

---

PROSPECTUS

for

MERCER PRIVATE MARKETS S.A. SICAV–  
UCI PART II

---

a *société à capital variable* (SICAV) governed by Part II of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment (as amended), incorporated as *société anonyme* under the laws of the Grand Duchy of Luxembourg

Registered office: 49, Avenue J.F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg  
R.C.S. Luxembourg: B296465

December 2025

## GENERAL SECTION

### Important Information to Prospective Investors

This Prospectus comprises information relating to Mercer Private Markets S.A. SICAV–UCI Part II (the "**Company**"), which qualifies as a Luxembourg investment company with variable capital (*société d'investissement à capital variable*) governed by Part II of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment (as amended), incorporated as a *société anonyme*. The Company qualifies as an alternative investment fund ("**AIF**") within the meaning of Article 1 (39) of the law of 12 July 2013 on alternative investment fund managers (the "**AIFM Law**") implementing the AIFMD. Any representation to the contrary is unauthorized and unlawful.

The Company has appointed Mercer Alternatives (Luxembourg) S.à r.l. as its alternative investment fund manager (the "**AIFM**") within the meaning of Chapter 2 of the AIFM Law.

Statements made in this Prospectus are, except where otherwise stated, based on the law and practice currently in force in Luxembourg and are subject to changes therein.

No person has been authorized to give any information or to make any representations in connection with the offering of Shares other than those contained in this Prospectus and the reports referred to above, and, if given or made, such information or representations must not be relied on as having been authorized by the Company. The delivery of this Prospectus (whether or not accompanied by any reports) or the issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof.

The distribution of this Prospectus and the offering of Shares in certain other jurisdictions may be restricted. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

This Prospectus may be translated into other languages. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail to the extent permitted by the applicable laws or regulations, and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the laws of Luxembourg.

**An investment into the Company and any of its Sub-Funds is subject to risks. Please consider carefully the considerations set out in respect thereof in the General Section of this Prospectus as well as in the relevant Supplement pertaining to the Sub-Fund concerned.**

Prospective subscribers and purchasers of Shares in any Sub-Fund should inform themselves as to (a) the possible tax consequences, (b) the legal requirements and (c) any foreign exchange restrictions or exchange control requirements which they might encounter under the laws of

the countries of their citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding and disposal of Shares in the Company and/or any Sub-Fund.

Prospective investors should not construe the contents of this Prospectus as investment, legal, business, accounting, tax or other advice. In making an investment decision, prospective investors must rely on their own examination of the Company and the relevant Sub-Fund and the terms of the offering, including the merits and risks involved. Each prospective investor should consult their own attorneys, business advisors and/or tax advisors as to legal, business, accounting, tax and related matters concerning an investment in the Company. An investment in any Sub-Fund involves significant risks. Prospective investors should have the financial ability and willingness to accept the risk characteristics of the Company and the relevant Sub-Fund.

The information contained in this Prospectus is supplemented by the Articles and further information documentation, such as the annual and quarterly reports as well as the information on the historical performance of any Sub-Fund (if any) which may be requested free of charge at the registered office of the Company and the AIFM.

The Company draws the investors' attention to the fact that any investor will only be able to fully exercise its shareholder rights directly against the Company and/or the relevant Sub-Fund, notably the right to participate in the relevant General Meetings, if the investor is registered themselves and in their own name in the Company's Share register. In cases where an investor invests in a Sub-Fund through an intermediary investing into such Sub-Fund in their own name but on behalf of the investor, it may not always be possible for the investor to exercise certain Shareholder rights directly against the Company and/or the relevant Sub-Fund. Investors are advised to take advice on their rights.

The Company is authorized and was entered by the Luxembourg regulatory and supervisory authority (*Commission de Surveillance du Secteur Financier* ("CSSF")) on the list of undertakings for collective investment governed by Part II of the UCI Law. The entry on the list is tantamount to authorization and the entering and the maintaining on the list is subject to observance of all the provisions of laws, regulations or agreements relating to the organization and operation of undertakings for collective investment and the distribution, placing or sale of their shares. The fact that an undertaking for collective investment is entered on the list shall not, under no circumstances, be described in any ways whatsoever as a positive assessment made by the CSSF of the quality of the shares offered for sale.

The Company may include one or more Sub-Fund(s) which may qualify as an ELTIF under the ELTIF Regulation (each such Sub-Fund, an "**ELTIF Sub-Fund**"). An ELTIF Sub-Fund is intended to be invested in long-term assets. Prospective Investors in an ELTIF Sub-Fund should be aware that long-term assets are typically assets that are of an illiquid nature, and which often provide late return on investment and generally have an economic profile of a long-term nature.

In the event a Sub-Fund qualifies as an ELTIF Sub-Fund and in accordance with the requirements of the ELTIF Regulation, retail investors must be provided with appropriate investment advice by a distributor before investing in the ELTIF Sub-Fund. Furthermore, in accordance with the ELTIF Regulation, in the event any Sub-Fund qualifies as an ELTIF Sub-Fund and is marketed to retail investors, facilities will be made available for making subscriptions, making payments to shareholders, repurchasing or redeeming Shares and for

making available the information the relevant Sub-Fund and the AIFM are required to provide under the ELTIF Regulation. Appropriate procedures and arrangements for dealing with complaints submitted by retail investors in one of the official languages of the retail investors' country shall be established.

Participation in the Company may be offered through financial intermediaries, which generally have client net worth thresholds and other requirements. Accordingly, the Company and any Sub-Fund is intended for investors who have established relationships with such financial intermediaries. Prospective investors should consult with their financial intermediary to discuss potential eligibility and suitability requirements for an investment in the Company and the relevant Sub-Fund.

### **Restrictions on offer of Shares**

This Prospectus does not constitute an offer to issue or sell to, or a solicitation of an offer to subscribe from, anyone in any country or jurisdiction (i) in which such an offer or solicitation is not authorized, (ii) in which any person making such offer or solicitation is not qualified to do so or (iii) in which any such offer or solicitation would otherwise be unlawful.

The offering of Shares in the Company and the relevant Sub-Fund(s) does not constitute a direct or an indirect offering of interests in any of the investments, and subscribers and purchasers of Shares offered hereby will not have any direct interest in or have any voting rights in such investments. The investments, or institutions related to the investments, may have other business relationships with the Company, the AIFM, the relevant Portfolio Manager and their respective Associates.

No action has been taken that would, or is intended to, permit a public offer of Shares in any country or jurisdiction where any such public offering of shares is not permitted. Accordingly, Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other information, form of application, advertisement or other document may be distributed or published in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Any recipient of this Prospectus must inform themselves about and observe any legal restrictions affecting any subscription of shares in the Company and the relevant Sub-Fund(s). None of the Company, the Board, the AIFM or the relevant Portfolio Manager or any of their Associates make any representation or warranty to any prospective investor regarding the legality of an investment in the Company by such person under appropriate securities or similar laws.

### **Notice to persons in the European Economic Area (“EEA”)**

The Company, and each Sub-Fund, is or will be an alternative investment fund for the purpose of the European Union Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (“AIFMD”). Mercer Alternatives (Luxembourg) S.à.r.l. is the alternative investment fund manager (“AIFM”) of the Company.

Shares may only be marketed to prospective investors which are domiciled or have a registered office in a member state of the EEA (“**EEA Persons**”) in respect of which AIFMD marketing rights have been exercised by the AIFM under article 31 or article 32 of AIFMD and in such cases only to EEA persons which are professional investors or any other category of person to which such marketing is permitted, and who meet the necessary eligibility requirements or

conditions, under the national laws of such member state. This Prospectus is not intended for, should not be relied on by and should not be construed as an offer (or any other form of marketing) to any other EEA person.

A “**Professional Investor**” is an investor who is considered to be a professional client or which may, on request, be treated as a professional client within the relevant national implementation of annex ii of European Union Directive 2014/65/EU (markets in financial instruments directive or “**MIFiD II**”) and AIFMD.

The Shares shall not be offered, sold or otherwise made available to any retail investor in the EEA unless a key information document required by Regulation (EU) 1286/2014 (the “**PRIIPs regulation**”) for offering or selling the shares or otherwise making the Shares available to retail investors in the EEA has been prepared. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4(1) of MIFiD II; or (ii) a customer within the meaning of directive 2002/92/EC (“**IMD**”), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MIFiD II. Therefore offering or selling the shares or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs regulation.

In relation to each member state of the EEA that has implemented regulation (EU) 2017/1129 (the “**Prospectus Regulation**”) with effect from and including the date of the Prospectus Regulation, no interests have been offered or will be offered to the public in an EEA member state other than:

- a) to any legal entity which is a qualified investor as defined under article 2(e) of the Prospectus Regulation (a “**Qualified Investor**”);
- b) to fewer than one hundred and fifty (150) natural or legal persons per member state (other than Qualified Investors); or
- c) in any other circumstances falling within articles 1(4), 1(5) and 3 of the Prospectus Regulation which do not require the publication of a prospectus.

a list of jurisdictions and sub-funds in respect of which the company has exercised marketing rights under article 31 and/or 32 of AIFMD is available from the AIFM on request.

#### **Notice to persons in Germany**

It is intended that the company will be registered with the *Bundesanstalt Für Finanzdienstleistungsaufsicht* (“**BaFin**”) according to section 323 KAGB For Marketing To Semi-Professional Investors in the meaning of section 1 (19) no. 32 and no. 33 KAGB and / or Professional Investors. The Company must not be marketed to retail investors (*Privatanleger*) in the meaning of section 1 (19) no. 31 KAGB.

The Company is an alternative investment fund for the purpose of the European Union Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (“**AIFMD**”). Mercer Alternatives (Luxembourg) S.à.r.l. is the alternative investment fund manager (“**AIFM**”) of the Company.

According to section 323 KAGB, Shares, once registered with the BaFin, may only be marketed to prospective investors in Germany which are Professional Investors or Semi-Professional Investors. This Prospectus is not intended for, should not be relied on by and should not be construed as an offer to any other person.

A list of sub-funds in respect of which the company has exercised rights to market to Semi-Professional Investors and / or Professional Investors in Germany under article 31 and/or 32 of AIFMD is available from the AIFM on request.

### **Notice to persons in The Netherlands**

The Company is an alternative investment fund for the purpose of the European Union Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (“**AIFMD**”). Mercer Alternatives (Luxembourg) S.à.r.l. is the alternative investment fund manager (“**AIFM**”) of the Company.

Shares may only be marketed to prospective investors which are domiciled or have a registered office in The Netherlands in respect of which AIFMD marketing rights have been exercised by the AIFM under article 31 or article 32 of AIFMD and in such cases only to persons which are professional investors.

a “**Professional Investor**” is an investor who is considered to be a professional investor (“**Professionele Belegger**”) within the meaning of article 1:1 of the Dutch Act On Financial Supervision (“**Wet Op Het Financieel Toezicht**”). Shares in the Company may also be marketed to non-professional investors for a nominal value of at least EUR 100,000 per investor, this amount to be paid at once, provided (i) the Dutch Authority for the Financial Markets (*Autoriteit Financiële Markten*) is notified of the marketing to non-professional investors; and (ii) a key information document in respect of the company pursuant to the PRIIPS Regulation, will be prepared, which will be provided free of charge by the AIFM at the request of the investors. this document is not intended for, should not be relied on by and should not be construed as an offer to any other person.

### **Notice to persons in the Abu Dhabi Global Market (“ADGM”)**

This Prospectus relates to a Company which is not subject to any form of regulation or approval by the Financial Services Regulatory Authority (“**FSRA**”). This Prospectus is intended for distribution only to persons of a type specified in the FSRA’s rules (i.e. “**Professional Clients**”) and, therefore, must not be delivered to, or relied on by, any other type of person. This Prospectus is for the exclusive use of the persons to whom it is addressed and in connection with the subject matter contained therein. The FSRA has no responsibility for reviewing or verifying this Prospectus or other documents in connection with this Company. Accordingly, the FSRA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it. The interests to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Shares. If you do not understand the contents of this document you should consult an authorized financial adviser.

### **Notice to residents of Bermuda**

This Prospectus and the information contained herein does not constitute and is not intended to constitute an offer or invitation to the public in Bermuda to subscribe for Shares and accordingly should not be construed as such. Securities may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act 2003, the Exchange

Control Act 1972, the Exchange Control Regulations 1973 and the Companies Act 1981 which regulate the sale of securities in Bermuda.

It is intended that the Company will be designated an “**Overseas Fund**” under the Investment Funds Act 2006 (“**IFA**”) and, as such, will not be subject to the same supervision and regulation by the Bermuda Monetary Authority (“**BMA**”) as an investment fund that is authorized or registered under the IFA. Once successfully designated as an “Overseas Fund” the Company will not be prohibited from being managed and carrying on promotion within Bermuda. “promotion” means the following activities: (i) advertising, issuing an offering document, application form or proposal form and stating the method of issue; and (ii) circulating or making available promotional material, including describing the general nature of the material and the person to whom, and the manner in which, it is circulated or made available. engaging in the activity of offering or marketing the shares being offered in Bermuda to persons in Bermuda may be deemed to be carrying on business in Bermuda and the Company would need to comply with applicable law to the extent it undertakes such activity.

While this Prospectus will be provided to the BMA in connection with the Company’s designation as an “Overseas Fund”, this Prospectus is not subject to and has not received approval from either the BMA or the Registrar of Companies in Bermuda (“**ROC**”) and no statement to the contrary, explicit or implicit, is authorized to be made in this regard. Neither the BMA nor the ROC or any other regulatory body in Bermuda has reviewed this Prospectus and accepts no responsibility for the financial soundness of any proposal or for the correctness of any of the statements made or opinions expressed herein. any representation to the contrary is a criminal offence. A copy of this Prospectus has not been delivered to the ROC.

#### **Notice to residents of Canada**

This Prospectus is being provided to you by the company for informational purposes only and is not, and under no circumstances should be construed as, an advertisement, offering or solicitation for purchasers of securities in Canada. The Company is not registered, nor is it currently relying on an exemption from registration, as a dealer, adviser or investment fund manager in Canada. Investments in Shares may only be made by eligible private placement purchasers that qualify as "accredited investors" and "permitted clients" under applicable Canadian securities laws and in compliance with applicable registration requirements or pursuant to exemptions from registration. No securities commission or similar authority in Canada has reviewed this material or has in any way passed upon the merits of any shares referenced in this material and any representation to the contrary is an offence.

#### **Notice to residents of the Cayman Islands**

This Prospectus and the information contained herein does not constitute and is not intended to constitute an offer of securities and accordingly should not be construed as such. The Company and any other products or services referenced in this prospectus may not be licensed in all jurisdictions, and unless otherwise indicated, no regulator or government authority has reviewed this Prospectus or the merits of the products and services referenced herein. This Prospectus and the information contained herein has been made available in accordance with the restrictions and/or limitations implemented by any applicable laws and regulations. This Prospectus is directed at and intended for institutional investors (as such term is defined in each jurisdiction in which the company is marketed). This Prospectus is provided on a confidential basis for informational purposes only and may not be reproduced in any form. Before acting

on any information in this prospectus, prospective investors should inform themselves of and observe all applicable laws, rules and regulations of any relevant jurisdictions and obtain independent advice if required. This Prospectus is for the use of the named addressee only and should not be given, forwarded or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof).

### **Notice to residents of Dubai International Financial Centre**

This Prospectus relates to a company which is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA").

This Prospectus is intended for distribution only to persons of a type specified in the DFSA's rules (i.e. "**Professional Clients**") and, therefore, must not be delivered to, or relied on by, any other type of person. This Prospectus is for the exclusive use of the persons to whom it is addressed and in connection with the subject matter contained therein.

The DFSA has no responsibility for reviewing or verifying any prospectus or other documents in connection with the Company. accordingly, the DFSA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it. The Shares to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Shares. If you do not understand the contents of this Prospectus you should consult an authorized financial adviser.

### **Notice to residents of Hong Kong**

**Warning – the contents of this Prospectus have not been reviewed nor endorsed by any regulatory authority in Hong Kong. Hong Kong residents are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Prospectus, you should obtain independent professional advice.**

The Company is not authorised by the Securities and Futures Commission ("SFC") in Hong Kong pursuant to section 104 of the Securities and Futures Ordinance ("SFO"). This Prospectus has not been approved by the SFC in Hong Kong, nor has a copy of it been registered with the registrar of companies in Hong Kong. Accordingly:

1. Shares may not be offered or sold in Hong Kong by means of this Prospectus or any other document other than to "**Professional Investors**" within the meaning of Part I of Schedule 1 to the SFO and any rules made under the SFO, or in other circumstances which do not result in the document being a "**Prospectus**" as defined in the Hong Kong Companies (Winding Up And Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws Of Hong Kong) ("**CWUMPO**") or which do not constitute an offer or invitation to the public for the purposes of the CWUMPO or the SFO; and
2. no person shall issue or possess for the purpose of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Shares which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so in 1. above or under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "Professional Investors".

This Prospectus is distributed on a confidential basis and may not be reproduced in any form or transmitted to any person other than the person to whom it is addressed. No Shares will be issued to any person other than the person to whom this prospectus has been addressed and no person other than such addressee may treat the same as constituting an invitation for him to invest.

### **Notice to residents of Israel**

Terms that are used in the following paragraphs and are not otherwise defined herein, shall have the meaning ascribed to them under the Regulation Of Investment Advice, Of Investment Marketing, And Of Portfolio Management Law, 1995 (the “**Investment Advice Law**”).

This Prospectus, as well as investment in the Company herein, is directed at and intended for investors that fall within at least one category in each of: (1) the first schedule of the Israeli Securities Law, 1968 (“**Sophisticated Investors**”); and (2) the first schedule of the Investment Advice Law (“**Qualified Clients**”).

No action has been taken or will be taken in Israel that would permit the public offering of the Company, or distribution of materials that relate to investment therein to the public in Israel. neither this Prospectus, nor any other document that relates to the Company, has been approved by the Israel Securities Authority.

It is hereby noted that with respect to Qualified Clients, the Company, AIFM or Portfolio Manager are not obliged to comply with the following requirements of the Investment Advice Law: (1) ensuring the compatibility of service to the needs of client; (2) engaging in a written agreement with the client, the content of which is as described in section 13 of The Investment Advice Law; (3) providing the client with appropriate disclosure regarding all matters that are material to a proposed transaction or to the advice given; (4) a prohibition on preferring certain securities or other financial assets; (5) providing disclosure about “extraordinary risks” entailed in a transaction (and obtaining the client’s approval of such transactions, if applicable); (6) a prohibition on making portfolio management fees conditional upon profits or number of transactions; (7) maintaining records of advisory/discretionary actions.

By receiving this Prospectus you hereby declare that you are a Sophisticated Investor and a Qualified Client, that you are aware of the implications of being considered a Sophisticated investor and a Qualified Client (including the implications mentioned in the above paragraph), and consent thereto. Any investor which is either: (1) not a Sophisticated Investor; or (2) not a Qualified Client – must immediately return this Prospectus to the AIFM. This Prospectus is for the use of the named addressee only and should not be given, forwarded or shown to any other person (other than employees, agents or consultants in connection with the addressee’s consideration thereof). In any case, the Company shall not be offered or sold to any investor in Israel which is not a Sophisticated Investor.

This Prospectus is not intended to serve, and should not be treated as investment advice or investment marketing. Accordingly, the content of this Prospectus does not replace and should not serve as substitution for investment marketing or investment advising that take into account the special characteristics and needs of each investor. The AIFM and Portfolio Manager are affiliated with the Company, have a personal interest in the sale of the shares and might prefer the Company over other financial assets, due to the fact that they receive fees and / or profits in respect of the Company. The AIFM and Portfolio Manager do not hold a license in Israel or

have insurance as required in Israel to conduct investment advice or investment marketing in Israel under the investment advice law.

