("WHO") officially declared the COVID-19 outbreak a pandemic. As of end January 2021, approximately 100 million cases of COVID-19 have been reported, including over 2 million deaths. The virus has spread across the globe, with COVID-19 major outbreaks across almost every continent with new variants of the virus emerging, resulting in a significant worldwide slowdown in economic activity. Widespread restrictions are in place in many countries, limiting the ability of people to travel, socialise and leave their homes. Global financial markets initially reacted sharply to this news, with concerns regarding the economic impact this may have on a global scale. While some sectors have since recovered, the number of people infected by the virus continues to grow meaning the full impact on the global economy and markets is not yet known. The global administration of the vaccines should slow down the transmission of the virus although the longer term impact of the virus will largely depend upon the scale and the duration of the outbreak.

The AIFM and Investment Manager both enacted their business continuity plans in March 2020 and at present continue to, where possible, work from home. They have had a Core Crisis Management Team in place from the initial stages of the outbreak that have successfully implemented activities to mitigate the impact of COVID-19 across their operations. In keeping with their Risk Management Framework, the AIFM and Investment Manager have rigorous policies and procedures in place to continuously monitor operations performance covering both internal operations and that of their delegates. The AIFM, Investment Manager and other delegates have remained operationally effective during the crisis.

While the long-term impact of COVID-19 on the Company will take longer to assess and quantify, the Investment Manager, AIFM and other delegates continue to monitor this situation closely.

5. Financial Instruments and Associated Risks (continued)

Valuation Techniques

The fair value of the instruments that are not traded in an active market (for example, Over the Counter ("OTC") derivatives) is 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 Collective Investment Schemes ("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.

Fair Value of Financial Assets and Liabilities

The majority of the financial assets of the Company are held at fair value with the exception of deposits, balances due from broker and accounts receivable which are carried at amortised cost. 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 fair value 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 which 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 fair value through profit or loss ("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.

5. Financial Instruments and Associated Risks (continued)**Fair Value of Financial Assets and Liabilities (continued)**

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

Receivable 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.

Fair Value Hierarchy

The financial instruments at 31 December 2020 and 30 June 2020 are classified as follows:

	Level
Asset backed securities	2
CIS	2
Deposits	1
Corporate bonds	2
Government bonds	2
Mortgage backed securities	2
Futures contracts	1
Interest rate swaps	2
Open forward foreign currency contracts	2

Transfers between levels

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

There were no movements of financial instruments between Levels 1 and 2 during the financial period ended 31 December 2020 and financial year ended 30 June 2020.

There were no investments classified as Level 3 as at 31 December 2020 and 30 June 2020.

6. 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 of no par value 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 subscriber shares at 31 December 2020.

6. Share capital (continued)

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.

The rights attaching to the redeemable shares are as follows:

- Investors in the Company may redeem daily.
- All shares carry a right to receive notice of, attend and vote at general meetings.

Note 2 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 a share class naming convention that is consistent with the following: 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 net assets attributable to holders of redeemable participating shares is inclusive of any swing adjustments applied to the Sub-Funds. 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 is inclusive of any swing adjustments applied to the Sub-Funds.

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. The Net assets attributable to holders of redeemable participating shares is inclusive of any swing adjustments applied to the Sub-Funds.

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

7. Segregated liability of Sub-Funds

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

8. Dividends

The following dividends were declared and paid during the financial period ended 31 December 2020:

Sub-Fund	Share Class	Total dividend per share class	Dividend per Share	Ex-Date
Mercer UK Credit Fund	Class M-1 £ Distributing	GB£ 577,152	GB£ 0.7667	1 Jul 2020
	Class M-7 £ Distributing	GB£ 480,890	GB£ 0.7024	1 Jul 2020
	Class M-7 £ Distributing	GB£ 721,606	GB£ 0.6788	1 Oct 2020
Mercer Sterling Inflation Linked LDI Bond Fund	Class M-5 £ Distributing	GB£ 43,369	GB£ 0.1842	1 Jul 2020
	Class M-5 £ Distributing	GB£ 39,448	GB£ 0.1469	1 Oct 2020
Mercer Sterling Nominal LDI Bond Fund	Class M-5 £ Distributing	GB£ 76,287	GB£ 0.4401	1 Jul 2020
	Class M-5 £ Distributing	GB£ 146,233	GB£ 0.4334	1 Oct 2020

The following dividends were declared and paid during the financial period ended 31 December 2019:

Sub-Fund	Share Class	Total dividend per share class	Dividend per Share	Ex-Date
Mercer UK Credit Fund	Class M-1 £ Distributing	GB£ 646,427	GB£ 0.8596	1 Jul 2019
	Class M-7 £ Distributing	GB£ 677,496	GB£ 0.7864	1 Jul 2019
	Class M-1 £ Distributing	GB£ 622,288	GB£ 0.8273	1 Oct 2019
	Class M-7 £ Distributing	GB£ 652,706	GB£ 0.7576	1 Oct 2019
Mercer Sterling Inflation Linked LDI Bond Fund	Class M-5 £ Distributing	GB£ 91,409	GB£ 0.4142	1 Jul 2019
	Class M-5 £ Distributing	GB£ 29,739	GB£ 0.1347	1 Oct 2019
Mercer Sterling Nominal LDI Bond Fund	Class M-5 £ Distributing	GB£ 89,701	GB£ 0.4611	1 Jul 2019
	Class M-5 £ Distributing	GB£ 89,896	GB£ 0.4619	1 Oct 2019

9. Charges

A number of counterparties used by the Company hold a number of charges granting first priority security interest in relation to collateral and principal broker securities relating to the relevant Sub-Fund's account.

