

# KEY INVESTOR INFORMATION



This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

Investors should note that, relative to the expectations of the Autorité des Marchés Financiers, this [UCITS] presents disproportionate communication on the consideration of non-financial criteria in its investment policy.

## Mercer Diversified Growth Fund (the "Fund") Share Class M5 EUR Hedged (IE00BGSH7B43) (the "Share Class")

The Fund is a sub-fund of **MGI Funds plc** and is managed by Mercer Global Investments Management Limited

### OBJECTIVE AND INVESTMENT POLICY

The investment objective of the Fund is to seek long-term growth of capital and income.

The Fund will seek to achieve its investment objective primarily by holding a range of Underlying Funds which in turn invest in assets including shares, equity interests, fixed and floating rate bonds issued by government and other corporate entities and indices on which commodities such as energy, agricultural and industrial products and precious metals are traded. The Fund can invest up to 100% of its assets in other collective investment schemes which fall within the categories specified by the Central Bank as permissible investments for UCITS ('Underlying Funds') which are consistent with the Fund's investment objectives and restrictions, but no more than 20% may be invested in any one Underlying Fund. Additionally, when it is determined to be the best approach, the Fund may also invest in such assets directly.

The Fund seeks to promote environmental characteristics within the meaning of Article 8 of the SFDR, namely, to seek to mitigate the impact of climate change through progressive decarbonisation within the Fund's portfolio. The Investment Manager relies on specific analyses to assess the Fund's current and future potential alignment to the decarbonisation expectations. Climate scenario research and modelling is used to assess the future impact of certain climate change scenarios, and forward-looking portfolio analytics and bottom-up assessment of holdings are used to examine the impact of any proposed investment decisions on the carbon exposure of the Fund.

In order to measure its decarbonisation strategy, the Fund uses a proprietary tool which scores securities based on metrics such as carbon emissions intensity, absolute carbon emissions, fossil fuel reserves, power generation carbon intensity, transportation carbon score, transition commitment and capacity, warming potential and green revenues. In addition, the Fund will have

exposure to sustainable investments either directly or through investment in Underlying Funds.

The Fund is actively managed and will seek to outperform cash by 3.0% - 4.0%, gross of the fees of the Manager, the Investment Manager and the Distributor, but net of all other fees and expenses, on average per annum over the medium to long term. For the purposes of the calculation of outperformance of cash, an appropriate rate has been used as detailed in the past performance section. The Fund is in no way constrained by any benchmark and there is no guarantee the Fund will outperform cash.

Underlying Funds can include other sub-funds of MGI Funds plc. The Fund may invest up to 20% of its assets in real estate investment trusts, up to 35% of its assets in Underlying Funds which invest in emerging markets securities, and up to 10% of its assets in equity securities listed or traded on Russian exchanges. The Fund may invest no more than 30% in bonds which are rated below investment grade.

The Fund may use financial derivative instruments (instruments for which the price is dependent on one or more underlying asset, 'FDI') up to a maximum of 20% of its assets. This can be to achieve the investment objective, to hedge a given investment or to hedge against anticipated movements in a market or other sector or to manage the portfolio more efficiently. FDI may enable the Fund to obtain market exposure in excess of the value of the Fund's assets.

The Fund may be leveraged up to 100% of its assets through FDI. The use of FDI may multiply the gains or losses made by the Fund on a given investment or on its investments generally.

The Share Class will not distribute dividends. Income and capital gains from the Fund are reinvested.

You can buy and sell shares in the Fund on demand each day which is a bank business day in Ireland or the United Kingdom.

### RISK AND REWARD PROFILE

**Lower risk**

Potentially lower reward

**Higher risk**

Potentially higher reward



The risk and reward indicator value is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile.

The risk category shown is not guaranteed and may change over time.

The lowest category, 1, does not mean risk free.

The value of investments and income from them can go down as well as up and you may not get back the full amount you invested.

The Share Class is rated 5 due to the nature of its investments which include the risks listed below:

**Equities:** The value of equities and equity-related securities can be affected by daily stock market movements. Other influential

factors include political and economic news, company earnings and significant corporate events.