### **Notice to residents of Japan**

This Prospectus is not, and under no circumstances is to be considered as, a public offering of securities in Japan. No securities registration statement pursuant to article 4, paragraph 1 of Japan's Financial Instruments and Exchange Act ("**FIEA**") has been or will be made with respect to the solicitation of applications for acquisition of the shares on the grounds that such solicitation would constitute a "solicitation for qualified institutional investors" as set forth in article 23-13, paragraph 1 of the FIEA. The offering is made on the condition that each investor enters into an agreement whereby the investor covenants not to transfer its Shares (i) to persons other than qualified institutional investors as defined in article 2, paragraph 3, item 1 of the FIEA ("**QIIS**"), or (ii) without entering into an agreement whereby the transferee covenants not to transfer its shares to persons other than QIIS. This Prospectus is distributed on a confidential basis and may not be reproduced in any form or transmitted to any person other than the persons to whom it is addressed. No Shares will be issued to any person other than the person to whom this Prospectus has been addressed and no persons other than such addressees may treat the same as constituting an invitation for them to invest.

### **Notice to residents of Korea (South)**

Neither the Company, the AIFM nor any distributor may make any representation with respect to the eligibility of any recipients of this Prospectus to acquire the shares referred to herein under the laws of Korea, including, without limitation, the Foreign Exchange Transaction Act And Regulations thereunder. The Shares have not been registered under the Financial Investment Services and Capital Markets Act of Korea ("**Fscma**") with the financial services commission of Korea for a public offering in Korea. None of the Shares may be offered or sold to any person, directly or indirectly, in Korea or to any residents of Korea, except pursuant to applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. By the purchase of the Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the shares pursuant to the applicable laws and regulations of Korea.

### **Notice to residents of Malaysia**

No approval from the securities commission of Malaysia has been or will be obtained for the offering of Shares in Malaysia on the basis that the Shares will not be offered or sold within Malaysia to any person. In addition, this prospectus has not been nor will it be registered with the securities commission of Malaysia on the same basis that no shares will be offered or sold within Malaysia to any person. Nothing in this Prospectus should be considered as constituting investment advice or a making, an offering to make, or an inducement or attempted inducement of any person (including the recipient) to enter into or to offer to enter into, an agreement for or with a view to acquiring, disposing of, subscribing for or underwriting securities while in Malaysia. Nothing in this Prospectus shall be considered a making available of, a solicitation to buy, an offering for subscription or purchase, or an invitation to subscribe for or purchase, any securities, or any other product or service, to any person in Malaysia.

In addition to the above, the Shares may not be offered or sold, nor any offering document, including this Prospectus, will be published or distributed, in or from within the Federal Territory of Labuan to entities established or registered under the Labuan Companies Act 1990 and the laws applicable to the Labuan International Business and Financial Centre without the prior written approval of the Labuan Financial Services Authority unless such offer, sale or invitation falls within section 8(5) of the Labuan Financial Services And Securities Act 2010.

### **Notice to residents of Mexico**

The Shares have not been, and will not be, registered with the Mexican National Securities Registry (*Registro Nacional de Valores*) maintained by the Mexican National Banking Commission, (*Comisión Nacional Bancaria y de Valores* or the “CNBV”) and may not be publicly offered or sold in the United Mexican States. The Prospectus relating to the Share offering may not be distributed publicly in Mexico and the Shares may not be traded in Mexico. The CNBV has not reviewed or approved this Prospectus. This is not a public offering of securities in Mexico.

### **Notice to residents of Oman**

This Prospectus does not constitute a public offer of investment or securities in the sultanate of Oman, as contemplated by the Commercial Companies Law (Royal Decree No. 18/2019), the Banking Law (Royal Decree No. 114/2000), the Securities Law (Royal Decree No. 46/2022) and Ministerial Decision No. 1/2009 issuing the Executive Regulations of the Capital Market Law or an offer to sell or a solicitation of any offer to buy non-Omani investment products or securities in the sultanate of Oman. This Prospectus is strictly private and confidential. It is being provided to the addressee as a sophisticated investor solely to enable them to decide whether or not to make an offer to enter into commitments to invest in the company outside the sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Prospectus is not intended to lead to the making of any contract within the territory or under the laws of the sultanate of Oman. This Prospectus is regulated by the *Commission De Surveillance Du Secteur Financier* and is being made under the Laws of the Grand Duchy of Luxembourg. The Capital Market Authority and the Central Bank of Oman take no responsibility for the accuracy of the statements and information contained in this Prospectus or for the performance of the Company nor shall they have any liability to any person for damage or loss resulting from reliance on any statement or information contained herein.

### **Notice to residents of Qatar**

Prospective investors should read this Prospectus carefully before deciding whether to purchase Shares and should pay attention to the information under the headings “Certain Risk Factors” and “Special Considerations And Risk Factors”. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. investors in the Company are warned that the nature of the proposed investment policies of the Company involves considerable risk which may result in investors losing their entire investment. The Company recommends that an investment in the Company should not

constitute a substantial proportion of an investment portfolio and cautions that such an investment may not be appropriate for all potential investors.

This offering is not intended to constitute an offer, sale or delivery of Shares or other securities under the laws of the State of Qatar. The offer of Shares has not been and will not be licensed pursuant to Law No. 8 of 2012 (“**QFMA Law**”) establishing the Qatar Financial Markets Authority (“**QFMA**”) and the regulatory regime thereunder (including in particular the QFMA regulations issued via QFMA Board Resolution No.1 of 2008, QFMA offering and listing of securities rulebook issued via Qfma Board Resolution No. 3 of 2010 (“**QFMA Securities Regulations**”) and QFMA listing of investment funds units rules issued via QFMA Board Resolution No.1 of 2019 and the Qatar Exchange Rulebook Of Jan 2019) or the rules and regulations of the Qatar Financial Centre (“**QFC**”) or any laws of the State of Qatar.

The Shares herein do not constitute a public offer of securities in the State of Qatar under the QFMA Securities Regulations or otherwise under any laws of the State of Qatar.

The Shares are only being offered to a limited number of investors, less than two hundred in number, who are willing and able to conduct an independent investigation of the risks involved in an investment in such Shares. No transaction will be concluded in the jurisdiction of the State of Qatar (including the QFC).

#### **Notice to residents of Saudi Arabia**

This Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the investment company regulations issued by the Capital Market Authority of the Kingdom of Saudi Arabia.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Prospectus, and expressly disclaims any liability whatsoever for any loss or responsibility arising from, or incurred in reliance upon, any part of this Prospectus. Prospective investors of the Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Shares. If you do not understand the contents of this Prospectus you should consult an authorized financial adviser.

#### **Notice to residents of Singapore**

##### **General**

This Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. The contents of this Prospectus are for informational purposes only, and do not constitute or form financial advice to buy the Shares. This Prospectus was prepared without regard to the specific investment objectives, financial situation or particular needs of any particular person.

##### **Singapore**

The Company and the offer of the Shares do not relate to a collective investment scheme which is authorised by the Monetary Authority of Singapore (“**MAS**”) under Section 286 of the

Securities and Futures Act 2001 (the "SFA") or recognised by the MAS under Section 287 of the SFA, and the Shares are not allowed to be offered to the retail public.

This Prospectus (as well as any other document issued in connection with the offer or sale of the Shares) is not a prospectus as defined in the SFA, nor will it be lodged or registered as a prospectus with the MAS and, accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply, and potential investors should carefully consider whether an investment in the Company is suitable for them. The MAS assumes no responsibility for the contents of this Prospectus (nor any other document issued in connection with the offer or sale of the Shares).

No offer of the Shares for subscription or purchase, or invitation to subscribe for or purchase the Shares, may be made, nor any document or other material (including but not limited to this prospectus) relating to the Shares may be circulated or distributed, either directly or indirectly, to any person in Singapore other than: (i) to an institutional investor (as defined in section 4a of the SFA) pursuant to section 304 of the SFA; (ii) to a relevant person (as defined in section 305(5) of the SFA) pursuant to section 305(1) of the SFA; (iii) on terms that the minimum consideration is the equivalent of Singapore Dollars 200,000 in accordance with section 305(2) of the SFA; or (iv) otherwise pursuant to, and in accordance with the conditions of, any other exemption under the SFA.

Pursuant to section 305 of the SFA, read in conjunction with regulation 32 of and the sixth schedule to the securities and futures (offers of investments) (collective investment schemes) regulations 2005, certain sub-funds have been or will be entered into the list of restricted schemes maintained by the MAS for the purposes of offering shares to relevant persons (as defined in section 305(5) of the SFA), or, for the purposes of offering shares in accordance with the conditions of section 305(2) of the SFA.

Where an offer is made to institutional investors pursuant to section 304 of the SFA, the following restrictions (under section 304a) apply to shares acquired pursuant to such an offer. Where such Shares are first sold to any person other than an institutional investor, the requirements of subdivisions (2) and (3) of division 2 to part 13 of the SFA will apply to the offer resulting in such sale, save where the shares acquired are of the same class as, or can be converted into shares of the same class as, the other shares:

- i. which are listed for quotation on an approved exchange (as defined in the SFA); and
- ii. in respect of which any offer information statement, introductory document, unitholders' circular for a reverse take-over, document issued for the purposes of a trust scheme, or any other similar document approved by an approved exchange (as defined in the SFA), was issued in connection with an offer of those shares, or the listing for quotation of those shares.

Where an offer is made to relevant persons pursuant to section 305 of the SFA, the following restrictions (under section 305a) apply to shares acquired pursuant to such an offer. Where such Shares are first sold to any person other than (i) an institutional investor; (ii) a relevant person; or (iii) on terms in accordance with section 305(2) of the SFA, the requirements of subdivisions (2) and (3) of division 2 to part 13 of the SFA will apply to the offer resulting in such sale, save where the Shares acquired are of the same class as other shares:

- i. which are listed for quotation on an approved exchange (as defined in the SFA); and

- ii. in respect of which any offer information statement, introductory document, unitholders' circular for a reverse take-over, document issued for the purposes of a trust scheme, or any other similar document approved by an approved exchange (as defined in the SFA), was issued in connection with an offer of those Shares, or the listing for quotation of those Shares.

Further, where the Shares are acquired pursuant to an offer made in reliance on section 305 of the SFA and the acquirer is:

- a) a corporation which is not an accredited investor (as defined in the SFA), whose sole business is to hold investments and the entire share capital of which is owned by individuals each of whom is an accredited investor); or
- b) a trust of which the trustee is not an accredited investor and whose sole purpose is to hold investments for the benefit of beneficiaries each of whom is an accredited investor,

Then no securities of such a corporation and no rights and interests of the beneficiaries in such a trust (as the case may be) shall be transferred for a period of 6 months from the time the corporation or trust (as the case may be) acquired the Shares, unless such transfers are in accordance with the conditions specifically provided in sections 305a(2) and 305a(3) of the SFA (as the case may be).

#### **Notice to residents of Switzerland**

The offer and marketing of Shares in Switzerland will be exclusively made to, and directed at, qualified investors ("**Qualified Investors**"), as defined in article 10(3) and (3ter) of the Swiss Collective Investment Schemes Act ("**CISA**") and its implementing ordinance. Accordingly, the Company has not been and will not be registered with the Swiss Financial Market Supervisory Authority ("**FINMA**"). This Prospectus and/or any other offering or marketing materials relating to the Shares may be made available in Switzerland solely to qualified investors.

In respect of its offer and marketing in Switzerland to Qualified Investors with an opting-out pursuant to article 5(1) of the Swiss Federal Law On Financial Services ("**FINSA**") and without any portfolio management or advisory relationship with a financial intermediary pursuant to article 10(3ter) CISA, the Company has appointed a Swiss representative and paying agent:

- i. Swiss representative: Mercer Alternatives AG, Lowenstrasse 1, 8001 Zurich. The legal documents as well as the latest annual and semi-annual financial reports, if any, of the company may be obtained free of charge from the Swiss representative.
- ii. Swiss paying agent: NPB Neue Privat Bank, Limmatquai 1/Am Bellevue, Ch-8022 Zurich.
- iii. place of performance: Lowenstrasse 1, 8001 Zurich.
- iv. place of jurisdiction: Lowenstrasse 1, 8001 Zurich, or at the registered office/domicile of the investor.

## **Notice to residents of Thailand**

This Prospectus and the information contained herein does not constitute and is not intended to constitute an offer of securities under the laws of Thailand and accordingly should not be construed as such. The company, the Shares and any other products or services referenced in this prospectus may not be licensed in all jurisdictions, and unless otherwise indicated, no regulator or government authority has reviewed this prospectus or the merits of the products and services referenced herein. This Prospectus and the information contained herein has been made available in accordance with the restrictions and/or limitations implemented by any applicable laws and regulations. This Prospectus is directed at and intended for institutional investors (as such term is defined in each jurisdiction in which the company is marketed). This prospectus is provided on a confidential basis for informational purposes only and may not be reproduced in any form. Before acting on any information in this Prospectus, prospective investors should inform themselves of and observe all applicable laws, rules and regulations of any relevant jurisdictions and obtain independent advice if required. This Prospectus is for the use of the named addressee only and should not be given, forwarded or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof).

## **Notice to residents of United Arab Emirates (“UAE”)**

As per the rules stated in UAE Securities and Commodities Authority (“SCA”) Decision No. (13) of 2021 on the regulations manual of the financial activities and status regularization mechanisms rule book (“**SCA Rule Book**”) and SCA Decision no. (04/RM) of 2023 concerning the promotion of foreign funds, the “**Promotion**” of a fund to retail investors is prohibited. the Promotion of a fund to “**Professional Investors**” and “**Counterparties**” within UAE, each term as defined in the SCA Rule Book, shall be limited to only funds that are registered with SCA for marketing on a private placement basis. SCA approval for Promotion of a fund in the UAE should not be considered a recommendation by the SCA to invest in the Company, and the SCA shall not be responsible for any relevant party's failure to perform its functions and duties or for the accuracy of the information contained in the company's offering documents.

This Prospectus and the shares have not been approved by or licensed or registered with the UAE Central Bank, the SCA, the Dubai Financial Services Authority, the Financial Services Regulatory Authority or any other relevant licensing authorities or governmental agencies in the UAE (“**Authorities**”). the Authorities assume no liability for any investment that the named addressee makes as an exempt qualified investor. This Prospectus is for the use of the named addressee only and should not be given or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof).

The Shares may be illiquid or subject to restrictions on their resale. Prospective Investors should conduct their own due diligence on the Shares. If you do not understand the contents of this prospectus you should consult an authorised financial advisor.

## **Notice to persons in the United Kingdom**

The Company, and each Sub-Fund, is or will be an alternative investment fund for the purpose of the Alternative Investment Fund Managers Regulations, 2013, as amended by the

Alternative Investment Managers (amendment, etc.) (EU exit) Regulations 2019 (“**UK AIFM Regulations**”). Mercer Alternatives (Luxembourg) S.à.r.l. is the alternative investment fund manager (“**AIFM**”) of the Company.

The AIFM has qualified or will qualify the Company, and each Sub-Fund, for marketing under the UK AIFM Regulations and once qualified Shares may be marketed and sold to UK persons which are professional investors and other categories of person to which such marketing is permitted under the national laws of the United Kingdom, as further detailed below. This Prospectus is not intended for, should not be relied on by and should not be construed as an offer (or any other form of marketing) to any other UK person.

A “**Professional Investor**” is an investor who is considered to be a professional client or which may, on request, be treated as a professional client within the United Kingdom implementation of ANNEX II of European Union Directive 2014/65/EU (Markets in Financial Instruments Directive or “**MIFi II**”) and the UK AIFM Regulations.

The Company is an unregulated collective investment scheme for the purposes of the Financial Services and Markets Act 2000 (“**FSMA**”) and the contents of this Prospectus have not been approved by a UK authorised person. Where Shares are being marketed by a person which is not a UK authorised person, then this Prospectus may only be provided to persons to whom a financial promotion may be made pursuant to the Financial Services and Markets Act (Financial Promotion) Order 2005, as amended (the “**FPO**”). Where the Shares are being marketed by a person which is a UK authorised person, then this Prospectus may only be provided to persons to whom a financial promotion may be made pursuant to the Financial Services and Markets Act (Promotion of Collective Investment Schemes) order 2001, as amended (“**PCIS**”).

This Prospectus will therefore only be provided to such persons which the entity communicating the financial promotion reasonably believes to be: (i) an investment professional under article 19 of the FPO or article 14 of PCIS; (ii) a high net worth company or unincorporated association under article 49 of the FPO or article 22 of PCIS; (iii) a certified sophisticated investor under article 50 of the FPO or article 23 of PCIS; (iv) another type of person to whom it may be otherwise provided under FSMA and the provisions of the FPO. UK authorised persons may also make this prospectus available to persons which fall within the exemptions set out at 4.12b.7(5) of the FCA’s Conduct Of Business Sourcebook (“**COBS**”).

In relation to persons which are certified sophisticated investors under article 50 of the FPO or article 23 of PCIS, the following information is provided: (i) the offering of this product is exempt from the scheme promotion restriction in section 238 of FSMA on the communication of invitations or inducements to participate in unregulated schemes on the ground that it is being made to a certified sophisticated investor; (ii) the requirements for a person to qualify as a certified sophisticated investor are that the person: (a) has a certificate in writing or other legible form signed by an authorised person and dated not more than three (3) years before the date on which this communication is made certifying that he is sufficiently knowledgeable to understand the risks associated with participating in unregulated collective investment schemes (or non-mass market investments) and (b) has signed, within the period of 12 months ending the day before this communication is made, a copy of the statement set out in article 50 of the FPO or article 23 of PCIS confirming, amongst other things, that he is a certified sophisticated investor; (iii) buying the units to which this communication relates may expose you to a significant risk of losing all of the property invested; and (iv) any individual who is in any

doubt about the investment to which the invitation or inducement relates should consult a UK authorised person specialising in advising on investments of the kind in question.

In relation to any person to whom a UK authorised person makes this Prospectus available within an exemption set out at 4.12b.7(5) of COBS, the following information is made available:

**Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you are unlikely to be protected if something goes wrong.**

Due to the potential for losses, the financial conduct authority (FCA) considers this investment to be very complex and high risk.

**What are the key risks?**

### **1. You could lose all the money you invest**

- If the business offering this investment fails, there is a high risk that you will lose all your money. Businesses like this often fail as they usually use risky investment strategies.
- Advertised rates of return aren't guaranteed. this is not a savings account. If the issuer doesn't pay you back as agreed, you could earn less money than expected or nothing at all. A higher advertised rate of return means a higher risk of losing your money. If it looks too good to be true, it probably is.
- These investments are very occasionally held in an Innovative Finance Isa (IFISA). while any potential gains from your investment will be tax free, you can still lose all your money. An IFISA does not reduce the risk of the investment or protect you from losses.

### **2. You are unlikely to be protected if something goes wrong**

- The Financial Services Compensation Scheme (FSCS), in relation to claims against failed regulated firms, does not cover investments in unregulated collective investment schemes. You may be able to claim if you received regulated advice to invest in one, and the adviser has since failed. try the FSCS investment protection checker here: <https://www.fscs.org.uk/check/investment-protection-checker/>
- Protection from the Financial Ombudsman Service (FOS) does not cover poor investment performance. Learn more about FOS protection here : <https://www.financial-ombudsman.org.uk/consumers>

### **3. You are unlikely to get your money back quickly**

- This type of business could face cash-flow problems that delay payments to investors. It could also fail altogether and be unable to repay any of the money owed to you.

- You are unlikely to be able to cash in your investment early by selling your investment. In the rare circumstances where it is possible to sell your investment in a ‘secondary market’, you may not find a buyer at the price you are willing to sell.
- You may have to pay exit fees or additional charges to take any money out of your investment early.