10. Seasonal and cyclical changes

The Company has not been subject to seasonal or cyclical changes during the period, please refer to the Investment Manager's Report for further information.

11. Significant events during the financial period*Supplement updates*

The Supplement of the following Sub-Fund has been updated during the period, details of these updates are listed below:

Sub-Fund	Issue date	Update
Mercer Enhanced Yield Fund	4 Aug 2020	Updates to the fees and expenses section of the Supplement and other general updates*.

*General updates include Sub-Investment Manager changes, initial noting of new Sub-Fund Supplements and share class changes etc.

11. Significant events during the financial period (continued)*COVID-19*

COVID-19 disclosure is included in Note 5 to the financial statements.

Share class launches and terminations

The following share class launched during the financial period ended 31 December 2020:

Sub-Fund	Share Class	Launch date
MGI Balanced Managed Fund	Class A11-0.2500 €	26 Nov 2020

The following share classes terminated during the financial period ended 31 December 2020:

Sub-Fund	Share Class	Termination date
Mercer UK Credit Fund	Class M-1 £ Distributing	25 Sep 2020
MGI Balanced Managed Fund	Class M-9 €	26 Nov 2020

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

12. Subsequent events

The following dividends have been declared since the financial period 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£ 718,233	GB£ 0.6756	4 Jan 2021
Mercer Sterling Nominal LDI Bond Fund	Class M-5 £ Distributing	GB£ 99,833	GB£ 0.2934	4 Jan 2021

There have been no other significant events affecting the Company since the financial period end date.

13. Approval of financial statements

The financial statements were approved by the Board of the Company on 23 February 2021.

The table below outlines additional supplemental information regarding underlying CIS held by the Sub-Funds of the Company as at the 31 December 2020. 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 %
BNY Mellon Global Short-Dated High Yield Bond Fund	Ireland	BNY Mellon Fund Management (Luxembourg) S.A	n/a	n/a	Up to 3.00%
Insight Global Funds II plc - Insight High Grade ABS Fund	Ireland	Insight Investment Management (Global) Limited	n/a	n/a	n/a
Insight Liquidity Funds plc - ILF GBP Liquidity Fund	Ireland	Insight Investment Management (Global) Limited	Up to 0.01%	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 Euro Nominal Bond Long Duration 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 High Yield Bond 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 - Mercer Passive Global Equity Fund	Ireland	Mercer Global Investments Management Limited	n/a	n/a	n/a
MGI Funds plc - MGI Emerging Markets Debt 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

*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.

Portfolio movements

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

Soft commissions and directed brokerage arrangements

With effect from 3 January 2018, with the exception of minor non-monetary benefits as defined in Markets in Financial Instruments Directive (“MiFID”), 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. 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.

Efficient portfolio management techniques

The Company may employ investment techniques and instruments for efficient portfolio management 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 efficient portfolio management 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 the financial derivative investments (“FDIs”) held at 31 December 2020 can be found in the Portfolio Statements for each relevant Sub-Fund.

Net Asset Value comparative tables

MGI Diversified Equity Fund	Class I-1 €	Class M-7 €	Class M-8 €	Class M-12 €	
Total NAV					
31 Dec 2020	€ 19,204,867	€ 2,400,159	€ 14,707,339	€ 7,507,866	
30 Jun 2020	€ 14,669,838	€ 2,107,355	€ 12,414,420	€ 6,199,665	
31 Dec 2019	€ 15,485,778	€ 2,584,820	€ 14,165,935	€ 7,288,905	
Number of shares in issue					
31 Dec 2020	123,092	11,314	45,693	51,163	
30 Jun 2020	108,844	11,495	44,542	48,938	
31 Dec 2019	105,702	12,963	46,650	52,966	
NAV per share†					
31 Dec 2020	€ 156.02	€ 212.13	€ 321.87	€ 146.74	
30 Jun 2020	€ 134.78	€ 183.34	€ 278.71	€ 126.68	
31 Dec 2019	€ 146.50	€ 199.39	€ 303.67	€ 137.61	
MGI Balanced Managed Fund	Class M-7 €	Class M-8 €	Class** M-9 €	Class M-10 €	Class M-14 €
Total NAV					
31 Dec 2020	€ 399,592	€ 52,577,289	-	€ 9,231,806	€ 3,843,345
30 Jun 2020	€ 415,529	€ 46,087,777	€ 33,489,947	€ 8,909,144	€ 3,201,827
31 Dec 2019	€ 429,033	€ 53,881,853	€ 35,052,644	€ 8,724,778	€ 4,025,318
Number of shares in issue					
31 Dec 2020	2,488	385,529	-	69,748	30,229
30 Jun 2020	2,772	362,572	174,098	72,179	27,034
31 Dec 2019	2,734	405,332	174,202	67,557	32,517
NAV per share†					
31 Dec 2020	€ 160.61	€ 136.38	-	€ 132.36	€ 127.14
30 Jun 2020	€ 149.89	€ 127.11	€ 192.36	€ 123.43	€ 118.44
31 Dec 2019	€ 156.95	€ 132.93	€ 201.22	€ 129.15	€ 123.79