**Fixed income:** Investing in fixed income securities offers the chance to gain returns through growing capital and generating income. However, there is a risk that the institution that issues the security could fail to pay out on the bond, causing the Fund to lose its initial investment and expected income from the security. Fixed income values are likely to fall if interest rates rise. If interest rates change considerably, as bonds mature, there is no guarantee that bonds of a similar type and yield will be available to replace them.

**Fund of Funds:** The Fund is a fund of funds, which means that the Fund invests in other Underlying Funds and each of the Underlying Funds into which it invests may in turn be subject to risks arising from the investments which that Underlying Fund makes. There can be no assurance that suitable Underlying Funds can be successfully selected or that the managers of the Underlying Funds will be successful in their investment strategies.

**Operational risk:** All funds are subject to the risk that something could go wrong in the day-to-day running of an organisation.

**Liquidity risk:** Lower liquidity means there are insufficient buyers or sellers to allow the Fund to sell or buy investments readily.

**Multi-Manager or Fund of Funds:** The Fund may in certain circumstances invest directly rather than through Underlying Funds. In such cases, the Fund will be directly subject to the risks identified here and in the supplement for the Fund.

**Hedged Share Classes:** The currency hedging approach may not be successful, so changes in exchange rates may cause the value of investments to decrease or increase.

For more information on risks please refer to the "Special Considerations and Risk Factors" section in the prospectus and in the supplement for the Fund.

## CHARGES

The charges you pay are used to pay the cost of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

Entry charge	none
Exit charge	none

This is the maximum that might be taken out of your money before it is invested and before the proceeds of your investment are paid out.

### Charges taken from the fund over a year

Ongoing charge	0.40%
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### Charges taken from the fund under certain specific conditions

Performance fee	none
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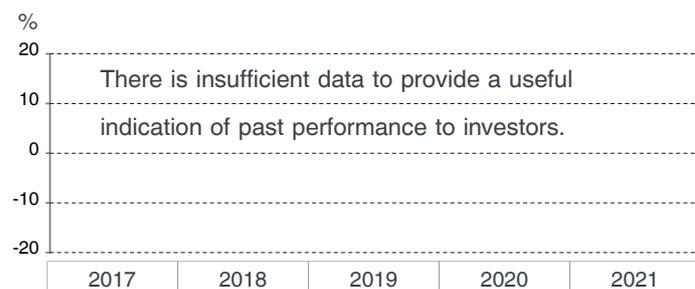
The entry and exit charges shown are maximum figures. In some cases, you might pay less – you can find this out from your investment advisor or distributor.

The ongoing charges figure is an estimate. This figure may vary from year to year. It excludes:

- Performance fees
- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Fund when buying or selling units in another collective investment undertaking.

For more information about charges and information about other share classes, please refer to the prospectus.

## PAST PERFORMANCE



There is insufficient data to provide a useful indication of past performance. Performance will be reported upon availability of a full year's performance. Past performance, once available, is not a guide to future results.

Past performance will take account of charges and costs. The Fund was launched on 08/06/2011.

## PRACTICAL INFORMATION

**Depositary & Administrator:** The Fund's assets are held through its depositary, State Street Custodial Services (Ireland) Limited. State Street Fund Services (Ireland) Limited is the administrator of the Fund (the Administrator).

**Further Information:** The Fund is a sub-fund of MGI Funds plc. The prospectus and the latest annual and semi-annual reports, which are prepared for the entire umbrella, can be obtained free of charge from the Administrator.

**Remuneration:** The details of the current remuneration policy are available on <https://investment-solutions.mercer.com/global/all/en/investment-solutions-home/corporate-policies.html>. A paper copy will be made available free of charge upon request from the Administrator.

**Segregated Liability:** The assets and liabilities are segregated by law between the sub-funds of the umbrella. This means that

the Fund's assets are held separately from other sub-funds. Your investment in the Fund will not be affected by any claims made against any other sub-fund in the umbrella.

**Price Publication:** The value of the Fund's assets per share is available from the Administrator or at [www.bloomberg.com](http://www.bloomberg.com)

**Tax Legislation:** The Fund is subject to the tax laws and regulations of Ireland. This might have an impact on your investments depending on your country of residence. For further details, you should consult a tax advisor.

**Liability Statement:** Mercer Global Investments Management Limited may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the Fund.