#### **4. This is a complex investment**

- This kind of investment has a complex structure based on other risky investments, which makes it difficult for the investor to know where their money is going.
- This makes it difficult to predict how risky the investment is, but it will most likely be high.
- You may wish to get financial advice before deciding to invest.

#### **5. Don’t put all your eggs in one basket**

- Putting all your money into a single business or type of investment for example, is risky. Spreading your money across different investments makes you less dependent on any one to do well.
- A good rule of thumb is not to invest more than 10% of your money in high-risk investments. <https://www.fca.org.uk/investsmart/5-questions-ask-you-invest>

**If you are interested in learning more about how to protect yourself, visit the FCA’s website here: <https://www.fca.org.uk/investsmart>**

**For further information about unregulated collective investment schemes (UCIS), visit the FCA’s website here: <https://www.fca.org.uk/consumers/unregulated-collective-investment-schemes>**

Where a person to whom the Shares are offered, sold or otherwise made available is a retail investor within the meaning of Packaged Retail and Insurance-Based Investment Products (Amendment) (EU Exit) Regulations 2019 (the “UK PRIIPS Regulation”) in the UK, a key information document (“**KiD**”) required by the UK PRIIPS regulation for offering or selling the shares or otherwise making the shares available to retail investors in the UK has been prepared. All such investors must be provided with a copy of the KiD prior to them making an investment decision in relation to the company. A copy of the KiD can be found: <https://investment-solutions.mercer.com>.

#### **Data protection**

The Company, the AIFM and their service providers will hold and process Investors' personal data in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC and with any implementing legislation applicable to them.

Further information is available in the Data Protection Notice, which provides individuals whose personal data are processed by the Company, the AIFM and their service providers with all legally required information regarding the personal data processed about them, the reasons for which their personal data are processed and their rights in relation to such processing.

Where the Investor is a financial institution, acting in its capacity as financial intermediary on behalf of one or more investors, or where the Investor is a corporate or legal entity, the Investor undertakes and agrees that in case it has provided any personal data relating to an individual (such as authorised representatives, beneficial owners, employees or other individuals) to the Company, the AIFM and their service providers, it will provide the Data Protection Notice to such individuals.

## TABLE OF CONTENTS

(Sub-) Section	Page
1. Directory.....	20
2. Company, Sub-Funds and Classes .....	21
3. Board of Directors .....	23
4. Management and Administration .....	25
5. Investment Strategy and Restrictions .....	29
6. Conflicts of Interest .....	32
7. Subscriptions, Redemptions, Transfers, Default .....	33
8. Distributions, Fees and Expenses .....	38
9. Valuation and Net Asset Value Calculation.....	41
10. Reporting .....	43
11. Termination, Liquidation, Merger .....	44
12. Tax Considerations.....	46
13. Miscellaneous .....	53
14. Certain Risk Factors .....	57
15. AIFM Law Disclosure.....	64
16. Definitions .....	70
1. Interpretation and Definitions .....	81
2. Overview .....	85
3. Investment Objective and Policies .....	85
4. Portfolio Manager.....	91
5. Subscription for Shares .....	92
6. Redemption of Shares .....	93
7. Distribution Policy .....	95
8. Share Classes, Fees and Expenses.....	96
9. Special Considerations and Risk Factors .....	106
10. Pre-Contractual Disclosure.....	121

1. **DIRECTORY**

<b>Company</b>	Mercer Private Markets S.A. SICAV–UCI Part II 49, Avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg
<b>Members of the Company's Board</b>	Dr Anja-Isabel Bohnen Mr. Lukas Burkard Dr Jens Höllermann (Chair)
<b>AIFM</b>	Mercer Alternatives (Luxembourg) S.à r.l. 74, rue de Merl L-2146 Luxembourg Grand Duchy of Luxembourg R.C.S. Luxembourg: B162012
<b>Conducting Officers of the AIFM</b>	Mr. Andrei Radu Mrs. Nicola Patel Mr. Dominique Pourpognot
<b>Portfolio Manager</b>	as set out in the relevant Supplement
<b>Administrator</b>	State Street Bank International GmbH, Luxembourg Branch 49, Avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg R.C.S. Luxembourg: B148146
<b>Depository</b>	State Street Bank International GmbH, Luxembourg Branch 49, Avenue J.F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg R.C.S. Luxembourg: B148146
<b>Auditor</b>	PricewaterhouseCoopers 2, rue Gerhard Mercator L-2182 Luxembourg Grand Duchy of Luxembourg R.C.S. Luxembourg: B65477
<b>Legal Advisor</b>	Clifford Chance 10, boulevard G.D. Charlotte L-1330 Luxembourg Grand Duchy of Luxembourg R.C.S. Luxembourg: B185112

## 2. COMPANY, SUB-FUNDS AND CLASSES

### 2.1 Company

The Company is a *société à capital variable* (SICAV) governed by Part II of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment (as amended), governed by the laws of the Grand Duchy of Luxembourg, and qualifies as an alternative investment fund within the meaning of Article 1 (39) of the AIFM Law.

It has been established on 16 May 2025 in the form of a public company (*société anonyme*) and is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) under number B296465.

The Company has been established for an unlimited duration. The net assets of the Company must reach EUR 1,250,000 or an equivalent amount in any other currency within the first twelve (12) months following its authorization.

### 2.2 Sub-Funds

The Company is established as an umbrella fund with one or more legally segregated compartments within the meaning of the UCI Law, corresponding to a distinct part of the assets and liabilities within the Company which may have a limited or a limited duration (each, a "**Sub-Fund**"), and accordingly (i) the rights of Shareholders and creditors relating to a Sub-Fund or the establishment, operation or liquidation of a Sub-Fund are limited to the assets of such Sub-Fund; and (ii) the assets of a Sub-Fund will be available exclusively to satisfy the rights of the Shareholders relating to that Sub-Fund and the rights of creditors whose claims arose in relation to the establishment, operation or liquidation of that Sub-Fund.

The specific investment policy and any other specific features of each Sub-Fund will be set out in this Prospectus and in particular the relevant Supplement. The terms of the Prospectus and the Articles relating to a Sub-Fund shall be supplemented by the relevant Supplement. In the event of any conflict between the terms of the General Section of this Prospectus and the terms of the relevant Supplement, the terms of the Supplement will prevail with respect to the relevant Sub-Fund (but not any other Sub-Fund).

The Board may, at any time and in its discretion, create additional Sub-Funds whose Investment Objective, Investment Policy and Investment Restrictions may differ from those of the Sub-Funds then existing.

At the date of this Prospectus, the following Sub-Funds exist and are open for subscriptions:

- Mercer Private Markets S.A. SICAV–UCI PART II – **MERCER SEMI-LIQUID PRIVATE DEBT FUND**

In the event that for any reason the value of the net assets in any Sub-Fund has decreased to, or has not reached, an amount determined by the Board to be the minimum level for such Sub-Fund to be operated in an economically efficient manner or in case of a

substantial modification in the political, regulatory, economic or monetary situation relating to the Sub-Fund which would have material adverse consequences on the investments of that Sub-Fund or as a matter of economic rationalisation, the Board may decide to compulsorily redeem all the Shares of the relevant Sub-Fund at the net asset value per Share (taking into account actual realisation prices of investments and realisation expenses) as calculated on the Valuation Date on which such decision shall take effect and subsequently close such Sub-Fund. The Company shall serve a notice to the holders of the relevant Sub-Fund prior to the effective date for the compulsory redemption, which will indicate the reasons for, and the procedures applicable to such compulsory redemption.

### 2.3 **Sub-Fund Cross-Investments**

A Sub-Fund may, to the extent permitted by and in accordance with its Investment Objective, Investment Policy, its Investment Restrictions and the provisions of the UCI Law, subscribe to or acquire Shares issued or to be issued by one or several other Sub-Funds, provided that:

- (i) the target Sub-Fund does not, in turn, invest in the Sub-Fund invested in this target Sub-Fund; and
- (ii) the voting rights, if any, which might be attached to the interests concerned will be suspended for as long as they are held by the relevant Sub-Fund and without prejudice to an appropriate treatment in accounting and in the periodical reports;
- (iii) in any case, as long as these interests are held by such Sub-Fund, their value shall not be taken into account for the calculation of the Company's net assets for the control of the minimum threshold of net assets imposed by the UCI Law; and
- (iv) in case of such cross Sub-Fund investment, the investment will be made into any Class of the relevant Sub-Fund, for which no management fee applies.

### 2.4 **Share Classes**

Each Sub-Fund is authorized to issue an unlimited number of Shares, all of which are issued without par value. The Board may issue different classes of Shares ("**Class**" or "**Classes**") in any Sub-Fund, whose assets shall be commonly invested according to the Investment Objective of that Sub-Fund and which may be subject to specific terms and conditions, including in respect of specific sales and/or redemption charge structure, fee structure, distribution policy, target Investor, currency or hedging policy, as further detailed in the relevant Supplement within the Sub-Funds.

In particular, as may be set out in the relevant Supplement, Classes in a Sub-Fund may either automatically reinvest earnings of the assets allocated to such Class back into the corresponding Sub-Fund or distribute the same to the relevant Shareholders.

All Shares are issued in uncertificated registered form only and will be fully paid-up upon issue. Each Share entitles its holder to one vote at any General Meeting, in accordance with Luxembourg law and the Articles. Decisions of the Shareholders shall

be taken in accordance with the terms and provisions of the Articles and as described in this Prospectus.

## 2.5 Reference Currency

The Company's Reference Currency is USD. Each Sub-Fund (and each Class) may have a different reference currency.

## 2.6 Feeder Funds

The Board or an Associate thereof may establish one or more partnerships or other entities (being collective investments schemes, holding companies or also securitization vehicles) as a Feeder Fund in respect of a Sub-Fund (through which certain investors may participate indirectly in the Sub-Fund(s), if the Board determines that for legal, tax, regulatory, or other reasons such structure is necessary or desirable. Investors, investing in such Feeder Funds (the "**Feeder Investors**"), may be treated, as far as possible under Luxembourg laws, as if they held Shares directly in the respective Sub-Fund. The participation (shares, partnership interests or other financial instruments) in such Feeder Funds may be listed at the Luxembourg stock exchange.

## 3. BOARD OF DIRECTORS

The Board has overall responsibility for the corporate management and administration of the Company and each Sub-Fund.

The Board is vested with the broadest powers to perform all acts of disposition and administration within the Company's purpose. All powers not expressly reserved by law or the Fund Documents to the General Meeting fall within the competence of the Board.

The Board has delegated certain functions in relation to the Company or a specific Sub-Fund to the AIFM and other service providers, as described in this Prospectus.

The Board is currently composed of the following members:

*Dr Anja-Isabel Bohnen*

Dr Bohnen has worked in the Luxembourg financial sector for more than 19 years and has gained extensive practical experience in the administration and operation of Luxembourg funds while working for a renowned fund administrator and custodian. She has a sound knowledge of Luxembourg financial services laws and regulations.

Dr Bohnen was the approved conducting officer for a Luxembourg private equity alternative fund manager. Prior to this, during her carrier at Warburg, she held several different senior positions and successfully created two departments. She was also the main contact for structuring and set-up of Luxemburg and German funds.

She currently acts as independent director on a number of alternative investment vehicles, including several private equity, infrastructure, mezzanine and real estate funds.

Dr Bohnen received a doctor's degree in law from the University of Trier, Germany. She is fluent in German, English and Spanish and has basic capability in French. She is of German nationality and is professionally residing in Luxembourg.

*Mr Lukas Burkhard*

Mr Lukas Burkhard is Chief Solution Officer and executive board member of Mercer Alternatives AG. In addition, he holds positions on the boards of directors of multiple Mercer funds based in Luxembourg.

Mr Lukas Burkhard is an investment management professional with over 18 years of experience in the industry. Since joining Mercer in 2010, he has held various leadership positions at Mercer Alternatives, where he has been responsible for managing fund operations, product development, portfolio planning and construction as well as performance analysis and fund operations. Prior to joining Mercer, he worked for WTW in investment consulting and at the Swiss National Bank in international monetary policy research.

Mr Lukas Burkhard holds a Master of Arts in Economics and Social Sciences from the University of Fribourg and is a Chartered Alternatives Investment Analyst. Lukas Burkhard is fluent in German, English and French.

*Dr Jens Höllermann*

Dr Höllermann has more than 16 years of experience in alternative asset management including fund administration and fund management and more than 16 years of experience as a lawyer in mergers and acquisitions. His experience of the industry covers several elements, such as legal, corporate governance, implementing fund management, and devising investment holding structures, transaction structuring and portfolio and risk management regarding private equity, venture and growth capital, real estate, credit, mezzanine, secondaries, and infrastructure.

During his career, Dr Höllermann has served as a board member of funds and SPVs, including securitization vehicles, management companies, and dedicated private equity funds and fund of funds. Jens participated and took an active role in numerous deals, be it secondary or trade deals and initial public offerings.

Amongst others, he worked for a one of the world's largest service providers in the directorship services department and for two major private equity firms, overseeing different kinds of investments strategies across Europe and the US, as a portfolio manager for the private equity strategies and was a member of the board of directors.

Dr Höllermann is recognized in Luxembourg as an expert in private equity and is active in various industry bodies. He holds a master's degree in laws of the University of Cologne, Germany, and an MBA from the John F. Welch College of Business, Fairfield, CT, USA. Jens also holds a doctorate in business administration from the University Jean Moulin, Lyon, France.

He currently acts as adjunct professor for private equity at HEC Liège Luxembourg campus. Jens is fluent in German and English and has good capability in French and Luxembourgish. He is resident and domiciled in Luxembourg.

#### 4. MANAGEMENT AND ADMINISTRATION

##### 4.1 The AIFM

The Company has appointed Mercer Alternatives (Luxembourg) S.à r.l. as its alternative investment fund manager (the "AIFM") within the meaning of Chapter 2 of the AIFM Law, and in accordance with the provisions of the UCI Law and the terms and conditions of the AIFM Agreement.

The AIFM has been incorporated in the Grand Duchy of Luxembourg, for an unlimited duration, in the form of a private limited company (*société à responsabilité limitée*), on 5 July 2011. Its articles of incorporation have been deposited with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) under the number B162012 (where they may be consulted, and copies may be obtained) and have been published in the *Mémorial* on 18 July 2011.

The AIFM will manage each Sub-Fund in accordance with the Prospectus (including the relevant Supplement), the Articles and Luxembourg laws and regulations in the exclusive interest of the Shareholders. It will be empowered, subject to the rules as further summarized hereafter, to exercise all the rights attached directly or indirectly to the assets of each Sub-Fund.

In accordance with applicable laws and regulations, and with the prior consent of the CSSF, the AIFM is empowered to delegate, under its responsibility, to one of its Affiliates or not, part of its duties and powers to any person or entity which it may consider appropriate and which disposes of the requisite expertise and resources, it being understood that the case being, the Prospectus shall be amended accordingly. Any such delegation will be performed in compliance with the provisions of the UCI Law and the AIFM Law. The AIFM may at any time delegate the portfolio management (entirely or partially) to any of its Affiliates without obtaining any prior Investor consent. Such change should not be regarded as being a material change within the meaning of CSSF Circular 14/591.

In its function as the alternative investment fund manager of the Company, the AIFM shall in particular be responsible for the management of the assets of the Sub-Funds (including portfolio and risk management), it being understood that the AIFM has delegated the portfolio management to the relevant Portfolio Manager. For the avoidance of doubt, the AIFM will perform the valuation function within the meaning of article 17 (4)(b) of the AIFM Law.

The AIFM Agreement may be terminated, either (i) with immediate effect for cause, or (ii) otherwise at any time with prior written notice, as further detailed in the AIFM Agreement. Furthermore, the AIFM Agreement will be automatically terminated with the liquidation of the Company and/or the last Sub-Fund.

In order to cover potential professional liability risks resulting from the AIFM's activities, the AIFM holds own funds and a professional indemnity insurance against liability arising from professional negligence which are appropriate to the risks covered.

#### 4.1.1 Conducting Officers

In compliance with the provisions of the UCI Law and the AIFM Law, the AIFM has granted a mandate in order to effectively conduct its day-to-day business to several conducting officers.

The conducting officers shall ensure that, at all times, the tasks of the AIFM in regard of its function as the Company's alternative investment fund manager, and of the different services providers are performed in compliance with the UCI Law, the AIFM Law, the Articles and this Prospectus. The conducting officers shall also ensure compliance of the AIFM, concerning its function as the Company's alternative investment fund manager, with the Investment Objective, the Investment Policy and the Investment Restrictions and oversee the implementation of the Investment Objective and the Investment Policy.

The conducting officers will also report to the board of managers of the AIFM on a regular basis and, if necessary, will advise the AIFM of any significant breaches or issues of non-compliance with the relevant Sub-Fund's Investment Policy and Investment Restrictions.

#### 4.1.2 Liquidity Risk Management

The AIFM has a liquidity management policy which is designed to enable it to monitor the liquidity risk of the Sub-Funds. The systems and procedures employed by the AIFM in this regard allow it to apply various tools and arrangements necessary to respond appropriately to redemption requests.

#### 4.1.3 Risk Management Policies

The AIFM risk management framework has been prepared to reflect those regulations issued by the CSSF in addition to applicable European directives and regulations as they may change from time to time. This is achieved through the implementation of the permanent risk management function, supported by broader group oversight alongside a governance escalation route up to the board of the AIFM. This is underpinned with a governance framework established by the AIFM to manage risk and interdependencies between defined risk categories, i.e. market, counterparty, credit, valuation, operational, liquidity and sustainability risk as well as any further material risk type relevant for the AIFs being managed. The main objective of the permanent risk management function is to identify, manage, monitor and report on key risks associated with the investment strategy of the Sub-Fund, in accordance with applicable contractual, regulatory and fiduciary standards as well as protecting the capital and reputation of the group. The risk management framework includes an annual review of key risk management documentation, including policies, processes or procedures. Ad-hoc review is performed if required. Potential breaches of any predefined restrictions or limits are formally addressed when identified, a formal escalation mechanism being in place if required.

#### 4.1.4 Remuneration Policy

The AIFM has established a remuneration policy which shall be applicable to all identified staff members as specified in the AIFM Regulation and the ESMA Guidelines 2013/232. Any relevant disclosures shall be made in the financial statements, if applicable, in accordance with the AIFM Law.

## 4.2 The Depositary

The rights and duties of the depositary will be assumed by the Depositary pursuant to the Depositary Agreement between the Company, the AIFM and the Depositary, and the Depositary will comply, *inter alia*, with the provisions set out in article 33(1) and articles 34 to 37 of the UCI Law.

The Depositary is responsible for the safekeeping of the assets of the Company, and it shall fulfil the obligations and duties provided for by the UCI Law and the AIFM Law.

In particular, the Depositary shall ensure an effective and proper monitoring of the Company's cash flows. It will further ensure that:

- the sale, issue, re-purchase, redemption and cancellation of Shares are carried out in accordance with Luxembourg law and the Fund Documents;
- ensure that the value of the Shares is calculated in accordance with Luxembourg law, the Fund Documents and the procedures laid down in Article 19 of the AIFM Law;
- carry out the instructions of the Company and the AIFM, unless they conflict with applicable Luxembourg law or the Fund Documents;
- ensure that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits;
- ensure that the Company's income is applied in accordance with Luxembourg law and the Fund Documents.