Net Asset Value comparative tables (continued)

MGI Balanced Managed Fund
(continued)Class*
A11-0.2500 €

Total NAV

31 Dec 2020	€ 35,049,646
30 Jun 2020	-
31 Dec 2019	-

Number of shares in issue

31 Dec 2020	348,178
30 Jun 2020	-
31 Dec 2019	-

NAV per share†

31 Dec 2020	€ 100.67
30 Jun 2020	-
31 Dec 2019	-

Mercer Medium Term Inflation Linked Bond Fund

Class
M-1 €Class
M-3 €Class
M-4 €Class
M-6 €

Total NAV

31 Dec 2020	€ 169,695,482	€ 940,427,254	€ 162,691,434	€ 76,568,623
30 Jun 2020	€ 157,208,866	€ 878,024,501	€ 174,967,509	€ 67,952,007
31 Dec 2019	€ 159,405,810	€ 864,495,592	€ 160,539,198	€ 63,358,937

Number of shares in issue

31 Dec 2020	988,732	5,639,544	1,083,874	542,410
30 Jun 2020	964,838	5,543,107	1,226,540	506,026
31 Dec 2019	973,588	5,428,332	1,118,786	468,608

NAV per share†

31 Dec 2020	€ 171.63	€ 166.76	€ 150.10	€ 141.16
30 Jun 2020	€ 162.64	€ 158.11	€ 142.39	€ 134.04
31 Dec 2019	€ 163.73	€ 159.26	€ 143.49	€ 135.21

Mercer UK Credit Fund

Class
M-1 £Class**
M-1 £
DistributingClass
M-2 £Class
M-5 £Class
M-6 £

Total NAV

31 Dec 2020	GB£ 11,034,294	-	GB£ 12,682,016	GB£ 6,346,163	GB£ 169,746,814
30 Jun 2020	GB£ 862,294	GB£ 89,578,984	GB£ 12,058,436	GB£ 6,128,143	GB£ 335,577,456
31 Dec 2019	GB£ 910,247	GB£ 86,915,138	GB£ 14,164,248	GB£ 5,865,495	GB£ 440,864,539

Number of shares in issue

31 Dec 2020	91,705	-	65,138	33,366	972,601
30 Jun 2020	7,553	752,774	65,225	33,923	2,020,891
31 Dec 2019	8,330	752,386	79,988	33,890	2,771,641

NAV per share†

31 Dec 2020	GB£ 120.32	-	GB£ 194.70	GB£ 190.20	GB£ 174.53
30 Jun 2020	GB£ 113.50	GB£ 118.30	GB£ 183.79	GB£ 179.59	GB£ 164.91
31 Dec 2019	GB£ 109.27	GB£ 115.52	GB£ 177.08	GB£ 173.07	GB£ 159.06

Mercer UK Credit Fund
(continued)Class
M-7 £Class
M-7 £
Distributing

Total NAV

31 Dec 2020	GB£ 2,895,588	GB£ 119,280,312
30 Jun 2020	GB£ 2,751,529	GB£ 73,816,327
31 Dec 2019	GB£ 6,598,058	GB£ 71,658,399

Number of shares in issue

31 Dec 2020	18,933	1,063,104
30 Jun 2020	18,911	684,638
31 Dec 2019	47,256	684,638

NAV per share†

31 Dec 2020	GB£ 152.94	GB£ 112.20
30 Jun 2020	GB£ 144.65	GB£ 107.19
31 Dec 2019	GB£ 139.62	GB£ 104.67

Net Asset Value comparative tables (continued)

	Class M-4 £	Class M-5 £ Distributing	Class M-7 £	Class M-9 £
Mercer Sterling Inflation Linked LDI Bond Fund				
Total NAV				
31 Dec 2020	GB£ 51,223,414	GB£ 28,659,183	GB£ 80,700,657	GB£ 6,027,863
30 Jun 2020	GB£ 85,026,403	GB£ 30,372,002	GB£ 77,381,674	GB£ 426,629
31 Dec 2019	GB£ 86,247,400	GB£ 23,997,279	GB£ 101,740,379	GB£ 351,788
Number of shares in issue				
31 Dec 2020	137,679	229,304	226,107	23,089
30 Jun 2020	222,150	235,446	210,295	1,586
31 Dec 2019	284,842	234,844	348,754	1,650
NAV per share†				
31 Dec 2020	GB£ 372.05	GB£ 124.98	GB£ 356.91	GB£ 261.08
30 Jun 2020	GB£ 382.74	GB£ 129.00	GB£ 367.97	GB£ 269.06
31 Dec 2019	GB£ 302.79	GB£ 102.18	GB£ 291.73	GB£ 213.23