In accordance with the provisions of the Depositary Agreement, the AIFM Law and the UCI Law, the Depositary may, subject to certain conditions and in order to effectively conduct its duties, delegate part or all of its safe-keeping duties with regard to financial instruments to one or more sub-depositary(ies) appointed by the Depositary from time to time. When selecting and appointing a sub-depositary, the Depositary shall exercise all due skill, care and diligence as required by the AIFM Law to ensure that it entrusts the Company's assets only to a sub-depositary who may provide an adequate standard of protection. The Depositary's liability as described below shall not be affected by any such delegation. A list of the sub-depositary(ies) – to the extent required to operate with such sub-depositary(ies) – is available upon request at the registered office of the AIFM, if applicable.

The Depositary is liable to the Company or its Investors for the loss of a financial instrument held in custody by the Depositary or a sub-depositary pursuant the provisions of the AIFM Law. The Depositary is also liable to the Company or its

Investors for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its duties in accordance with the AIFM Law. However, where the event which led to the loss of a financial instrument is not the result of the Depositary's own act or omission (or that of its sub-depositary), the Depositary is discharged of its liability for the loss of a financial instrument where the Depositary can prove that, in accordance with the conditions as set out in the AIFM Law and in the AIFM Regulation, the Depositary could not have reasonably prevented the occurrence of the event which led to the loss despite adopting all precautions incumbent on a diligent depositary as reflected in common industry practice and despite rigorous and comprehensive due diligence.

In addition, where the objective reasons regarding the discharge of liability for the loss of a financial instrument as envisaged in the AIFM Law and in the AIFM Regulation are established, the Depositary may refuse acceptance of a financial instrument in custody, unless the Company and the AIFM enter into an agreement discharging the Depositary of its liability in case of loss of a financial instrument. The Depositary shall be deemed to have objective reasons for contracting a discharge of liability agreement in cases when it had no other option but to delegate, in particular this shall be the case where (i) the law of a non-EU country requires that certain financial instruments are held in custody by a local entity but where the Depositary has established that there are no local entities subject to effective prudential regulation, including minimum capital requirements, and supervision in a particular jurisdiction, and no local entity is subject to an external periodic audit to ensure that the financial instruments are in possession, or (ii) where the Company or the AIFM insists of maintaining or initiating an investment in a particular jurisdiction although as a result of its initial or on-going due diligence review the Depositary is not or no longer satisfied that the custody risk in the respective jurisdiction is acceptable for the Depositary. The Company and the AIFM will amend this Prospectus, subject to CSSF approval, if discharge of liability will be allowed. The relevant Investors will be duly informed of that discharge and of the circumstances justifying the discharge prior to their investment.

The Depositary will not be liable to the Company or the Investors of the Company for the loss of a financial instrument booked with a securities settlement system, including central securities' depositaries.

The Depositary may keep financial instruments in collective safekeeping at a sub-depositary. However, the Depositary will ensure that such assets are held in such a manner that it is readily apparent from the books and records of such sub-depositary that they are segregated from the Depositary's own assets and/or assets belonging to the sub-depositary.

In case of an effective marketing of ELTIF Sub-Funds to retail investors, the Depositary may not discharge itself from its liability in the event of a loss of financial instruments of such ELTIF Sub-Funds held in custody by the Depositary or by a third party.

The Company, the AIFM and the Depositary may terminate the Depositary Agreement at any time by giving three (3) months' notice in writing. If the termination notice is given by the Depositary, the Company or the AIFM are required to name within two (2) months a successor depositary to whom the Company's assets are to be delivered and who will take over the functions and responsibilities of the Depositary.

#### 4.3 **Administrator**

The AIFM appointed the Administrator to act as Company's central administration agent pursuant to the terms of an administration agreement.

The Administrator is responsible *inter alia* for the procedure of registration, conversion and redemption of the Shares, the maintenance of the register of Shares, book-keeping, calculation of the Net Asset Value and the general administration of the Company as further described in the Administration Agreement. The Administrator will also be responsible for client communication.

The Administrator, in its capacity as registrar and transfer agent, is responsible *inter alia* for the register of Shareholders of the Company, maintaining records of all amounts paid or uncollected monies relating to Interests, maintaining and safekeeping such other records as may be required and verifying the identity of Investors in relation to subscriptions and requests for the transfer of Shares.

#### 4.4 **Auditor**

The Auditor is appointed as the Company's independent statutory auditor (*réviseur d'entreprises agréé*).

The independent auditor verifies that the annual accounts of the Company present a true and fair view of the Company's financial situation, and that the management report is in agreement with the accounts.

#### 4.5 **Portfolio Manager**

The AIFM envisages to appoint, in respect of each Sub-Fund, a Portfolio Manager to whom it delegates its portfolio management function. Such Portfolio Manager is identified, in respect of each Sub-Fund, in the relevant Supplement.

### 5. **INVESTMENT STRATEGY AND RESTRICTIONS**

#### 5.1 **Investment Strategy**

The objective of the Company is to achieve an attractive return from capital invested into investments in accordance with the relevant Sub-Funds' Investment Objective, Investment Policy and Investment Restrictions, while reducing investment risks through diversification across countries, sectors and/or investment styles.

Certain Sub-Funds may, as set out in the relevant Supplement, invest into and/or alongside one or more funds (each, a "**Target Fund**"). In any such circumstance, the offering of Shares does not constitute a direct or indirect offering of interests in any Target Fund, and purchasers of Shares offered hereby will not have any direct interest in or have any voting rights in a Target Fund. Each Target Fund, or service providers related to each Target Fund, may have other business relationships with the Company, the AIFM and their Associates.

Any change of a Sub-Fund's Investment Objective, Investment Policy or Investment Restrictions will be reflected in the relevant Supplement.

The Investment Objective, Investment Policy and Investment Restrictions of each ELTIF Sub-Fund will further be in compliance with the ELTIF Regulation.

Subject to the individual restrictions of the respective Supplement, each Sub-Fund may, during periods of adverse market or economic conditions or at other times deemed advisable by the AIFM and/or the relevant Portfolio Manager, hold liquid instruments, including (but not limited to) cash, commercial paper (including short term papers issued by credit institutions), short term government bonds (including short term debt issued by governments) and other money market instruments, certificates of deposit and money market funds including the ability to post such assets as collateral.

Unless stated otherwise in the relevant Supplement, the Company does not intend to use indices covered by the Benchmark Regulation. Notwithstanding the preceding, the Company may use indices in its marketing materials or other documents in order to give Investors an overview of a Sub-Fund's performance compared to such indices.

## 5.2 Investment Techniques

### 5.2.1 Efficient Portfolio Management Techniques: Use of Derivatives

Subject to the individual restrictions of the respective Supplement, where the AIFM (or where appropriate in the circumstances, its delegate), at its full discretion, deems it consistent with the investment policies of the relevant Sub-Fund and the conditions and limits laid down by this Prospectus and applicable Regulation, each Sub-Fund may also enter into, for portfolio management purposes, financial derivatives transactions including without limitation repurchase agreements, reverse repurchase agreements and/or securities lending agreements. Unless stated otherwise in the relevant Supplement, any such financial derivatives transactions will only be used for hedging purposes, as ancillary investment techniques. Such derivatives may be listed or traded over the counter.

Please refer to the "Special Considerations and Risk Factors" section, as applicable, within each Supplement for further details about the risks associated with the use of Derivatives.

### 5.2.2 Efficient Portfolio Management Techniques: Securities Financing Transactions

Subject to the individual restrictions of the respective Supplement, a Sub-Fund may use any securities financing transaction as defined in point (11) of Article 3 of Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, as may be amended, such as repurchase agreements and reverse repurchase agreements ("**Repo Contracts**"), total return swaps, buy-sell back or sell-buy back transactions and securities lending (the "**SFTR Techniques**"). Unless otherwise disclosed in the relevant Supplement, no Sub-Fund engages

in securities lending. To the extent a Sub-Fund engages in SFTR Techniques, any permitted investments of a Sub-Fund may be subject to such transactions.

A Sub-Fund may use total return swaps for investment (including to leverage the relevant Sub-Fund) and efficient portfolio management purposes. A Sub-Fund may only use Repo Contracts, buy-sell back or sell-buy back transactions and securities lending for efficient portfolio management purposes.

The risks relating to SFTR Techniques, as well as risks linked to collateral, are described in the "Special Considerations and Risk Factors" section, as applicable, within each Supplement.

## **Risk Diversification**

Each Sub-Fund will make its investments in accordance with the principle of risk diversification as set forth in the relevant Supplement.

### **5.3 Borrowing**

The Company may use financial leverage for direct and/or indirect investments, efficient portfolio management and general working capital and fund expenses in accordance with market practice on a Sub-Fund by Sub-Fund basis only.

The maximum borrowing (if any) at Sub-Fund level shall not exceed the ratio provided for in the relevant Supplement, and where applicable shall be always subject to the limits of the ELTIF Regulation.

### **5.4 Co-Investments**

Investment opportunities will be allocated between the relevant Sub-Fund and other investment vehicles managed by the AIFM and/or the relevant Portfolio Manager with the same type of investment strategy (together, the "**Managed Vehicles**"), in order to enable each of the Managed Vehicles to comply with their respective contractual, legal, regulatory, and tax constraints on ratio and quota.

Should an investment opportunity be allocated to the relevant Sub-Fund and one or several Managed Vehicle(s) for the purpose of a co-investment, such co-investment will be allocated between the relevant Sub-Fund and the relevant Managed Vehicle(s) based on their respective investment capacity, available cash at the time of the investment, and their own constraints, whether legal, regulatory or contractual, in terms of quota, risk-spreading ratios or exposure ratio.

The AIFM considers the specific risks related to each Co-Investment opportunities through its risk management process, which has been prepared to reflect the relevant regulations issued by the CSSF, and reflects the policies established by the AIFM, including in respect of conflicts of interests, in accordance with AIFMD and the ELTIF Regulation, where applicable.

## 6. CONFLICTS OF INTEREST

### 6.1 General

A conflict of interest shall arise where a Sub-Fund is presented with (i) an investment proposal involving a Portfolio Investment owned or managed (in whole or in part), directly or indirectly, by the AIFM or the relevant Portfolio Manager, or an Investor of the relevant Sub-Fund, or (ii) any disposal of an investment to another Sub-Fund or portfolio owned or managed by the AIFM, or the relevant Portfolio Manager, or to a member of the AIFM, the relevant Portfolio Manager or an Investor of the relevant Sub-Fund (together the "**Relevant Persons**"). Such conflict of interest will be fully disclosed by the Relevant Person to the Board.

Notwithstanding the above paragraph, the Board will make a special report regarding the conflict(s) of interest to the next following General Meeting of the Company or the respective Sub-Fund, as applicable, before any other resolution is put to vote.

As regards conflicts of interest of the Board, the Board will in any case be obliged to make a special report thereon to the next following General Meeting of the Company or the respective Sub-Fund, as applicable, before any other resolution is put to vote.

Notwithstanding anything to the contrary in the Fund Documents, the Relevant Persons may actively engage in transactions on behalf of other investment funds and accounts which involve the same securities and instruments in which the Sub-Funds will invest. It is therefore possible that a Relevant Person may have potential conflicts of interest with the Company. The Relevant Persons may provide services to other investment funds and accounts that have investment objectives similar or dissimilar to those of the Sub-Funds and/or which may or may not follow investment programs similar to the Sub-Funds, and in which the Sub-Funds will have no interest. The portfolio strategies of the Relevant Persons used for other investment funds or accounts could conflict with the transactions and strategies advised by the Relevant Person in managing a Sub-Fund and affect the prices and availability of the securities and instruments in which a Sub-Fund invests.

The Relevant Persons may give advice or take action with respect to any of their other clients which may differ from the advice given or the timing or nature of any action taken with respect to investments of a Sub-Fund. The Relevant Persons have no obligation to give a right of first refusal to the Company or the relevant Sub-Fund when presented with an investment opportunity.

The Relevant Persons will devote as much of their time to the functioning of a Sub-Fund as they deem necessary and appropriate. The Relevant Persons are not restricted from forming additional investment funds, from entering into other investment advisory relationships, or from engaging in other business activities, even though such activities may be in competition with a Sub-Fund and/or may involve substantial time and resources of the Relevant Persons. These activities will not qualify as creating a conflict of interest in that the time and efforts of the Relevant Persons will not be devoted exclusively to the business of the Company and its Sub-Funds but will be allocated between the business of the Company and its Sub-Funds and other advisees of the Relevant Persons.

As agreed under the AIFM Agreement and the relevant Portfolio Management Agreement, respectively, the AIFM and the relevant Portfolio Manager shall maintain such appropriate levels of human and technical resources as the assets and the investment policy of the Company may from time to time require in order to perform their respective duties.

Other present and future activities of the Relevant Persons may give rise to additional conflicts of interest.

## 6.2 **Management of Conflicts of Interest**

In the conduct of its business the AIFM's policy is to identify, manage and where necessary prohibit any action or transaction that may pose a conflict between the interests of the AIFM and the Company or its Investors and between the interest of one or more Investors and the interest of one or more other Investors. The AIFM strives to manage any conflicts in a manner consistent with the highest standards of integrity and fair dealing. For this purpose, it has implemented procedures that shall ensure that any business activities involving a conflict which may harm the interest of the Company or its Investors, are carried out with an appropriate level of independence and that any conflicts are resolved fairly.

Such procedures include, but are not limited to the following:

- procedure to ensure that any voting rights attached to the Company's assets are exercised in the sole interest of the Company and its Investors;
- procedures to ensure that any investment activities on behalf of the Company are executed in accordance with the highest ethical standards and in the interest of the Company and its Investors; and
- procedure on management of conflicts of interest.

Notwithstanding its due care and best effort, there is a risk that the organizational or administrative arrangements made by the AIFM for the management of conflicts of interest are not sufficient to ensure with reasonable confidence, that risks of damage to the interest of the Company or its Shareholders will be prevented. In such case these non-neutralized conflicts of interest as well as the decisions taken will be reported to Shareholders in an appropriate manner.

## 7. **SUBSCRIPTIONS, REDEMPTIONS, TRANSFERS, DEFAULT**

### 7.1 **Subscriptions**

The subscription process applicable in respect of each Class of Shares in each Sub-Fund will generally be made by means of paid-in subscription subject to any further provisions as set forth in the relevant Supplement.

Shares may only be subscribed by Investors investing for their own account or for and on behalf of a third party which qualifies as an Eligible Investor. Each prospective Investor desiring to subscribe for Shares will be required to deliver an Application Form and make certain representations and warranties to the Company, the relevant Sub-Fund

and to the Board. A Dealing Form will indicate the Subscription Amount of the relevant Investor. The Board may accept or reject any Application Form and Dealing Form in its absolute discretion and shall reject any Application Form and Dealing Form from Prohibited Persons.

No prospective investor will be admitted as Shareholder in any Sub-Fund until the Board, or any person to whom such powers have been delegated to by the Board, has explicitly accepted the Application Form.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

Unless otherwise set out in the relevant Supplement, no subscription in kind will be accepted. In case the Subscription Amount may be (partially or fully) paid by way of services provided by Shareholders to a Sub-Fund or a contribution in kind of assets which could be acquired by the Sub-Fund pursuant to its Investment Objective, Investment Policy and Investment Powers and Restrictions, the Board needs to give its prior consent thereto.

A contribution in kind and the provision of services will be valued in a report established by an auditor qualifying as a *réviseur d'entreprises agréé* and drawn up in accordance with the requirements of Luxembourg law, the costs of which report will be borne by the relevant Shareholder.

Subject to the provisions of the relevant Supplement, each Investor whose Application Form is accepted shall be admitted as a Shareholder upon payment of an amount equal to the Subscription Amount in full to the account set out in the Application Form.

The relevant Supplement may require a minimum subscription amount and may distinguish between a minimum initial subscription amount and a minimum subsequent subscription amount. To the extent possible under applicable laws, the Board or any person to whom such powers have been delegated by the Board may decide in its sole discretion to accept to waive or lower such amounts for any particular Investor on a case-by-case basis. In addition, certain Investors may be subject to additional minimum subscription amounts as set out in the relevant Supplement.

Subscription to any Sub-Funds may be subject to limitations, including (but not limited to) annual limits, a dilution levy, and/or swing pricing as further set out in the relevant Supplement.

## 7.2 **Default**

If an Investor fails to fund its Subscription Amount, the respective application for subscription will not be accepted. The Sub-Fund, the AIFM, the Administrator and the Depositary have no liability for any delay or failure to issue Shares as a result of a defaulting investor failing to fund its subscription.

## 7.3 Redemptions

### 7.3.1 Redemption Requests

Shareholders may, subject to the provisions set out in the relevant Supplement, request the redemption of their Shares.

Subject to the provisions of the relevant Supplement, the Board may at any time and in its discretion, acting in the best interest of the Company, the relevant Sub-Fund and the relevant Shareholders, suspend the redemption of Shares, including in respect of which the Redemption Requests were already accepted.

### 7.3.2 Suspension of Redemptions

Redemption of Shares of a particular Sub-Fund may be suspended from time to time, as determined in the Board's discretion and in particular in case:

- a) the calculation of the Net Asset Value of the relevant Sub-Fund is suspended in accordance with Section 9.4 until the calculation of the Net Asset Value resumes;
- b) the Board determines that such redemption would be reasonably likely to have a material adverse effect on the Company or the relevant Sub-Fund, the Investors (when considered as a whole) or any Investment; or
- c) the Board determines that it is necessary to implement a redemption suspension period to protect the Investors remaining in the Company or the relevant Sub-Fund.

In case of b) and c) above, the suspension of redemption shall continue for a period as the Board considers reasonable.

### 7.3.3 Compulsory Redemptions

Subject to the relevant Supplement, the Board may, under certain circumstances, proceed with a compulsory redemption Shares.

#### *Compulsory Redemption of Prohibited Persons*

If, at any time, the Board discovers that Shares are owned by a Prohibited Person, either alone or in conjunction with any other person, whether directly or indirectly, the Board may, in its discretion and without liability, compulsorily redeem the Shares held by any such Prohibited Person. In such case, the redemption proceeds shall, in principle and unless otherwise provided herein and/or in particular the relevant Supplement or as otherwise determined by the Board in its reasonable discretion, equal eighty percent (80%) of the Net Asset Value of such Shares as applicable on the day on which the compulsory redemption becomes effective.

The Board shall not proceed to compulsorily redeem the Shares held by the Prohibited Person before having given such Prohibited Person a written notice at least fifteen (15) Business Days prior to effecting the redemption, unless

otherwise provided in the relevant Supplement and/or the relevant Dealing Form. Shares redeemed in accordance with this section will be, subject to the provisions set out below, cancelled.

The payment of the redemption proceeds to such Prohibited Person may, as determined in the discretion of the Board and subject to available Proceeds, be deferred.

The Board may require any Shareholder to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a Prohibited Person.

Any taxes, commissions and other fees incurred in connection with the compulsory redemption (including those taxes, commissions and fees incurred in any country in which Shares are sold) will be charged to the Prohibited Person by way of a reduction to any redemption proceeds.

#### *Compulsory Redemption for Distribution Purposes*

Subject to the minimum capital requirement provided for by the UCI Law and the provisions of the relevant Supplement, the Board may decide, at its discretion, to redeem Shares for distribution purposes. If the Board resolves to redeem Shares, Shares of all Investors of the Sub-Fund have to be redeemed proportionately within the relevant Class, if applicable, unless all such Investors give their consent. The redeemed Shares shall be cancelled.

#### *Other Compulsory Redemption Possibilities*

Shares may be compulsorily redeemed whenever the Board considers this to be in the best interest of the Company or the relevant Sub-Fund, subject to the terms and conditions the Board will determine and within the limits set forth by law, this Prospectus including the relevant Supplement and the Articles. In particular, Shares of any Class and Sub-Fund may be redeemed where the Investor's holding of Shares in a particular Class has fallen below the minimum investment and holding requirement for such Class and/or this specific Investor.

#### *Distributions in Kind*

The Board may, at its complete discretion but subject to the relevant Supplement and the consent of the relevant Shareholder, decide to satisfy requests for redemption of Shares in the Sub-Fund by transfer to those Shareholders of assets of the Sub-Fund in kind, provided any such distributions in specie will not materially prejudice the remaining Shareholders. Such redemption shall be at the Net Asset Value of the relevant Redemption Dealing Day.

Any payment of the redemption price in kind shall be included in a report prepared by an auditor qualified as an approved statutory auditor (*réviseur d'entreprises agréé*), and the costs will be borne by the relevant Shareholder.

In respect of each Sub-Fund that is subject to the ELTIF Regulation, the relevant Supplement will set out such provisions in respect of redemptions in kind as necessary to comply with the ELTIF Regulation.

The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interest of the other Shareholders of the Sub-Fund, and the valuation used shall be confirmed by a special report of the Auditor. The cost of such transfer shall be borne by the relevant Shareholder.

#### 7.4 **Transfers**

Except as expressly permitted in the Articles, this Prospectus and/or the relevant Supplement, no Shareholder may assign, sell, convey, pledge, mortgage, encumber, hypothecate or otherwise transfer in any manner whatsoever all or any part of its Shares in a Sub-Fund (a "**Transfer**"), except with the prior written consent of the Board, which approval shall not be unreasonably withheld or delayed, and provided that the following conditions are met (except to the extent waived by the Board in its absolute discretion):

- (i) the Person to whom such Transfer is to be made (a "**Transferee**") qualifies as an Eligible Investor;
- (ii) the Transferee does not qualify as a "U.S. person" within the meaning of Regulation S promulgated under the Securities Act;
- (iii) the Shareholder that proposes to effect such Transfer (a "**Transferor**") or the Transferee shall undertake to pay all reasonable out-of-pocket expenses incurred by the relevant Sub-Fund, the Board or any person to whom such powers have been delegated by the Board on behalf of the relevant Sub-Fund in connection therewith;
- (iv) such Transfer shall be evidenced by a written agreement executed by the Transferor and the Transferee(s) and acknowledged by the Board, in form and substance satisfactory to the Board or any person to whom such powers have been delegated by the Board;
- (v) each of the Transferor and the Transferee warrants to the Board on a several basis that, as far as they are actually aware, the proposed Transfer does not violate any laws (including, without limitation, any securities laws) applicable to it;
- (vi) the Transferee executes an Application Form for the purposes of agreeing to the undertakings and acknowledgements and making the representations and warranties therein;
- (vii) the Company shall receive from the Transferee such documents as deemed useful or necessary by the Board or any person to whom such powers have been delegated to by the Board to approve the Transfer and accept a Transferee as a Shareholder of the relevant Sub-Fund.

No attempted Transfer or substitution shall be recognized by the Company on behalf of the relevant Sub-Fund and any purported Transfer or substitution shall be void unless effected in accordance with and as permitted by the Fund Documents.

## 7.5 Conversions from one Class into another Class

The Board may, in its discretion and/or at the request of a Shareholder, convert Shares of one Class into Shares of another Class subject to the fulfilment of any conditions applicable to such Class. The conversion will be effected by way of a redemption of Shares of one Class (the "**Original Class**") and a simultaneous subscription for Shares of the other Class (the "**Target Class**"), where the general provisions and procedures relating to redemptions and subscriptions of Shares will apply.

The conversion shall operate, and the number of Shares to be issued in the Target Class will be calculated, in accordance with the following formula:

$$A = \frac{B \times C \times D}{E}$$

where:

A = number of Shares of the Target Class to be allocated;

B = number of Shares of the Original Class converted;

C = Net Asset Value per Share calculated in respect of the relevant Valuation Day for the Original Class;

D = the currency conversion factor or, where the Shares of the Target Class are denominated in the same currency of the Original Class, D = 1; and

E = Net Asset Value per Share calculated in respect of the relevant Valuation Day for the Target Class or, where applicable, the issuance price.

## 7.6 Conversions from one Sub-Fund to another Sub-Fund

Shares from one Sub-Fund will not be converted into Shares of another Sub-Fund.

In case an Investor wishes to convert its investment into one Sub-Fund into an investment into another Sub-Fund, it may do so by redeeming its Shares from its current Sub-Fund and making a new subscription in respect of another Sub-Fund, in accordance with the terms of this Prospectus and the relevant Supplements.

## 8. DISTRIBUTIONS, FEES AND EXPENSES

### 8.1 Distributions

Distributions to Shareholders in each Sub-Fund and/or Class will be made as set out in the relevant Supplement.

### 8.2 Management Fee

The AIFM and the relevant Portfolio Manager shall be entitled to fees in respect of their services and/or the performance of the relevant Sub-Fund's assets, the terms and conditions of which will be set out in the relevant Supplement.

### 8.3 Establishment Costs

Each Sub-Fund established within five (5) years as of the date of the establishment of the Company and the first Sub-Fund shall bear its proportionate share, to the extent not yet amortized at the time any such new Sub-Fund is established, as determined by the Board, acting reasonably, of all costs, fees and expenses incurred by the Board, the Company, the Portfolio Manager and the AIFM attributable to the structuring, organization, authorization and establishment of the Company and the first Sub-Fund, including, for the avoidance of doubt, but not limited to the fees, costs and expenses of legal and tax advisors engaged in connection therewith (the "**Establishment Costs**"), such aggregate amount not exceeding USD 1,000,000. The Board may, acting reasonably, (re-) allocate such Establishment Costs between the Sub-Funds established in the aforementioned five-year period as it considers equitable to reflect the intention set out in this Section.

### 8.4 Operational Costs

Each Sub-Fund shall bear its share, as determined by the Board in its reasonable discretion, of all fees, costs and expenses (together with any Taxes thereon) incurred in connection with the operation, management, administration, termination, liquidation and winding up of the Company, the relevant Sub-Fund and the Board, including without limitation, audit, reporting, administration, custody, tax compliance, regulatory, accounting and legal costs, company secretarial fees, provided that any portion of the total fees, costs and expenses is allocable solely to one Sub-Fund, such fees, costs and expenses allocable to such Sub-Fund shall be borne by the relevant Sub-Fund (the "**Operating Costs**").

Such Operating Costs include in particular:

- (a) all taxes which may be payable on the assets, income and expenses chargeable to the relevant Sub-Fund;
- (a) brokerage and bank charges incurred by the relevant Sub-Fund's business transactions (these charges are included in the cost of investments and deducted from sales proceeds);
- (b) expenses and any placement or distribution platform fees payable to a financial intermediary (including any distribution platform provider) in respect of the subscription by Shareholders admitted through a financial intermediary (including any distribution platform provider);
- (c) all type of investment-related expenses including, for the avoidance of doubt, but not limited to accounting, due diligence, legal and other professional fees and expenses (including also legal fees for the primary, secondary transactions - including the fees of external intermediaries of secondary transactions - and co-investment process) incurred by the Company, the AIFM and the relevant Portfolio Manager in respect of the selection and ongoing monitoring of potential and actual Investments (including, without limitation, travelling costs and other out-of-pocket expenses and fees related to other quality control checks such as e.g. AML/KYC reviews etc.);

- (d) costs and expenses charged to the relevant Sub-Fund by Investments in accordance with the relevant documents of the Investments;
- (e) to the extent not covered by the Establishment Costs, the cost, including that of legal advice, tax advice, auditors and valuers, which may be payable by the Company, the AIFM or the Depositary or the Administrator for actions taken in relation to the relevant Sub-Fund; these include, but are not limited to, legal or audit opinions if required to certify ownership of assets including tax memoranda for specific investor categories;
- (f) the costs of arranging and holding meeting(s) of any General Meeting and any investor relations meetings that include the purpose of providing updates in relation to the performance of the Company and/or relevant Sub-Fund, market updates or industry outlooks;
- (g) the costs of arranging and holding meetings of the Board and the AIFM including travelling costs and other out-of-pocket expenses;
- (h) the fees and expenses incurred in connection with the registration (including but not limited to regulatory and tax related filing) of the relevant Sub-Fund with, or the approval or recognition of the relevant Sub-Fund by, the competent authorities in any country or territory and all fees and expenses incurred in connection with maintaining any such registration, approval or recognition;
- (i) the fees and expenses incurred in connection with the legal and tax structuring provided by Mercer Group;
- (j) the fees and costs incurred in relation to the setting-up and the operation of any Subsidiaries and affiliates where such affiliated entities are part of the Company structure but not established as a subsidiary of the Company;
- (k) the fees and costs incurred in relation to the setting up of co-investment vehicles or Holding Entities or other restructuring requiring activities;
- (l) the fees and costs incurred in relation to the listing of the Company and/or the relevant Sub-Fund or other investment vehicles such as Subsidiaries, co-investment vehicles or Holding Entities;
- (m) the cost of preparing, depositing, translating and publishing the Prospectus, the Articles and other documents in respect of the relevant Sub-Fund, including notifications for registration, Prospectus and memoranda for all governmental authorities and stock exchanges (including local securities dealer's associations) which are required in connection with the relevant Sub-Fund or with offering the Shares, the cost of preparing, producing, translating and publishing marketing materials in connection with the relevant Sub-Fund, the cost of establishing, printing and distributing yearly, semi-annually and quarterly reports for the Shareholders, together with the cost of establishing, printing and distributing all other reports and documents which are required by the relevant legislation or regulations, the cost of bookkeeping and computation of the Net Asset Value, the cost of notifications to Shareholders, the fees of the auditors

and legal advisers, Depositary and Administrator, the cost for the Company acting as withholding agent and all other similar administrative expenses;

- (n) any fees and costs relating to hedging and FX risk management unless specifically allocated to a specific Class;
- (o) all organizational costs and operational costs of the Board, including but not limited to the remuneration of the directors;
- (p) the costs of compliance, regulatory reporting and risk management of the AIFM; and
- (q) any fees and costs relating to tax compliance and/or tax declarations of the relevant Sub-Fund and if so, decided by the Board including tax filings/reporting for specific investors.

The fees, costs and expenses as set out above, where they are incurred on the account of the Company, will be allocated to each Sub-Fund in their respective net assets. Fees, costs and expenses relating to one or more Class(es) will be borne by such Class(es).

The AIFM and the relevant Portfolio Manager will not be reimbursed for any of their internal administrative costs such as salaries, office space or office equipment.

## **9. VALUATION AND NET ASSET VALUE CALCULATION**

### **9.1 Net Asset Value Calculation**

In compliance with the provisions of the UCI Law and the AIFM Law, the Administrator has been appointed by the AIFM to perform the proper and independent calculation of the Net Asset Value. The Administrator shall perform its functions impartially and with the requested due skill, care and diligence.

To the extent required by and within the limits laid down under Luxembourg laws and regulations, the Net Asset Value of each Sub-Fund and the Net Asset Value per Share and Class within each Sub-Fund, if any, will be determined by the Administrator, under the responsibility of the AIFM, on each Valuation Day, in accordance with the rules set forth below, Luxembourg law and LuxGAAP.

CSSF Circular 24/856 regarding the protection of investors in case of NAV calculation errors and the correction of the consequences resulting from non-compliance with the investment rules is applicable.

The AIFM's liability towards the Company, the Sub-Fund and its Shareholders shall not be affected by any such delegation.

Each Sub-Fund shall disclose the issue, sale and redemption price of the Shares each time it issues, sells and redeems Shares following such time that the redemption price becomes available.

## 9.2 **Net Asset Value of the Company, a Sub-Fund and/or any Share of a Class**

In accordance with LuxGAAP, the Net Asset Value and the Net Asset Value per Share and Class shall be calculated in accordance with the Articles for the preparation of the annual financial statements required by law. In addition, the Net Asset Value per Share and Class shall be calculated for the preparation of the quarterly reports as per section 10.2 below.

The Net Asset Value corresponds to the difference between the gross asset value and its liabilities determined in accordance with LuxGAAP. The Net Asset Value per Share in a Sub-Fund, and of each Class, if any, is the result of the division of the overall Net Asset Value attributable to such Sub-Fund and Class by the number of Shares of such Class in circulation on the relevant Valuation Day; it is expressed in the Sub-Fund Currency and is calculated up to seven decimal places.

The Net Asset Value calculation for the Classes denominated in a currency other than the relevant Sub-Fund Currency will be executed based on the applicable foreign exchange rate as of the Valuation Day. If such foreign exchange rates are not available, the rate of exchange will be determined in good faith by or under procedures established by the AIFM. For the avoidance of doubt, the Net Asset Value of a Sub-Fund will be reported in the relevant Sub-Fund Currency, however the Net Asset Value per Class will also be reported in the currency of the relevant Class.

## 9.3 **Valuation**

Investments shall, in principle, be valued at their latest available net asset value as reported or provided by such Investments or their agents and in accordance with the AIFM's valuation policy. Such net asset value may be adjusted for subsequent net capital movements (i.e., capital calls, distributions etc.) where deemed appropriate by the AIFM. The AIFM may, in its discretion, permit some other method of valuation to be used if it considers that such valuation better reflects the fair market value of any asset or liability of the Company and/or its Sub-Funds in compliance with LuxGAAP. This method will then be applied in a consistent way.

The AIFM is responsible for the proper and independent valuation of the assets of the Company.

## 9.4 **Temporary Suspension of the Net Asset Value Calculation**

The AIFM may suspend the determination of the Net Asset Value per Share of any Sub-Fund in the following exceptional circumstances:

- during any period when, as a result of the political, economic, military or monetary events or any circumstance outside the control, responsibility and power of the AIFM, or the existence of any state of affairs in the market, if, in the opinion of the AIFM, a fair price cannot be determined for the assets of the Company;
- when one or more recognized markets which provides the basis for valuing a substantial portion of the assets of a Sub-Fund are closed other than for or during holidays or if dealings therein are restricted or suspended;

- when, for any other reason, the prices or values of the assets of a Sub-Fund cannot be promptly or accurately ascertained or when it is otherwise impossible to dispose of the assets of the Sub-Fund in the usual way and/or without materially prejudicing the interests of investors;
- in the case of a breakdown of the means of communication normally used for valuing any asset of the relevant Sub-Fund or if for any reason the value of any asset of such Sub-Fund which is material in relation to the Net Asset (as to which the AIFM shall have sole discretion) may not be determined as rapidly and accurately as required;
- if, as a result of exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the relevant Sub-Fund are rendered impracticable, or if purchases, sales, deposits and withdrawals of the assets of such Sub-Fund cannot be effected at the normal rates of exchange;
- during any period when the value of the net assets of any Subsidiary may not be determined accurately;
- when there is a suspension of the net asset value calculation or of the issue, redemption or conversion rights by an Investment in which a Sub-Fund is invested;
- during the process of establishing exchange ratios in the context of a merger, a contribution of assets, an asset or share split or any other restructuring transaction;
- where a General Meeting has been called to decide upon the termination of the Company and/or the respective Sub-Fund;
- in exceptional circumstances, whenever the Board considers it necessary in order to avoid irreversible negative effects on the Company, a Sub-Fund or a Class, in compliance with the principle of fair treatment of Shareholders.

Any such suspension shall be notified to Shareholders of the relevant Sub-Fund having made an application for subscription, conversion and/or redemption of Shares for which the calculation of the Net Asset Value has been suspended.

Any issuance, conversion and/or redemption of Shares in the Sub-Fund concerned will be suspended for as long as the suspension of the calculation of the Net Asset Value continues.

For the avoidance of doubt, the suspension measures provided for in this section may be limited to one or more Sub-Funds.

## 10. **REPORTING**

### 10.1 **Financial Year**

The Company's Financial Year begins on 1 January of each year and ends on 31 December of the same year. The first Financial Year of the Company shall begin on

the day of creation of the Company and end on 31 December 2025. The Company's first Annual Report will be published for this Financial Year.

## 10.2 Reporting

The Company will provide information about the Company, the relevant Sub-Funds and their relevant investment status and development in the form of Annual Reports (as defined below), Financial Statements and reports for informative purposes to the relevant Investors. The annual report will include the audited annual Financial Statements of the Company and its Sub-Funds (the "**Annual Report**"). Such Annual Report will be provided to the Investors within six (6) months after the end of each Financial Year.

In addition, and in accordance with the requirements of the UCI Law, the Company will in respect of each Sub-Fund prepare and distribute an unaudited semi-annual report to Investors within three (3) months following the period to which it refers.

The Company may, in addition, provide special reports upon specific request from individual Investors in order to fulfil their specific reporting requirements, it being understood that these special reports will be provided at the cost of the requesting Investors.

## 11. TERMINATION, LIQUIDATION, MERGER

### 11.1 Termination of the Company

The Company shall continue for an indefinite period of time, unless put into liquidation in certain specific circumstances, including as described below.

The Company may be terminated and put into liquidation:

- at any time by a resolution of the General Meeting resolving in the conditions prescribed for in the amendment of the Articles; and
- *ipso jure* upon the termination of the last Sub-Fund.

Whenever the capital falls below two thirds of the legal minimum capital, as provided for by article 94 of the UCI Law, the Board must submit the question of the termination of the Company to the General Meeting. In such event, the General Meeting, for which no quorum shall be required, shall decide on simple majority of the votes of the Shares present and represented at the meeting.

The question of the termination of the Company shall also be referred to the General Meeting whenever the capital falls below one quarter of the minimum capital. In such event, the General Meeting shall be held without quorum requirements, and the dissolution may be decided by the Investors holding one quarter of the votes present and represented at that meeting.

The General Meeting must be convened so that it is held within a period of forty (40) days from when it is ascertained that the net assets of Company have fallen below two thirds or one quarter of the legal minimum as the case may be.

The issue of new Shares and redemptions by the Company (including in respect of any Sub-Fund) shall cease on the date of publication of the notice of the General Meeting to which the termination and liquidation of the Company shall be proposed. One or more liquidators shall, subject to the prior approval of the CSSF, be appointed by the General Meeting to realize the assets of the Company, subject to the supervision of the CSSF in the best interests of the Investors. The proceeds of the liquidation of each Sub-Fund, net of all liabilities and liquidation expenses, shall be distributed by the liquidators among the holders of Shares in each Class in accordance with their respective rights. The amounts not claimed by Investors at the end of the liquidation process shall be deposited, in accordance with Luxembourg law, with the *Caisse de Consignations* in Luxembourg until the statutory limitation period has lapsed.

Any decision to put the Company into liquidation will take into account the best interests of the Investors and will be subject to the prior non-objection of the CSSF. The Company will pay all costs associated with liquidation of the Company.

## 11.2 Termination of a Sub-Fund or Class

A Sub-Fund or Class may be separately terminated if:

- for any reason, the Net Asset Value of any Sub-Fund and/or Class has decreased to, or has not reached, an amount determined by the Board to be the minimum level for such Sub-Fund and/or Class to be operated in an economically efficient manner,
- a substantial modification in the political, economic or monetary situation relating to such Sub-Fund and/or Class would have material adverse consequences on the investments of that Sub-Fund and/or Class,
- as a matter of economic rationalization, or
- of the expiration of the Sub-Fund's term (if any).

In such case, the Board may decide to terminate the Sub-Fund and/or Class and liquidate the assets of a Sub-Fund and/or Class in an orderly manner. The net proceeds from the disposal or liquidation of investments will be distributed to the Shareholders in proportion to their holding of Shares.

In the same circumstances as provided for above, the Board may decide to compulsorily redeem all the Shares of the relevant Sub-Fund and/or Class at their Net Asset Value per Share (taking into account actual realization prices of investments and realization expenses) as calculated on the Valuation Day at which such decision shall take effect.

The Company shall serve a notice to the Shareholders of the relevant Sub-Fund and/or Class prior to the effective date for the compulsory redemption, which will set forth the reasons for, and the procedure of, the redemption operations.