	Class M-4 £	Class M-5 £ Distributing	Class M-7 £	Class M-8 £
Mercer Sterling Nominal LDI Bond Fund				
Total NAV				
31 Dec 2020	GB£ 111,915,429	GB£ 44,041,345	GB£ 140,732,199	GB£ 2,095,293
30 Jun 2020	GB£ 217,158,813	GB£ 23,176,134	GB£ 111,983,736	GB£ 2,152,094
31 Dec 2019	GB£ 203,275,069	GB£ 19,866,089	GB£ 149,105,499	GB£ 4,551,669
Number of shares in issue				
31 Dec 2020	389,158	340,262	498,615	11,570
30 Jun 2020	736,415	173,342	386,126	11,557
31 Dec 2019	834,260	178,367	620,841	29,493
NAV per share†				
31 Dec 2020	GB£ 287.58	GB£ 129.43	GB£ 282.25	GB£ 181.10
30 Jun 2020	GB£ 294.72	GB£ 133.64	GB£ 289.87	GB£ 186.13
31 Dec 2019	GB£ 243.66	GB£ 111.38	GB£ 240.17	GB£ 154.33

	Class M-2 €	Class M-4 €	Class M-6 €
Mercer Enhanced Yield Fund			
Total NAV			
31 Dec 2020	-	€ 9,905,852	€ 5,523,957
30 Jun 2020	-	€ 9,139,804	€ 5,430,361
31 Dec 2019	€ 2,343,374	€ 6,438,272	€ 4,679,681
Number of shares in issue			
31 Dec 2020	-	73,392	48,334
30 Jun 2020	-	71,737	50,283
31 Dec 2019	18,139	48,498	41,548
NAV per share†			
31 Dec 2020	-	€ 134.97	€ 114.29
30 Jun 2020	-	€ 126.87	€ 107.54
31 Dec 2019	€ 129.19	€ 132.75	€ 112.63

	Class M-3 €	Class M-4 €
Mercer Euro Inflation Linked Bond Fund		
Total NAV		
31 Dec 2020	€ 75,373,443	€ 25,264,963
30 Jun 2020	€ 71,309,975	€ 29,641,757
31 Dec 2019	€ 71,814,342	€ 29,692,024
Number of shares in issue		
31 Dec 2020	496,729	188,156
30 Jun 2020	497,404	233,500
31 Dec 2019	493,594	230,337
NAV per share†		
31 Dec 2020	€ 151.74	€ 134.28
30 Jun 2020	€ 143.61	€ 127.16
31 Dec 2019	€ 145.49	€ 128.91

*The Share Class launched during the financial period ended 31 December 2020.

**The Share Class terminated during the financial period ended 31 December 2020.

†Dealing NAV.

Exchange rates

The applicable financial period/year end exchange rates were as follows:

	As at 31 Dec 2020 Exchange rate to €	As at 30 Jun 2020 Exchange rate to €	As at 31 Dec 2019 Exchange rate to €
Australian Dollar	1.5856	1.6313	1.5968
British Pound	0.8951	0.9090	0.8473
US Dollar	1.2235	1.1232	1.1225

The applicable average exchange rates were as follows:

	Financial period ended 31 Dec 2020 Exchange rate to €	Financial year ended 30 Jun 2020 Exchange rate to €	Financial period ended 31 Dec 2019 Exchange rate to €
British Pound	0.8989	0.8777	0.8767

Financial assets at fair value through profit or loss (30 Jun 2020: 101.07%)
 Collective investment schemes (30 Jun 2020: 101.07%)

	Shares	Fair value €	% of Net assets
Ireland (30 Jun 2020: 101.07%)			
MGI Funds plc - Mercer Global Small Cap Equity Fund - Class Z-1 €	23,316	6,556,459	14.96
MGI Funds plc - Mercer Low Volatility Equity Fund - Class Z-1 €	38,960	8,505,010	19.41
MGI Funds plc - Mercer Passive Global Equity Fund - Class Z2-H-0.0200 €	1,492	17,492,481	39.92
MGI Funds plc - MGI Emerging Markets Equity Fund - Class Z-1 €	59,938	8,867,755	20.24
Other Ireland	–	2,184,334	4.98
Total collective investment schemes		43,606,039	99.51
Total financial assets at fair value through profit or loss		43,606,039	99.51
Total investments at fair value through profit and loss		43,606,039	99.51
Cash (30 Jun 2020: 0.35%)		230,766	0.53
Net current liabilities (30 Jun 2020: (1.42%))		(16,573)	(0.04)
Net assets attributable to holders of redeemable participating shares		43,820,232	100.00

Country classifications are based upon country of incorporation and/or country of domicile.

Financial assets at fair value through profit or loss (30 Jun 2020: 99.16%)
 Collective investment schemes (30 Jun 2020: 99.16%)

	Shares	Fair value €	% of Net assets
Ireland (30 Jun 2020: 99.16%)			
MGI Funds plc - Mercer Diversified Growth Fund - Class Z-1 €	198,108	41,622,492	41.17
MGI Funds plc - Mercer Euro Nominal Bond Long Duration Fund - Class Z-1 €	110,038	16,820,394	16.64
MGI Funds plc - Mercer Passive Global Equity Fund - Class Z-1 €	1,303,488	26,956,139	26.66
Other Ireland	-	12,916,972	12.77
Total collective investment schemes		98,315,997	97.24
Total financial assets at fair value through profit or loss		98,315,997	97.24
Total investments at fair value through profit and loss		98,315,997	97.24
Cash (30 Jun 2020: 0.78%)		2,809,180	2.78
Net current (liabilities)/assets (30 Jun 2020: 0.06%)		(23,499)	(0.02)
Net assets attributable to holders of redeemable participating shares		101,101,678	100.00

Country classifications are based upon country of incorporation and/or country of domicile.

Financial assets at fair value through profit or loss (30 Jun 2020: 99.13%)

Securities (30 Jun 2020: 99.13%)

Government bonds (30 Jun 2020: 99.13%)

	Nominal holdings	Fair value €	% of Net assets
France (30 Jun 2020: 49.42%)			
France (Government of) 3.15% due 25/07/2032	166,027,399	260,699,542	19.32
France (Government of) 1.80% due 25/07/2040	249,172,603	414,184,668	30.69
		<u>674,884,210</u>	<u>50.01</u>
Germany (30 Jun 2020: 49.71%)			
Bundesrepublik Deutschland Inflation Linked Bond 0.10% due 15/04/2023	101,840,573	104,801,079	7.77
Bundesrepublik Deutschland Inflation Linked Bond 0.50% due 15/04/2030	273,931,265	329,298,252	24.40
Bundesrepublik Deutschland Inflation Linked Bond 0.10% due 15/04/2046	156,292,032	233,406,521	17.30
		<u>667,505,852</u>	<u>49.47</u>
Total government bonds		1,342,390,062	99.48
Total securities		1,342,390,062	99.48
Total financial assets at fair value through profit or loss		1,342,390,062	99.48
Total investments at fair value through profit and loss		1,342,390,062	99.48
Cash (30 Jun 2020: 0.21%)		1,890,251	0.14
Net current assets (30 Jun 2020: 0.66%)		<u>5,102,480</u>	<u>0.38</u>
Net assets attributable to holders of redeemable participating shares		<u>1,349,382,793</u>	<u>100.00</u>

Country classifications are based upon country of incorporation and/or country of domicile.

Deposits (30 Jun 2020: 1.92%)

	Coupon rate	Maturity date	Currency	Notional holdings	Fair value GB£	% of Net assets
Royal Bank of Canada	0.05	04/01/2021	GBP	10,000,123	10,000,123	3.11
Total deposits					10,000,123	3.11

Financial assets at fair value through profit or loss (30 Jun 2020: 97.21%)

Securities (30 Jun 2020: 92.02%)

Asset backed securities (30 Jun 2020: 0.18%)

	Nominal holdings	Fair value GB£	% of Net assets
United Kingdom (30 Jun 2020: 0.18%)	–	929,380	0.29
Total asset backed securities		929,380	0.29

Corporate bonds (30 Jun 2020: 87.03%)

Australia (30 Jun 2020: 1.80%)	–	4,592,179	1.43
Belgium (30 Jun 2020: 0.71%)	–	944,678	0.29
Bermuda (30 Jun 2020: 0.05%)	–	274,424	0.09
Canada (30 Jun 2020: 0.61%)	–	1,121,292	0.35
Cayman Islands (30 Jun 2020: 0.80%)	–	1,840,692	0.57
Denmark (30 Jun 2020: 0.37%)	–	464,300	0.14
France (30 Jun 2020: 6.19%)	–	16,505,030	5.13
Germany (30 Jun 2020: 0.88%)	–	3,947,994	1.23
Ireland (30 Jun 2020: 1.31%)	–	5,494,400	1.71
Italy (30 Jun 2020: 1.13%)	–	3,323,782	1.03
Japan (30 Jun 2020: 0.17%)	–	562,424	0.18
Jersey (30 Jun 2020: 3.07%)	–	9,179,453	2.85
Luxembourg (30 Jun 2020: 1.33%)	–	3,458,308	1.07
Mexico (30 Jun 2020: 0.63%)	–	937,222	0.29
Netherlands (30 Jun 2020: 4.92%)	–	17,551,647	5.45
Norway (30 Jun 2020: 0.19%)	–	433,306	0.13
Spain (30 Jun 2020: 1.23%)	–	1,746,908	0.54
Sweden (30 Jun 2020: 0.46%)	–	2,442,529	0.76
Switzerland (30 Jun 2020: 0.17%)	–	1,188,428	0.37
United Arab Emirates (30 Jun 2020: 0.32%)	–	414,476	0.13
United Kingdom (30 Jun 2020: 45.58%)	–	152,957,540	47.50
United States of America (30 Jun 2020: 14.89%)	–	39,970,643	12.41

Total corporate bonds

269,351,655 83.65

Government bonds (30 Jun 2020: 4.81%)

France (30 Jun 2020: 0.08%)	–	403,367	0.13
Mexico (30 Jun 2020: 0.25%)	–	1,456,331	0.45
United Kingdom (30 Jun 2020: 4.48%)	–	27,935,736	8.68