Any request for subscriptions and/or redemptions shall be suspended as from the moment of the announcement of the termination, the merger or the transfer of the relevant Sub-Fund and/or Class.

### 11.3 Amalgamation of Sub-Funds or Classes

Unless otherwise provided for in the relevant Supplement, the Board may decide to terminate one Sub-Fund by contributing its assets and liabilities into another existing or new Sub-Fund or into another existing or new collective investment scheme or an assimilated entity, provided however that an ELTIF Sub-Fund may not be merged into a Sub-Fund which is not an ELTIF.

The Board of Directors may also organize the amalgamation of: (i) two or more Sub-Funds into an existing or a new Sub-Fund; or (ii) two or more Classes within a Sub-Fund.

Investors will be notified of any such decision as well as the relevant information in relation to the new Sub-Fund, the new collective investment scheme or assimilated entity or the new Class. Notice will be provided at least one month before the next Redemption Dealing Deadline prior to the amalgamation in order to enable Investors who hold redeemable Shares to request that their Shares be redeemed in accordance with the terms contained in the relevant Supplement before the amalgamation is completed.

### 11.4 Consolidation or Splitting of Shares

The Board may decide to consolidate Shares of different Classes within a Sub-Fund or to split the Shares within a given Class of a Sub-Fund.

## 12. TAX CONSIDERATIONS

The present Section is a short summary of certain important Luxembourg tax principles in relation to the Company. The summary is based on laws and regulations in force and applied in Luxembourg. Provisions may change at short-term notice, possibly with retroactive effect.

The Section does not purport to be a complete summary of tax law and practice currently applicable in Luxembourg and does not contain any statement with respect to the tax treatment of an investment in any Sub-Fund in any other jurisdiction. Furthermore, this Section does not address the taxation of the Company in any other jurisdiction or the taxation of any subsidiaries or intermediary companies of the Company or of any Investment in which the Company holds an interest in any jurisdiction.

**Prospective Investors are advised to consult their own professional tax advisors in respect of the possible tax consequences of subscribing for, buying, holding, redeeming, converting or selling their investment in any Sub-Fund under the laws of their country of citizenship, residence, domicile or incorporation.**

### 12.1 Tax Treatment of the Company

At the date of the Prospectus, the Company is not liable for any Luxembourg corporate income tax, municipal business tax and net wealth tax. The Company established as an UCI Part II Fund is subject to an annual subscription tax (*taxe d'abonnement*) charged at an annual rate of 0.05% based on the total net assets of the UCI Part II Fund, valued at the end of each calendar quarter.

Under certain conditions, (i) money market funds and (ii) individual compartments and classes which are reserved to Institutional Investors may benefit from a reduced subscription tax of an annual rate of 0.01%. Subject to specific formalities, certain Part II Funds, or their compartments, may benefit from other reduced subscription tax rates provided they invest in environmentally sustainable economic activities within the meaning, and meeting the requirements, of Article 3 of the Taxonomy Regulation.

Under certain conditions, the UCI Law exempts from the subscription tax, inter alia, (i) the assets invested in other Luxembourg based UCIs subject to this tax, (ii) certain short-term money market funds meeting certain criteria, (iii) institutional cash funds, (iv) microfinance funds (v) pension pooling funds and (vi) ELTIF.

Individual Sub-Funds of the Company that are authorized as ELTIFs in accordance with the ELTIF Regulation are exempt from subscription tax.

No other stamp duty or other tax is payable on the issue of Shares by the Company, except for a flat registration duty of EUR 75.- to be paid upon incorporation and upon any future amendment of its Articles.

Dividends and interest, if any, received by the Company from investments may be subject to taxes and/or withholding taxes in the countries concerned at varying rates, such (withholding) taxes usually not being recoverable (although the Company may qualify for the application of withholding tax reductions or exemptions under certain of the double taxation treaties concluded by Luxembourg, subject to assessment on a case-by-case basis). In particular, the investors should be aware that Luxembourg imposes a withholding tax (at a current rate of 15%) on dividends paid by Luxembourg companies. The Company may be liable for certain other foreign taxes.

## 12.2 Tax Treatment of the Shareholders

Shareholders are not subject to any taxation on income, taxation on capital gains, transfer or withholding tax in Luxembourg on the holding, sale, purchase, transfer or repurchase of Shares in the Company (except for Shareholders who are domiciled, resident or have a permanent establishment in Luxembourg).

## 12.3 Foreign Account Tax Compliance Act

In the present section, defined terms shall have the meaning ascribed to them in the Luxembourg IGA (as defined in the present section) unless otherwise specified in this Information Memorandum.

The Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act (commonly known as "FATCA") generally impose a new reporting regime and potentially a 30% withholding tax with respect to (i) certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends ("**Withholdable Payments**") and (ii) beginning no earlier than two years after the date the final regulations defining "foreign passthru payments" are published in the U.S. Federal Register, a portion of certain non-US source payments from non-US entities that have entered into FFI Agreements (as defined below) to the extent attributable to Withholdable Payments ("**Passthru Payments**"). As a general matter, the rules are

designed to require US persons' direct and indirect ownership of non-US accounts and non-US entities to be reported to the Internal Revenue Service (the "**IRS**"). The 30% withholding tax regime applies if there is a failure to provide required information regarding US ownership.

Generally, these rules will subject all Withholdable Payments and Passthru Payments received by a Foreign Financial Institution ("**FFI**") to 30% withholding tax (including the share that is allocable to non-US investors) unless the FFI enters into an agreement with the IRS (an "**FFI Agreement**") or complies with the terms of an applicable intergovernmental agreement (an "**IGA**"). Under an FFI Agreement or an applicable IGA, an FFI generally will be required to provide information, representations and waivers of non-US law as may be required to comply with the provisions of the new rules, including, information regarding its direct and indirect US accountholders.

The governments of Luxembourg and the United States have entered into an IGA regarding FATCA (the "**Luxembourg IGA**"), as transposed through the Law of 24 July 2015 (the "**Luxembourg FATCA Law**"). Provided the Company adheres to any applicable terms of the Luxembourg IGA and Luxembourg FATCA Law, the Company would not be subject to withholding or generally required to withhold amounts on payments it makes under FATCA (except as from the moment the Passthru system would apply and then only regarding payments made to "Non-Participating FFI"). Additionally, the Company will not have to enter into an FFI agreement with the IRS and instead would be required to obtain information regarding accountholders and report certain of such information to the Luxembourg tax authorities, which, in turn, would report such information to the IRS.

In certain circumstances, the Company may withdraw a non-compliant Investor's interest in any Sub-Fund or form and operate an investment vehicle organized in the United States that is treated as a "domestic partnership" for purposes of section 7701 of the Internal Revenue Code of 1986, as amended and transfer such Investor's interest to such investment vehicle. Any tax caused by an Investor's failure to comply with FATCA will be borne by such Investor.

Each prospective Investor should consult its own tax advisors regarding the requirements under FATCA with respect to its own situation.

#### 12.4 **Common Reporting Standard**

The Organization for Economic Co-operation and Development has developed a new global standard for the annual automatic exchange of financial information between tax authorities (the "**CRS**"). The CRS has been implemented into Luxembourg domestic law via the law dated 18 December 2015 concerning the automatic exchange of information on financial accounts and tax matters and implementing the EU Directive 2014/107/EU (the "**CRS Law**"). The regulation may impose obligations on the Company and its Investor, if the Company is actually regarded as a Reporting Financial Institution under the CRS. Under this perspective, the Company could be required to conduct due diligence and obtain (among other things) confirmation of the tax residency (through the issuance of self-certifications forms by the Investor), tax identification number and CRS classification of the Investor in order to fulfil its own legal obligations pursuant to the CRS Law.

Each Investor should consult its own tax advisors regarding the requirements under CRS with respect to its own situation as well as the determination of its tax residence.

As such, a Luxembourg Reporting Financial Institution is required to annually report to the Luxembourg tax authorities personal and financial account information related, inter alia, to the identification of, holdings by and payments made to (i) certain holders of participations qualifying as Reportable Persons and (ii) Controlling Persons of certain non-financial entities ("NFEs") which are themselves Reportable Persons. This information, as exhaustively set out in Annex I of the CRS Law (the "**Information**"), will include personal data related to the Reportable Persons.

To comply with the reporting requirements foreseen in the CRS Law, the Luxembourg Reporting Financial Institution will depend on each Investor holding participations to provide the Luxembourg Reporting Financial Institution with the relevant Information and supporting documentary evidence. The Luxembourg Reporting Financial Institution will process the data and information for the purposes as required by the CRS Law.

Each Investor and each transferee of an Investor's Interest in the Company shall furnish (including by way of updates) to the Company, or any third party designated by the Company (a "**Designated Third Party**"), in such form and at such time as is reasonably requested by the Company (including by way of electronic certification) any information, representations, waivers and forms relating to the Investor (or the Investor's Controlling Person, if relevant) as shall reasonably be requested by the Company or the Designated Third Party to assist it in complying with the relevant CRS requirements.

Each Investor has the right to access the data processed and communicated by the Luxembourg Reporting Financial Institution to the Luxembourg tax authorities and to correct such data if necessary. Data obtained by the Luxembourg Reporting Financial Institution is to be processed in accordance with the General Data Protection regulation (EU 2016/679) along with any implementing legislation and available guidance from competent data protection authorities.

Each investor is informed, that the data and Information as referred to above is reported to the Luxembourg tax authorities on an annual basis for the purposes defined by the CRS Law. The Luxembourg tax authorities will, under their own responsibility, eventually exchange the reported information to the competent authority of the Reportable Jurisdiction. Reportable Persons, Individual Accountholders and Controlling Persons of Passive NFEs shall be informed about the processing of their personal data and that part of such Information will serve as a basis for the annual disclosure to the Luxembourg tax authorities.

Each Investor shall undertake to inform the Luxembourg Reporting Financial Institution within thirty (30) days of receipt of this notification should any personal data included therein be not accurate and provide all supporting documentary evidence of any changes relating to the Information following the occurrence of such changes.

Under relevant Luxembourg rules, failure to comply with the above -mentioned legislation, in respect of due diligence and reporting obligations, may lead to fines

amounting to EUR 250,000 and up to 0.5% of the amounts that should have been reported.

**Consequently, all Investors are strongly urged to consult their own tax advisors, in light of their own particular circumstances and any special tax rules to which they may be subject, regarding the tax consequences of acquiring, holding and disposing of interest in the Company, under the laws of their country of incorporation, establishment, citizenship, residence or domicile. Each prospective investor and each Investor should consult its own tax advisor regarding the requirements under FATCA and CRS with respect to its own situation as well as the determination of its tax residency.**

## 12.5 Tax Information

12.5.1 Each Investor shall promptly provide the Company (or AIFM) with such information, certifications, representations and forms relating to the Investor (including, but not limited to, information relating to its direct or indirect owners, account holders and controlling persons) in the Investor's possession or reasonably available to it ("**Tax Information**") as the Company (or AIFM) may reasonably request from time to time so as to permit the Company to:

- (a) evaluate and comply with any present or future legal, regulatory, commercial or Tax requirements (including but not limited to, any of the Information Reporting Regimes, ATAD and Pillar II) applicable to any Relevant Entity or, the Investors or that may potentially be applicable in connection with any proposed Investments of the Company;
- (b) consider and evaluate the extent to which any payments collected by or paid to any Relevant Entity are likely to be paid after deduction of, or after withholding for, Tax;
- (c) assist in obtaining an exemption from, reduction in or refund of any Taxation (including Taxation imposed pursuant to any applicable Information Reporting Regime); or
- (d) comply with various compliance obligations (including obligations relating to Information Reporting Regimes and any anti-money laundering, "know your client", anti-financial crime, anti-terrorism or similar requirements) and various anti-money laundering obligations.

12.5.2 In addition, each Investor shall take such actions as the Company (or AIFM) may reasonably request (including by way of update) in order to enable any Relevant Entity to comply with, or mitigate any Taxation under, any applicable Information Reporting Regime (including the ATAD Provisions and/or Pillar II) or other Tax laws and hereby authorizes each Relevant Entity to take such actions as it reasonably determines are necessary in order to enable any Relevant Entity to comply with, or mitigate any Taxation under, any applicable Information Reporting Regime, the ATAD Provisions and Pillar II (including the disclosure of personal data).

- 12.5.3 Each Investor further agrees to update or replace any such Tax Information promptly to the extent such investor is aware of any changes to any of the Tax Information it has provided, or that such Tax Information has become obsolete.
- 12.5.4 An Investor shall indemnify the Company, the Board, the AIFM and the other Investors for all loss, costs, expenses, damages, claims and/ or requests (including, but not limited to, any withholding tax, penalties or interest borne by the Company and/or the Investors) arising as a result of such Investor's failure to comply with any of the requirements set out in this section or any requests of the Company, the Board and/or the AIFM under this section in a timely manner.
- 12.5.5 If requested by the Company and/or the AIFM, the Investors shall promptly execute any and all documents or take such other actions as the Company, the Board and/or the AIFM may require pursuant to this section. The Company, the Board and/or the AIFM may exercise the power of attorney granted to them pursuant to the last paragraph of this section to execute any such documents or take such actions on behalf of any Investor in connection with the above if the Investor fails to do so.
- 12.5.6 In the event that any Investor fails to establish that payments and allocations to it are exempt from withholding or fails to comply with any of the requirements above and fails to rectify any such failure, in each case in a timely manner (without regard as to whether such information was not provided due to the fact that it was not reasonably practicable for the investor to obtain such information) and the Company, the Board and/or the AIFM reasonably consider that any of the following is necessary or advisable, with respect to the Information Reporting Regimes compliance matters, having regard to the interests of the Company and investors generally, the Board shall have full authority (but shall not be obliged) to take any and all of the following actions:
- (a) withhold any withholding tax required to be withheld pursuant to any applicable legislation, regulations, rules or agreements;
  - (b) allocate to an Investor any taxation and/or other costs which are attributable to that Investor, including any additional tax resulting from the non-deduction of an otherwise tax-deductible payment (including, but not limited to, as a result of a hybrid mismatch in the sense of the ATAD Provisions);
  - (c) redeem such Investor's Shares;
  - (d) transfer such Investor's Shares to a third party (including, but not limited to, any existing Investor) at the relevant Net Asset Value; and/or
  - (e) take any other action that the Company and/or the AIFM deem, in good faith, to be reasonable in order to mitigate any adverse effect of such failure on the Company or any other Investor.
- 12.5.7 Each Investor is hereby notified and acknowledges that information about such Investor shall, where required, be reported to the Tax Authority and may be transferred to the Tax Authority or governmental authority of other territories in accordance with applicable exchange of information obligations.

- 12.5.8 Each Investor hereby irrevocably appoints the Board (and any of its duly appointed attorneys) as its true and lawful attorney to do all things and to execute any documents as may be required in connection with this section and each such Investor undertakes to ratify and confirm whatever the Board (and/or any of its duly appointed attorneys) shall lawfully do pursuant to such power of attorney.

## 12.6 Tax Liability

- 12.6.1 In the event that the Company or any of its affiliates incurs a liability for any tax (whether because of the imposition of tax, an increase in the amount of tax payable by a subsidiary or otherwise (including, without limitation, as a result of the operation of the ATAD Provisions, Pillar II or any Taxes derived from an amount paid under this Clause 12.6)), as a result of the participation of a particular Shareholder (or particular Shareholders) in the Company, the Company may, in its absolute discretion,

- (a) determine that an amount equal to such tax liability shall be treated as an amount that has been allocated and distributed to such Shareholder (in which case such deemed allocation, and distribution will be made between the relevant Shareholders on such appropriate pro rata basis as the Company may determine in its absolute discretion). The Company will give notice of such deemed allocation and distribution to the relevant Shareholder (or Shareholders) concerned which shall include details of the date on which such deemed allocation and distribution is to be treated as having occurred; and/or
- (b) require such Shareholder or Shareholders to pay such an amount to the Company (or such other person as the Company may direct) as is necessary to reimburse the Company for the cost of such Tax liability, which amount shall be borne by such Shareholder or Shareholders in addition to their respective Subscription Amount.

In such case, a gross-up for Taxes falling due in connection with any amount paid by a Shareholder to the Company under this Clause 12.6 shall also be paid by such Shareholder where such amount is considered as a fully taxable income in the hands of the Company, to ensure that the net amount received by the Company from the Shareholder will equal the full amount which would have been received by it had no such Taxes fallen due.

- 12.6.2 In the event where the Company did not or would not be able to proceed to the deemed allocation and distribution of a tax liability as described above, the amount equal to the tax liability determined by the Company (or the AIFM) must be repaid by the relevant Shareholder(s) to the Company when so requested by the Company (or the AIFM), which amount shall be borne by such Shareholder or Shareholders in addition to their respective Subscription Amount. In such case, a gross-up for taxes falling due in connection with any amount paid by a Shareholder under this paragraph shall also be paid by such Shareholder(s) where such amount is considered as a fully taxable income in the hands of the Company, to ensure that the net amount received by the Company from the Shareholder(s) will equal the full amount which would have been received by it had no such taxes fallen due.

12.6.3 The obligations of this Clause 12.6 shall survive the transfer of Shares, the withdrawal of any Shareholder as an Investor in the Company, and the termination of the Company.

## 13. MISCELLANEOUS

### 13.1 Preferential Treatment of Investors

The AIFM intends that all Investors will be treated fairly in accordance with the relevant requirements of the AIFMD, the UCI Law and applicable laws and regulation (including the ELTIF Regulation, where applicable). The relevant Supplement shall describe any instance where an Investor may receive preferential treatment, a description of that preferential treatment, the type of Investor who may obtain such preferential treatment and where relevant their legal and economic links with the Company.

### 13.2 Applicable Law and Jurisdiction

Shareholders are legally bound by the Articles, the terms of their Application Form and the terms of this Prospectus, including the relevant Supplement.

The relationship between the Shareholders, the Company and any Sub-Fund shall be governed and construed in all respects in accordance with the laws of the Grand Duchy of Luxembourg. Any dispute or controversy between an Investor and the Company shall be submitted to the exclusive jurisdiction of the Court of Luxembourg City.

Investors shall note that judgments falling within the scope of Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (*recast*) ("**Regulation 1215/2012**") and which are given and enforceable in a Member State shall be enforceable in another Member State without a declaration of enforceability being required, upon production of a copy of the judgment which satisfies the conditions necessary to establish its authenticity and a certificate to be issued by the court of origin.

The recognition and enforcement of such judgments may be refused by the Luxembourg court only in the event of an application for refusal of recognition or enforcement and in accordance with the specific provisions contained in Regulation 1215/2012. In particular, recognition and enforcement shall be refused if the judgment issued by the court of origin is contrary to the Luxembourg public order (*ordre public*).

### 13.3 Indemnification

Within the limits of applicable law, the Company will indemnify the Board, the AIFM, the relevant Portfolio Manager and investment advisor (if any) and their officers, directors, managers, employees and associates (each an "**Indemnitee**", together the "**Indemnitees**") against all claims, liabilities, cost and expenses incurred in connection with their role as such, other than for gross negligence, fraud or wilful misconduct. Shareholders will not be individually obligated with respect to such indemnification beyond the amount of their respective Subscription Amount(s).

The Indemnitees shall have no liability for any loss incurred by the Company, any Sub-Fund and/or any Shareholder howsoever arising in connection with the services provided by them in compliance with the Articles and/or this Prospectus, and each Indemnitee shall be indemnified and held harmless out of the assets of the Company against all actions, proceedings, reasonable costs, charges, expenses, losses, damages or liabilities incurred or sustained by an Indemnitee in or about the conduct of the Company's business affairs or in the execution or discharge of his duties, powers, authorities or discretions in accordance with the terms of the appointment of the Indemnitee, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by him in defending (whether successfully or otherwise) any civil proceedings concerning the Company or its affairs in any court whether in Luxembourg or elsewhere, unless such actions, proceedings, costs, charges, expenses, losses, damages or liabilities resulted from his gross negligence, wilful misconduct or fraud.