Total government bonds

29,795,434 9.26

Total securities

300,076,469 93.20

Collective investment schemes (30 Jun 2020: 5.10%)

	Shares	Fair value GB£	% of Net assets
Ireland (30 Jun 2020: 5.10%)	–	2,386,027	0.74
Total collective investment schemes		2,386,027	0.74

Financial derivative instruments (30 Jun 2020: 0.09%)

Open forward foreign currency contracts (30 Jun 2020: 0.08%)

Currency buy	Counterparty	Buy amount	Currency sell	Sell amount	Contract date	Unrealised gain GB£	% of Net assets
EUR	Citigroup	1,086,000	GBP	964,964	21/01/2021	7,365	-
EUR	Barclays Bank	602,839	GBP	538,766	03/02/2021	1,090	-
EUR	Goldman Sachs	147,000	GBP	130,871	18/02/2021	803	-
GBP	Lloyds Bank	1,880,398	EUR	2,090,000	21/01/2021	9,157	-
GBP	Citigroup	158,538	EUR	175,000	21/01/2021	1,855	-

Financial assets at fair value through profit or loss (30 Jun 2020: 97.21%) (continued)

Financial derivative instruments (30 Jun 2020: 0.09%) (continued)

Open forward foreign currency contracts (30 Jun 2020: 0.08%) (continued)

Currency buy	Counterparty	Buy amount	Currency sell	Sell amount	Contract date	Unrealised gain GB£	% of Net assets
GBP	BNP Paribas	809,314	EUR	903,000	21/01/2021	830	-
GBP	JP Morgan Chase Bank	4,012,423	EUR	4,452,365	03/02/2021	25,229	0.01
GBP	Lloyds Bank	738,652	USD	956,000	15/01/2021	39,350	0.01
GBP	Morgan Stanley	448,196	USD	600,000	15/01/2021	9,304	-
GBP	Morgan Stanley	597,554	USD	800,000	28/01/2021	12,418	0.01
GBP	Barclays Bank	4,584,430	USD	5,958,411	04/02/2021	226,541	0.07
GBP	Citigroup	539,197	USD	710,000	09/02/2021	19,928	0.01
GBP	Bank of America Merrill Lynch	302,581	USD	402,000	19/02/2021	8,587	-
GBP	Goldman Sachs	91,320	USD	122,000	19/02/2021	2,098	-
Unrealised gain on open forward foreign currency contracts						364,555	0.11
Total financial derivative instruments at positive fair value						364,555	0.11
Total financial assets at fair value through profit or loss						302,827,051	94.05

Financial liabilities held for trading (30 Jun 2020: (0.28%))

Financial derivative instruments (30 Jun 2020: (0.28%))

Open forward foreign currency contracts (30 Jun 2020: (0.22%))

Currency buy	Counterparty	Buy amount	Currency sell	Sell amount	Contract date	Unrealised loss GB£	% of Net assets
EUR	BNP Paribas	528,000	GBP	474,471	21/01/2021	(1,737)	-
EUR	Morgan Stanley	277,000	GBP	250,820	21/01/2021	(2,813)	-
EUR	Lloyds Bank	204,000	GBP	183,936	21/01/2021	(1,289)	-
EUR	Bank of America Merrill Lynch	314,000	GBP	282,416	21/01/2021	(1,282)	-
EUR	Toronto Dominion Bank	255,000	GBP	232,637	04/02/2021	(4,275)	-
EUR	UBS Bank	1,077,000	GBP	975,752	18/02/2021	(11,034)	-
EUR	BNP Paribas	253,000	GBP	227,926	18/02/2021	(1,302)	-
EUR	Morgan Stanley	103,000	GBP	94,753	18/02/2021	(2,491)	-
EUR	BNP Paribas	1,065,000	GBP	962,081	25/02/2021	(8,001)	-
GBP	HSBC Bank	1,740,181	EUR	1,944,000	18/02/2021	(1,148)	-
GBP	Lloyds Bank	371,245	EUR	416,000	25/02/2021	(1,429)	-
GBP	BNP Paribas	1,394,832	EUR	1,563,000	25/02/2021	(5,381)	-
USD	Citigroup	348,000	GBP	268,778	15/01/2021	(14,220)	(0.01)
USD	HSBC Bank	238,000	GBP	177,677	15/01/2021	(3,583)	-
USD	Bank of America Merrill Lynch	241,000	GBP	179,117	15/01/2021	(2,828)	-
USD	Morgan Stanley	357,000	GBP	268,378	15/01/2021	(7,237)	-
USD	Lloyds Bank	392,000	GBP	299,362	28/01/2021	(12,645)	(0.01)
USD	Bank of America Merrill Lynch	304,000	GBP	224,395	28/01/2021	(2,044)	-
USD	Barclays Bank	1,806,338	GBP	1,371,939	04/02/2021	(50,811)	(0.02)
USD	HSBC Bank	2,289,627	GBP	1,722,044	04/02/2021	(47,447)	(0.02)
USD	BNP Paribas	687,000	GBP	521,506	09/02/2021	(19,058)	(0.01)
USD	Lloyds Bank	512,000	GBP	384,273	19/02/2021	(9,833)	-
Unrealised loss on open forward foreign currency contracts						(211,888)	(0.07)

Financial liabilities held for trading (30 Jun 2020: (0.28%)) (continued)

Financial derivative instruments (30 Jun 2020: (0.28%)) (continued)

Interest rate swaps (30 Jun 2020: (0.06%))

Fund receives	Counterparty	Fund pays	Maturity date	Currency	Notional holding	Fair value GB£	% of Net assets
12 Month SONIO	Barclays Bank	Fixed 0.79%	06/11/2047	GBP	(1,783,000)	(207,416)	(0.06)
Interest rate swaps at negative fair value						(207,416)	(0.06)
Total financial derivative instruments at negative fair value						(419,304)	(0.13)
Total financial liabilities held for trading						(419,304)	(0.13)
Total financial derivative instruments						(54,749)	(0.02)
Total investments at fair value through profit and loss/held for trading						302,407,747	93.92

Financial instruments excluded from financial assets at fair value through profit or loss (30 Jun 2020: 0.00%)

Financial derivative instruments settled to market (30 Jun 2020: 0.00%)

Futures contracts (30 Jun 2020: 0.02%)

	Counterparty	Notional GB£	Maturity date	Currency	No. of contracts long/(short)	Unrealised gain GB£	% of Net assets
10 Year US Treasury Notes Futures	Morgan Stanley	1,616,190	22/03/2021	USD	16	531	-
10 Year US Ultra Futures	JP Morgan Chase Bank	(457,542)	22/03/2021	USD	(4)	2,257	-
Euro Bobl Futures	JP Morgan Chase Bank	(1,814,985)	08/03/2021	EUR	(15)	134	-
Euro Bund Futures	Morgan Stanley	1,431,043	08/03/2021	EUR	9	5,890	-
Long Gilt Future	Morgan Stanley	6,099,300	29/03/2021	GBP	45	50,400	0.02
US Long Bond Futures	Morgan Stanley	(633,482)	22/03/2021	USD	(5)	5,639	-
US Ultra Bond Futures	Morgan Stanley	156,233	22/03/2021	USD	1	1,829	-
Unrealised gain on futures contracts settled to market						66,680	0.02
Total financial derivative instruments settled to market at positive fair value						66,680	0.02
Total financial instruments excluded from financial assets at fair value through profit or loss						66,680	0.02
Variation margin received on financial derivative instruments settled to market						(66,680)	(0.02)
Total financial derivative instruments settled to market						-	-

Financial instruments excluded from financial liabilities held for trading (30 Jun 2020: (0.00%))

Financial derivative instruments settled to market (30 Jun 2020: (0.00%))

Futures contracts (30 Jun 2020: (0.05%))

	Counterparty	Notional GB£	Maturity date	Currency	No. of contracts long/(short)	Unrealised loss GB£	% of Net assets
5 Year US Treasury Notes Futures	Morgan Stanley	(2,491,994)	31/03/2021	USD	(27)	(5,667)	-
Euro Bund Futures	JP Morgan Chase Bank	(954,028)	08/03/2021	EUR	(6)	(2,309)	-
Euro Schatz Futures	Morgan Stanley	803,974	08/03/2021	EUR	8	(251)	-
Euro-Bobl Futures	Morgan Stanley	(604,995)	08/03/2021	EUR	(5)	(436)	-

Financial instruments excluded from financial liabilities held for trading (30 Jun 2020: (0.00%)) (continued)

Financial derivative instruments settled to market (30 Jun 2020: (0.00%)) (continued)

Futures contracts (30 Jun 2020: (0.05%)) (continued)

	Counterparty	Notional GB£	Maturity date	Currency	No. of contracts long/(short)	Unrealised loss GB£	% of Net assets
Euro-Buxl Futures	Morgan Stanley	(1,008,056)	08/03/2021	EUR	(5)	(12,666)	(0.01)
Euro-Buxl Futures	JP Morgan Chase Bank	(201,611)	08/03/2021	EUR	(1)	(1,969)	-
Unrealised loss on futures contract settled to market						(23,298)	(0.01)
Total financial derivative instruments settled to market at negative fair value						(23,298)	(0.01)
Total financial instruments excluded from financial liabilities held for trading						(23,298)	(0.01)
Variation margin paid on financial derivative instruments settled to market						23,298	0.01
Total financial derivative instruments settled to market						-	-
						Fair value GB£	% of Net assets
Cash (30 Jun 2020: 3.25%)						5,563,694	1.73
Net current assets/(liabilities) (30 Jun 2020: (2.1%))						4,013,623	1.24
Net assets attributable to holders of redeemable participating shares						321,985,187	100.00

The following table outlines the geographic concentrations of financial assets at fair value through profit or loss at 30 June 2020 where the Sub-Fund is no longer invested in at 31 December 2020:

Financial assets at fair value through profit or loss

Securities

Corporate bonds

Guernsey

0.22%

Mortgage backed securities

United Kingdom

0.00%

Financial derivative instruments

Interest rate swaps

0.01%

Country classifications are based upon country of incorporation and/or country of domicile.