#### 13.4 **Anti-money Laundering and Counter Terrorist Financing Provisions**

Pursuant to the applicable provisions of Luxembourg laws and regulations in relation to the fight against money laundering and terrorist financing ("**AML/CTF**"), obligations have been imposed on the Company as well as on other professionals of the financial sector to prevent the use of funds for money laundering and financing of terrorism purposes.

The Company and the AIFM will ensure their compliance with the applicable provisions of the relevant Luxembourg laws and regulations, including but not limited to the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended, the Grand-Ducal regulation of 10 February 2010 providing detail on certain provisions of the Luxembourg law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended, CSSF Regulation N°12-02 of 14 December 2012 on the fight against money laundering and terrorist financing, as amended by CSSF regulation 20-05 and relevant CSSF Circulars in the field of AML/CTF, and, to the extent relevant, CSSF Circular 18/698 on the authorization and organization of investment fund managers incorporated under Luxembourg law, as may be amended (the above collectively referred to as the "**AML/CTF Rules**").

In accordance with the AML/CTF Rules, the Company and, as appropriate, the AIFM and/or the Administrator in respect of the Company, are required to perform continuous screening against the EU, Luxembourg and United Nations consolidated financial sanctions list and apply initial and ongoing customer due diligence measures, applying a risk based approach, on the Investors (including on their ultimate beneficial owner(s)), any delegates and/or service providers and the assets of the Company in accordance with their respective applicable policies and procedures put in place from time to time.

Among others, the AML/CTF Rules require a detailed verification of a prospective Investor's identity. In this context, the Company, the AIFM, or the Administrator or any distributor, or any other type of intermediary (as the case may be but with the exception of any financial intermediary), acting under the responsibility and supervision of the Administrator and the AIFM will require prospective Investors to provide them with any information, confirmation and documentation deemed necessary in their reasonable judgment, applying a risk-based approach, to proceed such identification. Such

delegation to any type of intermediary may only apply if the intermediary referred to above is verified as a regulated financial institution located in a country recognized by the Administrator and the AIFM as having anti-money laundering regulations consistent with those under Luxembourg law. In case of subscriptions via intermediaries acting as financial intermediaries, enhanced due diligence measures are carried out by the AIFM, the Administrator and/or the relevant responsible party on the financial intermediaries.

The Company, the AIFM and/or, as appropriate, the Administrator reserve the right to request such information as is necessary to verify the identity of a prospective or current Investor. In the event of delay or failure by a prospective Investor to produce any information required for verification purposes, the Company and/or the AIFM are entitled to refuse the application and will not be liable for any interest, costs or compensation. Similarly, when Shares are issued, they cannot be redeemed or converted until full details of registration and anti-money laundering documents have been completed.

The Company and/or the AIFM moreover reserve the right to reject an application, for any reason, in whole or in part in which event the application monies (if any) or any balance thereof will, to the extent permissible, be returned without unnecessary delay to the prospective Investor by transfer to the prospective Investor's designated account or by post at the prospective Investor's risk, provided the identity of the prospective Investor can be properly verified pursuant to the AML/CTF Rules. In such event, the Company and/or the AIFM will not be liable for any interest, costs or compensation.

In addition, the Company and the AIFM, or the Administrator, any distributor or any other type of intermediary (as the case may be), acting under the responsibility and supervision of the Company and/or the AIFM, will request investors to provide additional or updated identification documents from time to time pursuant to on-going client due diligence requirements under the AML/CTF Rules, and Investors shall be required and accept to comply with such requests.

Failure to provide proper information, confirmation or documentation will, among others, result in (i) the rejection of subscriptions, (ii) the withholding of redemption proceeds by the Company or (iii) the withholding of outstanding distribution payments. Moreover, prospective or current Investors who fail to comply with the above requirements may be subject to additional administrative or criminal sanctions under applicable laws, including but not limited to the laws of the Grand Duchy of Luxembourg. None of the Company, the AIFM, the Administrator, any distributor or any other type of intermediary (as the case may be) has any liability to an investor for delays or failure to process subscriptions, redemptions or dividend payments as a result of the investor providing no or only incomplete documentation. The Company and the AIFM moreover reserve all rights and remedies available under applicable law to ensure their compliance with the AML/CTF Rules.

Appropriate due diligence requirements, controls and screenings will also apply to prospective Investments, as well as already held assets. Such due diligence controls are applied by the AIFM taking into account a risk-based approach and such screenings are applied on all assets and, as applicable, on the relevant parties linked to the transactions.

As a result of such provisions, the implementation of those identification procedures and, where applicable, the performance of the detailed verification is under the supervision and responsibility of the Administrator, the Company and the AIFM.

Pursuant to the RBO Law, the Company is required to collect and make available certain information on its beneficial owner(s) (as defined in the AML/CTF Rules). Such information includes, among others, first and last name, nationality, country of residence, personal or professional address, national identification number and information on the nature and the scope of the beneficial ownership interest held by each beneficial owner in the Company. The Company is further required, among others, (i) to make such information available upon request to certain Luxembourg national authorities (including the Commission de Surveillance du *Secteur Financier*, the *Cellule de Renseignement Financier*, Luxembourg tax and other national authorities as defined in the RBO Law) and upon motivated request of other professionals of the financial sector subject to the AML/CTF Rules, and (ii) to register such information in the RBO.

In light of the above RBO Law requirements, any persons willing to invest in the Company and any beneficial owner(s) of such persons (i) are required to provide, and agree to provide, the Company and the case being the AIFM, the Administrator, their distributor, or any other type of intermediary (as the case may be), with the necessary information in order to allow the Company to comply with its obligations in terms of beneficial owner identification, registration and publication under the RBO Law (regardless of applicable rules regarding professional secrecy, banking secrecy, confidentiality or other similar rules or arrangements), and (ii) accept that such information will be made available among others to Luxembourg national authorities and other professionals of the financial sector, with certain limitations, through the RBO.

Under the RBO Law, criminal sanctions may be imposed on the Company in case of its failure to comply with the obligations to collect and make available the required information, but also on any beneficial owner(s) that fail to make all relevant necessary information available to the Company.

### **13.5 Amendments to the Prospectus, any Supplement and/or the Articles**

Amendments to the Prospectus (including any Supplement) may in principle be made from time to time by the Board in accordance with the Articles and subject to CSSF's prior approval of the contemplated changes.

The Board may only propose a change to the relevant investment restrictions of a Sub-Fund to the extent that the investment restrictions will continue to comply with the applicable risk diversification requirements applicable by law. Any change to the investment restrictions requires the prior approval of the CSSF.

The Articles may only be amended by an extraordinary General Meeting of the Shareholders in accordance with the provisions of the Articles and the Company Law and subject to CSSF's prior approval of the contemplated changes.

Any amendment that is deemed material shall be notified to Shareholders at least one month prior to the implementation of such amendment. During such one-month period,

Shareholders may request the redemption of their Shares free of charge, provided that they have not given their prior consent in respect of such amendment, and provided further that such amendment does not solely affect one or more Sub-Funds in which such Shareholder does not hold any Shares.

#### 14. **CERTAIN RISK FACTORS**

Investment in the Company (including its Sub-Funds) involves a significant degree of risk and the value of such an investment may go down as well as up. The Company (including its Sub-Funds) has no operating history and Investors have limited information upon which to base an investment decision. There can be no assurance that the Company's (including its Sub-Funds') objectives will be realized or that the Company (including its Sub-Funds) will generate profits to be distributed to Investors or return Investor's capital.

There is no assurance that the Company (including its Sub-Funds) will be operated on a profitable basis. The Management Fee will constitute an expense of the Sub-Funds that is payable without regard to the profits or profitability of the Sub-Funds. Neither the AIFM, the Board nor the Portfolio Manager, nor any of their Associates, members, directors or officers will be liable for the return to the Investors of their capital contributions. Such distributions and returns, if any, will be made solely from the relevant Sub-Fund's assets.

Investors must be willing and financially able to accept the risks (including, among other things, the risk of loss of their investment and lack of liquidity) that are characteristic of an investment in the Company (or any of its Sub-Funds).

The factors described in this Section 14 and any relevant Supplement represent certain material risks which should be carefully considered prior to making a decision to invest. However, these risk factors may not describe all of the risks associated with an investment in the Company (or any of its Sub-Funds). Prospective Investors should therefore carefully consider and evaluate the various risks involved, including but not limited to the non-exhaustive summary of risk factors described in this Prospectus, including any relevant Supplement before making an investment in the Company (or any of its Sub-Funds).

##### 14.1 **General Risks Associated with the Investments**

###### *Limited Operating History*

A Sub-Fund may have limited or no operating history upon which prospective Investors can evaluate its likely performance. Furthermore, in the period following the launch of a Sub-Fund, the Sub-Fund may not be fully invested in accordance with its stated investment policy and it may hold all or a significant portion of its assets in money market instruments, as is permitted in the relevant Sub-Fund Supplement, which may comprise cash, fixed term deposits, fixed and floating rate instruments including (but not limited to) certificates of deposit, banker acceptances, freely transferable promissory notes, commercial paper, floating rate notes, debentures, asset backed commercial paper, government bonds, corporate bonds and asset backed securities. A Sub-Fund may hold such investments for a considerable period as it seeks to fully

implement its investment strategy and, in such circumstances, may not achieve its investment objective during such period.

#### *No Reliance on Past Performance*

The success of a Sub-Fund depends in substantial part upon the skill and expertise of the personnel of the AIFM and Portfolio Manager and the ability of the AIFM and the Portfolio Manager to develop and successfully implement the investment policy of the Sub-Fund. No assurance can be given that the AIFM and the Portfolio Manager will be able to do so. Moreover, decisions made by the AIFM and the Portfolio Manager may cause a Sub-Fund to incur losses or to miss profit opportunities on which it may otherwise have capitalized. Investors are not permitted to engage in the active management and affairs of a Sub-Fund. As a result, prospective Investors will not be able to evaluate for themselves the merits of investments to be acquired by a Sub-Fund prior to their being required to pay for Shares of a Sub-Fund. Instead, such investors must rely on the judgment of the AIFM and the Portfolio Manager to conduct appropriate evaluations and to make investment decisions. Investors will be relying entirely on such persons to manage the assets of the Sub-Fund. There can be no assurance that any of the key investment professionals will continue to be associated with the Manager throughout the life of a Sub-Fund.

During periods of adverse market or economic conditions or at other times deemed advisable by the AIFM and the Portfolio Manager, a Sub-Fund may invest all or a significant portion of its assets in highly liquid securities or money market instruments, which may comprise cash, fixed term deposits, fixed and floating rate instruments including (but not limited to) certificates of deposit, banker acceptances, freely transferable promissory notes, commercial paper, floating rate notes, debentures, asset backed commercial paper, government bonds, corporate bonds and asset backed securities which may be acquired for ancillary liquid asset purposes. This could prevent a Sub-Fund from achieving its investment objective.

#### *Investment Considerations*

Although a Sub-Fund's Investments will offer potentially significant returns, they also carry a significant degree of risk due to the business and financial uncertainties facing individual Investments. Accordingly, there can be no assurance that the Sub-Fund's return objectives will be realized or that there will be any return of amounts advanced to the Sub-Fund.

An investment in a Sub-Fund is speculative and long-term with no certainty of return. The value of a Share (and the income from it) can fluctuate and may go down as well as up, and an Investor may get back less than it contributed to the Sub-Fund. An investment in a Sub-Fund is not suitable for all investors. An investor must have the financial ability to understand and the willingness to accept the extent of their exposure to the risks and lack of liquidity inherent in an investment in the Sub-Fund.

#### *No Assurance of Investment Return*

The Portfolio Manager cannot provide assurance that they will be able to choose, make and realize Investments in any particular portfolio of Investments. There can be no assurance that a Sub-Fund will be able to generate returns for its Investors or that the

returns will be commensurate with the risks of investing in the types of assets described herein. There can be no assurance that any Investor will receive any distribution from a Sub-Fund. Partial or complete sales, transfers, or other dispositions of Investments which may result in a return of capital or the realization of gains, if any, are generally not expected to occur for a number of years after an investment is made. Accordingly, an investment in the Company (or any of its Sub-Funds) should only be considered by persons who can afford a loss of their entire investment.

#### *Highly Competitive Market for Investment Opportunities*

The activity of identifying, completing and realizing attractive investments is highly competitive and involves a significant degree of uncertainty. The AIFM and the Portfolio Manager expect to encounter competition from other entities having similar investment objectives. Further, the availability of investment opportunities generally will be subject to market conditions. In particular, in light of changes in such conditions, including changes in long-term interest rates, certain types of investments may not be available to the Company (including its Sub-Funds) on terms that are as attractive as the terms on which similar opportunities were available to any predecessor fund.

Purchasers of the Shares will be dependent upon the judgment and ability of the Portfolio Manager in sourcing transactions and investing and managing the capital of the Sub-Funds. There can be no assurance that the Sub-Funds will be able to locate, complete or exit Investments which satisfy the Sub-Fund's objectives, or realize upon their values, or that the Sub-Funds will be able to invest fully the Sub-Funds' capital. In addition, if the Portfolio Manager chooses to effect an investment by means of a multi-step acquisition process (i.e., an acquisition with multiple asset or share transfers), there can be no assurance that all elements of the investment will be successfully completed. This could result in the Sub-Funds having only partial control over the investment or partial access to its cash flow to service debt incurred in connection with the acquisition. To the extent that the Sub-Funds encounter competition for Investments, returns to Investors may decrease.

#### *Termination and Liquidation*

In the event that a Sub-Fund is terminated and commences liquidation, the Sub-Fund will continue to exist but will carry on no business other than completing an orderly and prudent liquidation of the Sub-Fund and its Investments and the distribution of the assets of the Sub-Fund amongst its Investors. During the Sub-Fund's liquidation period, the AIFM or any other person or entity appointed as liquidator of the Sub-Fund, the "**Liquidator**", unless specified otherwise in the Fund Documents, will seek to realize the residual assets of the Sub-Fund, satisfy any residual debts and/or liabilities of the Sub-Fund out of those assets and distribute any resulting net proceeds to the Investors in accordance with the terms of the Fund Documents. Such liquidators need to be approved by the CSSF and must provide all guarantees of honourability and professional skills required. For the avoidance of doubt, the liquidation of the Company and its Sub-Funds must occur in accordance with Luxembourg law. Whilst the Liquidator will seek to balance the goal of maximizing returns to Investors and completing the liquidation within a reasonable timeframe, there can be no certainty as to the exact timing and amount which may be realized. However, it is possible that, at the time of such realization, certain Investments may be worth less than their initial cost, resulting in a loss to the Sub-Fund and to its Investors. Even once all of the Sub-Fund's

residual assets have been realized it may still be a considerable period of time before the Liquidator can be comfortable that all residual liabilities have been discharged. Accordingly, the amount of net proceeds that may be available for distribution to Investors as a result of the liquidation process and the timing of any such distributions will be impacted by a number of uncertainties such that it may take a considerable period of time after the expiry of the Sub-Fund's term before any net proceeds may be distributed to Investors. Prior to putting the Company (or any of its Sub-Funds) into liquidation, the CSSF shall be notified and shall approve the entering into liquidation and the person envisaged to be appointed as liquidator. Upon opening of the liquidation of the Company or the last Sub-Fund of the Company, the CSSF will withdraw the Company from the list of undertakings for collective investment governed by Part II of the UCI Law kept by the CSSF and provided for by Article 130 of the UCI Law.

#### *Underwriting risk*

The Sub-Funds will make Investments based upon analyses of current returns and estimates and projections of the future returns that may be achieved. However, investment analyses and decisions undertaken by the AIFM and the Portfolio Manager may be required to be undertaken on an expedited basis and/or there may be other reasons why the AIFM and the Portfolio Manager have limited or incomplete information about all relevant matters which might adversely affect an Investment. In addition, investment analysis, by its nature, involves an element of subjectivity and judgment. Accordingly, there can be no assurance that Investments will achieve the returns estimated or projected by the AIFM and the Portfolio Manager, whether at acquisition or at any other time.

#### *Limited Access to Information*

There may be additional information available or previously provided to the AIFM and the Portfolio Manager and/or their Associates that they (a) have not reviewed or undertaken to review and/or (b) have deemed not to be material which prospective Investors may deem to be material or which may in the future become material, and which as a result of (a) and/or (b) may make such information inaccurate or incomplete. The AIFM and the Portfolio Manager undertake no obligation to make any of the foregoing information generally available to prospective Investors. Moreover, the AIFM and the Portfolio Manager may be contractually prohibited from providing such information to prospective Investors. Further, one or more Investors may receive information regarding an investment that is not generally made available to all of the Investors, for example Investors who designate representatives to participate on an advisory committee may, by virtue of such participation, have more information about a Sub-Fund and Investments in certain circumstances than other Investors generally and may be disseminated information in advance of communication to other Investors generally. There will be no obligation on the part of the AIFM and the Portfolio Manager to make such information available to all of the Investors and, in certain cases; they may be prohibited from doing so. Further, the AIFM and the Portfolio Manager undertake no obligation to update or revise any information provided to prospective Investors, whether as a result of new information, future events or otherwise. While the Portfolio Manager will conduct due diligence on an investment, it undertakes no obligation to share such due diligence materials or findings with prospective Investors. Accordingly, prospective Investors are responsible for making their own assessment of

the merits and risks of investing in a Sub-Fund, including by performing their own legal, accounting and tax analysis of this offering.

#### *Undiscovered Liabilities*

It is intended that the Sub-Funds' Investments will be structured through privately negotiated transactions where a certain level of protection can be obtained through contractual rights and due diligence. However, there can be no assurance that an Investment does not carry with it a significant undisclosed liability which could have a material adverse effect on the value of that Investment.

#### *General Tax Risks*

Tax laws are complex and quite often not completely clear, and the tax consequences of a particular structure chosen might be questioned or might be subject to challenge by the relevant tax authority in the country concerned. Furthermore, tax laws may change, so that the tax consequences of a particular investment may adversely change after it has been made. The Sub-Funds' Shareholders and/or beneficial owners of Shares may be subject to income taxes or other taxes in multiple jurisdictions outside of their country. In addition, withholding tax or other taxes may be imposed on earnings of a Sub-Fund from investments in such jurisdictions. Local tax incurred in various jurisdictions by a Sub-Fund or entities through which it invests may not be creditable to or deductible by the Shareholders and/or beneficial owners of Shares. The Company intends to take into account tax consequences at the level of the Sub-Fund and the Investments in which it invests at the time an investment is made, however, as the Sub-Funds do not control the Investments in which it invests, it cannot be excluded that adverse tax consequences occur, e.g. as a result of a restructuring of an Investments after the investment was made or subsequent changes in law. Furthermore, the Company will not be in a position to take into account the tax consequences at the level of Shareholders and/or beneficial owners of Shares in the different Sub-Funds.

In addition, Investors should be aware that in some jurisdictions there is uncertainty as to how tax rules should be applied to the Company and, in particular, whether tax rules should be applied on a Sub-Fund by Sub-Fund basis or to the Company as a whole. The uncertainty in this area may lead to unanticipated and/or unintended tax consequences for the Sub-Funds, the Company and/or Investors. In particular, with respect to Luxembourg, notwithstanding the existence of Sub-Funds, the Company is currently regarded as one single taxpayer by the Luxembourg tax authorities. As a result, in case of tax liability due by the Company, the Luxembourg tax authorities may try to ignore whether such tax liability arose from a specific Sub-Fund and claim the collection of this tax liability to the Company as a whole, so that such tax liability could adversely impact one or more other Sub-Funds and its/their Investors.