Financial assets at fair value through profit or loss (30 Jun 2020: 99.88%)

Securities (30 Jun 2020: 99.88%)

Government bonds (30 Jun 2020: 99.88%)

	Nominal holdings	Fair value GB£	% of Net assets
United Kingdom (30 Jun 2020: 99.88%)			
United Kingdom Gilt Inflation Linked 0.37% due 22/03/2062	20,084,304	53,731,538	32.25
United Kingdom Gilt Inflation Linked 0.13% due 22/11/2065	20,290,044	55,604,867	33.38
United Kingdom Gilt Inflation Linked 0.13% due 22/03/2068	19,324,508	57,003,434	34.21
Total government bonds		166,339,839	99.84
Total securities		166,339,839	99.84
Total financial assets at fair value through profit or loss		166,339,839	99.84
Total investments at fair value through profit and loss		166,339,839	99.84
Cash (30 Jun 2020: 0.33%)		223,043	0.13
Net current assets/(liabilities) (30 Jun 2020: (0.21%))		48,236	0.03
Net assets attributable to holders of redeemable participating shares		166,611,118	100.00

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Financial assets at fair value through profit or loss (30 Jun 2020: 107.94%)

Securities (30 Jun 2020: 107.94%)

Government bonds (30 Jun 2020: 107.94%)

	Nominal holdings	Fair value GB£	% of Net assets
United Kingdom (30 Jun 2020: 107.94%)			
United Kingdom (Government of) 4.25% due 07/12/2055	34,656,050	72,840,086	24.38
United Kingdom (Government of) 0.50% due 22/10/2061	79,541,650	75,135,043	25.15
United Kingdom (Government of) 2.50% due 22/07/2065	43,424,150	74,494,129	24.93
United Kingdom (Government of) 1.63% due 22/10/2071	51,148,500	75,213,869	25.17
Total government bonds		297,683,127	99.63
Total securities		297,683,127	99.63
Total financial assets at fair value through profit or loss		297,683,127	99.63
Total investments at fair value through profit and loss		297,683,127	99.63
Cash (30 Jun 2020: 0.16%)		386,504	0.13
Net current assets/(liabilities) (30 Jun 2020: (8.10%))		714,635	0.24
Net assets attributable to holders of redeemable participating shares		298,784,266	100.00

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Financial assets at fair value through profit or loss (30 Jun 2020: 99.85%)
 Collective investment schemes (30 Jun 2020: 99.85%)

	Shares	Fair value €	% of Net assets
Ireland (30 Jun 2020: 99.85%)			
MGI Funds plc - Mercer Absolute Return Fixed Income Fund - Class Z1-0.0000 €	387	4,032,240	26.14
MGI Funds plc - Mercer Global High Yield Bond Fund - Class Z2-H-0.0200 €	568	6,209,182	40.24
MGI Funds plc - MGI Emerging Markets Debt Fund - Class Z-1 €	48,673	5,146,227	33.35
Total collective investment schemes		15,387,649	99.73
Total financial assets at fair value through profit or loss		15,387,649	99.73
Total investments at fair value through profit and loss		15,387,649	99.73
Cash (30 Jun 2020: 0.29%)		52,702	0.34
Net current liabilities (30 Jun 2020: (0.14%))		(10,542)	(0.07)
Net assets attributable to holders of redeemable participating shares		15,429,809	100.00

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Financial assets at fair value through profit or loss (30 Jun 2020: 99.45%)

Securities (30 Jun 2020: 99.45%)

Government bonds (30 Jun 2020: 99.45%)

	Nominal holdings	Fair value €	% of Net assets
France (30 Jun 2020: 26.97%)			
France (Government of) 1.85% due 25/07/2027	4,771,042	5,862,990	5.83
Other France	–	21,355,306	21.22
		<u>27,218,296</u>	<u>27.05</u>
Germany (30 Jun 2020: 38.26%)			
Bundesrepublik Inflation Linked Bond 0.10% due 15/04/2026	11,639,628	12,646,688	12.56
Bundesrepublik Inflation Linked Bond 0.50% due 15/04/2030	13,191,313	15,857,542	15.76
Bundesrepublik Inflation Linked Bond 0.10% due 15/04/2046	6,845,192	10,222,609	10.16
		<u>38,726,839</u>	<u>38.48</u>
Italy (30 Jun 2020: 20.36%)	–	20,216,490	20.09
Spain (30 Jun 2020: 13.86%)			
Spain Government Inflation Linked Bond 1.00% due 30/11/2030	4,676,045	5,619,203	5.58
Other Spain	–	8,463,808	8.41
		<u>14,083,011</u>	<u>13.99</u>
Total government bonds		<u>100,244,636</u>	<u>99.61</u>
Total securities		<u>100,244,636</u>	<u>99.61</u>
Total financial assets at fair value through profit or loss		<u>100,244,636</u>	<u>99.61</u>
Total investments at fair value through profit and loss		<u>100,244,636</u>	<u>99.61</u>
Cash (30 Jun 2020: 0.16%)		144,231	0.14
Net current assets (30 Jun 2020: 0.39%)		249,539	0.25
Net assets attributable to holders of redeemable participating shares		<u>100,638,406</u>	<u>100.00</u>

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