#### *Global Tax Initiatives*

The ATAD I may impact the tax position of underlying subsidiaries (if any) in certain limited circumstances. For instance, the tax deduction of payments made by an underlying Luxembourg subsidiary may be denied if (i) such payments are not included in the taxable base of the ultimate recipient/beneficiary as a result of a hybrid mismatch (which can notably be defined as a situation where, because of a difference in the legal characterization of a financial instrument, a tax deductible payment is not included in

the taxable base of the ultimate recipient/beneficiary) and (ii) (a) the ultimate recipient/beneficiary of the payment and the Luxembourg payor company are associated enterprises or (b) the ultimate recipient/beneficiary and the Luxembourg payor company have entered into a structured arrangement which entails this hybrid mismatch.

Furthermore, the transposition of the ATAD II may further impact the tax position of the fund structure. In fact, the ATAD II extends the scope of the ATAD I which applied to situations of double deduction or deduction without inclusion resulting from the use of hybrid financial instruments or hybrid entities. The ATAD II requires EU Member States to either deny deduction of payments, expenses or losses or include payments as taxable income, in case of hybrid mismatches. It includes situations involving permanent establishments, reverse hybrids, imported mismatches, hybrid transfers and dual residence.

On 22 December 2021, the EU published a directive proposal which aims to fight against the misuse of shell entities for tax purposes and to ensure that EU entities with no or minimal economic activity are unable to benefit from certain tax advantages ("**ATAD III**" or the "**Unshell Proposal**"). The Unshell Proposal may however undergo some changes following negotiations between the Member States and its impact on the Company will have to be monitored on a regular basis, in particular in light of any future amendments to the proposal (once it is adopted).

The EU Commission issued on 11 May 2022 a proposal directive laying down rules on a debt-equity bias reduction and on limiting the deductibility of interest for corporate income tax purposes (the "**DEBRA Proposal**"). The rules included in the DEBRA Proposal would apply to all taxpayers that are subject to corporate income tax in one or more EU Member States (with the exception of financial undertakings as defined by the proposal). The DEBRA Proposal (once adopted) should be transposed into domestic law by 31 December 2023 and is expected to come into effect as of 1 January 2024. The actual implementation of the DEBRA Proposal may however be delayed based on recent discussions at EU level.

The exact impact of the above mentioned new (or pending) rules would need to be monitored on a regular basis, notably in the light of any future guidance from the competent tax authorities.

#### *Multilateral Instrument*

In addition to the international anti-tax avoidance measures mentioned above, the OECD adopted the Multilateral Instrument ("**MLI**"). This multilateral instrument swiftly implemented a series of tax treaty measures to update international tax rules and lessened the opportunity for tax avoidance by multinational enterprises. Existing tax treaties may further be amended in order to reflect the minimum standards as provided by the MLI. On 14 February 2019, the Luxembourg Parliament passed the bill of law on the ratification of the MLI into Luxembourg domestic tax law. The application of the MLI provisions to the Company will have to be monitored on a case-by-case basis according to the ratification by the other states and on the type of tax concerned, i.e., withholding tax or other taxes.

### *Reportable cross-border arrangements*

Following the adoption of the Luxembourg law of 25 March 2020, as further amended, (the "**DAC 6 Law**") implementing Council Directive (EU) 2018/822 of 25 May 2018 amending the DAC in relation to reportable cross-border arrangements ("**DAC 6**"), certain intermediaries and, in certain cases, taxpayers have to report to the Luxembourg tax authorities within a specific timeframe certain information on reportable cross-border arrangements. A reportable cross-border arrangement covers any cross-border arrangement that is linked to one or more of certain types of taxes, and contains at least one hallmark (i.e. a characteristic or feature that presents an indication of a potential risk of tax avoidance) as set out in the DAC 6 Law. The reported information will be automatically exchanged by the Luxembourg tax authorities with the competent authorities of all other EU Member States. As the case may be, the Company may take any action that it deems required, necessary, advisable, desirable or convenient to comply with the reporting obligations imposed on intermediaries and/or taxpayers pursuant to the DAC 6 Law. Failure to provide the necessary information under the DAC 6 may result in the application of fines or penalties in the relevant EU jurisdiction(s) involved in the cross-border arrangement at stake. Under the DAC 6 Law, late, incomplete or inaccurate reporting, or non-reporting may be subject to a maximum fine of EUR 250,000.

### *Tax Reporting*

Shareholders should note that the AIFM or the Company may be required to disclose information regarding any Shareholder to any tax authority or other governmental agency to enable the Company to comply with any applicable law or regulation or agreement with a governmental authority. Shareholders will be required to provide such information as may be reasonably required by the Company or the AIFM (and, when relevant, keep such information updated) to enable the Company to properly and promptly make such filings or elections as the Company or the AIFM may consider desirable or as required by law, or which the Company or the AIFM considers necessary or desirable in connection with an investment or proposed investment (notably to comply with, or assess the impact of, any of the Information Reporting Regimes).

Shareholders should note that in certain circumstances the Company or the AIFM shall be entitled to take steps against a Shareholder who has failed to provide such information, including, but not limited to, ensuring that the relevant Shareholder bears the cost of any tax arising as a result of the failure to provide the information or compulsorily redeeming the Shareholder's Shares in the Company.

### *Allocation of Tax Liabilities*

Irrespective of the application of the "Tax reporting" risk factor above, in the event that the Company or any of its associates incurs a liability for any tax whether directly or indirectly, as a result of the participation of a particular investor (or particular investors) in the Company, the Board or the AIFM may, in their absolute discretion, determine that an amount equal to such tax liability shall be treated as an amount that has been allocated and distributed to such Shareholder (in which case such deemed allocation and distribution will be made between the relevant Shareholder(s) on an appropriate pro rata basis, as the Board or the AIFM may determine in their absolute discretion) or require such Shareholder to pay such an amount to the Company (or such other person

as the Company may direct) as is necessary to reimburse the Company for the cost of such Tax Liability, which amount shall be borne by such Shareholder or Shareholders in addition to their respective shareholding. The Board or the AIFM will give notice of such deemed allocation and distribution to the relevant Shareholder(s).

Shareholders and/or beneficial owners of Shares are therefore advised to consult their own tax advisors with regard to their individual situation before they acquire Sub-Fund Shares as well as during their investment in a Sub-Fund.

## 15. AIFM LAW DISCLOSURE

In accordance with the AIFM Law, the AIFM must disclose certain prescribed information to prospective investors. The following table indicates where the required information is located within this Prospectus, to the extent applicable.

<b>Description of information to be disclosed</b>	<b>Relevant clause in the Prospectus</b>
Investment strategy and objectives of the relevant Sub-Fund	<i>In respect of Mercer Private Markets S.A. SICAV-UCI Part II – Mercer Semi-Liquid Private Debt Fund: Sub-Section 3 of the relevant Supplement</i>
Types of assets in which the relevant Sub-Fund may invest	<i>In respect of Mercer Private Markets S.A. SICAV-UCI Part II – Mercer Semi-Liquid Private Debt Fund: Sub-Section 3 of the relevant Supplement</i>
The techniques the Company, or the AIFM on its behalf, may employ and all associated risks	<i>In respect of Mercer Private Markets S.A. SICAV-UCI Part II – Mercer Semi-Liquid Private Debt Fund: Section 4.1.2 ("Liquidity Risk Management") Section 4.1.3 ("Risk Management Policies") Section 5.2 ("Investment Techniques") Section 9.1 ("Use of Securities Lending and Financing Transactions") Section 14 ("Certain Risk Factors")</i>
Applicable investment restrictions	<i>In respect of Mercer Private Markets S.A. SICAV-UCI Part II – Mercer Semi-Liquid Private Debt Fund: Sub-Section 3.3 of the relevant Supplement</i>
Circumstances in which the Company, on behalf of any Sub-Fund, may use leverage, the types and sources of leverage permitted and the associated risks, restrictions on using	<i>In respect of Mercer Private Markets S.A. SICAV-UCI Part II – Mercer Semi-Liquid Private Debt Fund: Sub-Section 3.2.4 of the relevant Supplement</i>

Description of information to be disclosed	Relevant clause in the Prospectus
leverage and any collateral and asset reuse arrangements	
Maximum level of leverage which the AIFM is entitled to employ on behalf of the relevant Sub-Fund	<i>In respect of Mercer Private Markets S.A. SICAV-UCI Part II – Mercer Semi-Liquid Private Debt Fund: Sub-Section 3.3.5 of the relevant Supplement</i>
Procedures by which a Sub-Fund may change its investment strategy or investment policy, or both	<i>Section 13.5 ("Amendments to the Prospectus, any Supplement and/or the Articles")</i>
Description of the main legal implications of the contractual relationship entered into for the purpose of investment	<i>Section 13.2 ("Applicable Law and Jurisdiction")</i>
Identity of the AIFM, the Company's depository, auditor and any other service providers and description of their duties and the investors' rights	<i>Section 0 ("1. Directory 20</i> 2. Company, Sub-Funds and Classes .....21 3. Board of Directors.....23 4. Management and Administration .....25 5. Investment Strategy and Restrictions...29 6. Conflicts of Interest.....32 7. Subscriptions, Redemptions, Transfers, Default.....33 8. Distributions, Fees and Expenses.....38 9. Valuation and Net Asset Value Calculation .....41 10. Reporting.....43 11. Termination, Liquidation, Merger.....44 12. Tax Considerations.....46 13. Miscellaneous.....53 14. Certain Risk Factors.....57 15. AIFM Law Disclosure.....64 16. Definitions.....70 1. Interpretation and Definitions 81 2. Overview 85 

Description of information to be disclosed	Relevant clause in the Prospectus
	<p>3. Investment Objective and Policies .....85</p> <p>4. Portfolio Manager .....91</p> <p>5. Subscription for Shares .....92</p> <p>6. Redemption of Shares .....93</p> <p>7. Distribution Policy .....95</p> <p>8. Share Classes, Fees and Expenses .....96</p> <p>9. Special Considerations and Risk Factors .....106</p> <p>10. Pre-Contractual Disclosure .....121</p> <p>Directory")  <i>Section 4.1 ("The AIFM")</i>  <i>Section 4.2("The Depositary")</i>  <i>Section 4.4 ("Auditor")</i>  <i>Section 4.3 ("Administrator")</i></p>
Description of how the AIFM is protected against potential professional liability risks	<i>Section 4.1 ("The AIFM")</i>
Description of any delegated management functions by the AIFM, identity of the delegate and description of related conflicts of interest	<p><i>Section 4.1 ("The AIFM")</i>  <i>Section 4.5 ("Portfolio Manager")</i>  <i>Section 0 ("Subject to the individual restrictions of the respective Supplement, where the AIFM (or where appropriate in the circumstances, its delegate), at its full discretion, deems it consistent with the investment policies of the relevant Sub-Fund and the conditions and limits laid down by this Prospectus and applicable Regulation, each Sub-Fund may also enter into, for portfolio management purposes, financial derivatives transactions including without limitation repurchase agreements, reverse repurchase agreements and/or securities lending agreements. Unless stated otherwise in the relevant Supplement, any such financial derivatives transactions will only be used for hedging purposes, as ancillary investment techniques. Such derivatives may be listed or traded over the counter.</i></p>

Description of information to be disclosed	Relevant clause in the Prospectus
	<p data-bbox="1002 280 1414 533">Please refer to the "Special Considerations and Risk Factors" section, as applicable, within each Supplement for further details about the risks associated with the use of Derivatives.</p> <p data-bbox="911 568 1414 674">15.1.1 Efficient Portfolio Management Techniques: Securities Financing Transactions</p> <p data-bbox="1002 710 1414 1697">Subject to the individual restrictions of the respective Supplement, a Sub-Fund may use any securities financing transaction as defined in point (11) of Article 3 of Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse, as may be amended, such as repurchase agreements and reverse repurchase agreements ("<b>Repo Contracts</b>"), total return swaps, buy-sell back or sell-buy back transactions and securities lending (the "<b>SFTR Techniques</b>"). Unless otherwise disclosed in the relevant Supplement, no Sub-Fund engages in securities lending. To the extent a Sub-Fund engages in SFTR Techniques, any permitted investments of a Sub-Fund may be subject to such transactions.</p> <p data-bbox="1002 1733 1414 2020">A Sub-Fund may use total return swaps for investment (including to leverage the relevant Sub-Fund) and efficient portfolio management purposes. A Sub-Fund may only use Repo Contracts, buy-sell back or sell-buy back</p>

Description of information to be disclosed	Relevant clause in the Prospectus
	<p>transactions and securities lending for efficient portfolio management purposes.</p> <p>The risks relating to SFTR Techniques, as well as risks linked to collateral, are described in the "Special Considerations and Risk Factors" section, as applicable, within each Supplement.</p> <p><b>Risk Diversification")</b>  <i>Section 6 ("Conflicts of Interest")</i></p>
Description of the valuation procedure	<i>Section 9.2 ("Net Asset Value of the Company, a Sub-Fund and/or any Share of a Class")</i>
Description of the liquidity risk management, including redemption rights of investors	<p><i>Section 4.1.2 ("Liquidity Risk Management")</i></p> <p><i>Section 4.1.3 ("Risk Management Policies")</i></p> <p><i>Section 14 ("Certain Risk Factors")</i></p>
Description of all fees, charges and expenses and of the maximum amounts thereof which are directly or indirectly borne by investors	<p><i>Section 8 ("Distributions, Fees and Expenses")</i></p> <p><i>In respect of Mercer Private Markets S.A. SICAV-UCI Part II – Mercer Semi-Liquid Private Debt Fund:</i></p> <p><i>Sub-Section 8 ("Share Classes, Fees and Expenses") of each Supplement</i></p>
Description of how the AIFM ensures a fair treatment of investors and a description of any preferential treatment or the right to obtain preferential treatment obtained by any investor	<i>Section 13.1 ("Preferential Treatment of Investors")</i>
Latest annual report	<i>Section 10 ("Reporting")</i>
Procedure and conditions for the issue and sale of Interests	<p><i>Section 7.1 ("Subscriptions")</i></p> <p><i>Sub-Section</i></p> <p><i>In respect of Mercer Private Markets S.A. SICAV-UCI Part II – Mercer Semi-Liquid Private Debt Fund:</i></p> <p><i>5, ("Subscription for Shares") of the relevant Supplement</i></p>

Description of information to be disclosed	Relevant clause in the Prospectus
Latest net asset value of the Company	<i>Section 10 ("Reporting")</i>
Historical performance of the Company, where available	<i>Section 10 ("Reporting")</i>
Identity of the prime broker and a description of any material arrangements of the Company with its prime brokers and the way the conflicts of interest in relation thereto are managed	N/A
Information about any transfer of liability to the prime broker that may exist	N/A
Description of how any changes to liquidity or leverage provisions of the Company will be disclosed to investors	<i>Section 10.2 ("Reporting")</i>
The net asset value of the Company	<i>Section 9 ("Valuation and Net Asset Value Calculation")</i> <i>Section 10 ("Reporting")</i>

16. **DEFINITIONS**

<b>"Administrator"</b>	means State Street Bank International GmbH, Luxembourg Branch;
<b>"Administration Agreement"</b>	means the agreement entered into between the Company and the Administrator;
<b>"AIFM"</b>	means Mercer Alternatives (Luxembourg) S.à r.l., the Company's alternative investment fund manager, as further described in Section 4.1;
<b>"AIFM Agreement"</b>	means the alternative investment fund manager agreement concluded between the Company and the AIFM in respect of the Company and its Sub-Funds;
<b>"AIFM Law"</b>	means the Luxembourg law dated 12 July 2013 on alternative investment fund managers, as amended from time to time;
<b>"AIFM Regulation"</b>	means the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing the AIFMD with regard to exemptions, general operating conditions, depositaries, leverage, transparency and supervision; the Commission Delegated Regulation (EU) No 694/2014 of 17 December 2013 supplementing the AIFMD with regard to regulatory technical standards determining types of alternative investment fund managers and any other Commission Delegated Regulations supplementing the AIFMD;
<b>"Application Form"</b>	means the application form, in such form as is acceptable to the Board in its discretion, to be entered into by each Shareholder, whereby each Shareholder shall be permitted to subscribe or redeem for Shares in a specific Sub-Fund via a Dealing Form;
<b>"Articles"</b>	means the articles of incorporation governing the Company, as amended from time to time;
<b>"Associate"</b>	means any person which in relation to the person concerned is: <ul style="list-style-type: none"> <li>(a) if the person concerned is a body corporate, a holding company or a subsidiary or a subsidiary of any such holding company or any partnership which is a subsidiary undertaking of the person concerned or of any such holding company;</li> <li>(b) if the person concerned is a firm or another unincorporated body;</li> </ul>

	<p>(i) a person who controls 50% or more of the votes exercisable at an extraordinary general meeting or partners meeting of the person concerned or in relation to which 50% or more of the votes exercisable in an extraordinary general meeting or partners meeting are controlled by the person concerned; or</p> <p>(ii) a person who is directly or indirectly entitled to more than 50% of the profits of the person concerned or in relation to which the person concerned is directly or indirectly entitled to more than 50% of the profits;</p> <p>(c) if the person concerned is a natural person, a spouse, civil partner, lineal descendent or lineal ascendant of such person; or</p> <p>(d) agreed by the Board to be treated as an Associate (which may include a person that has the same investment manager or investment adviser as the person concerned);</p>
<b>"ATAD I"</b>	means the rules against tax avoidance practices that directly affect the functioning of the internal market laid down in Council Directive (EU) 2016/1164 of 12 July 2016, as amended from time to time;
<b>"ATAD II"</b>	means Council Directive (EU) 2017/952 of 29 May 2017 amending the ATAD I as regard hybrid mismatches with third countries, as amended from time to time;
<b>"ATAD Provisions"</b>	means ATAD I and ATAD II, including any local implementation and guidance;
<b>"Auditor"</b>	means any duly appointed auditor of the Fund, as disclosed in this Prospectus;
<b>"Base Currency"</b>	is the Company's base currency, namely USD;
<b>"Benchmark Regulation"</b>	means Regulation (EU) No 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2004/48/EC and 2014/17/EU and Regulation (EU) No 596/2014;

<b>"Board"</b>	means the Company's board of directors, as further described in Section 3;
<b>"Change of Control"</b>	means in respect of an Entity, the cessation of the ability to (i) directly or indirectly (whether through the holding of securities, by contract or otherwise), appoint or remove or cause the appointment or removal of the majority of the management board or equivalent corporate body, of such Entity or (ii) exercise, whether directly or indirectly, more than 50% of the voting power in the shareholders' meeting or equivalent corporate body of such entity. The AIFM is a Subsidiary of the overall Mercer Group;
<b>"Class"</b>	has the meaning as described in Section 2.4;
<b>"Company"</b>	means Mercer Private Markets S.A. SICAV – UCI Part II, provided that references to the Company shall include the Board representing the Company as well as any Person to whom the Company may delegate certain powers, rights, duties and/or obligations to;
<b>"Company Law"</b>	means the Luxembourg law dated 10 August 1915 on commercial companies, as amended from time to time;
<b>"CRS"</b>	means the OECD Common Reporting Standard for Automatic Exchange of Financial Account Information in Tax Matters, as implemented in relevant jurisdictions.
<b>"Data Protection Notice"</b>	means the data protection notice which is attached to the Application Form and details the processing of personal data conducted by the Company;
<b>"DAC"</b>	means the Council Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, as amended from time to time and as implemented in relevant jurisdictions;
<b>"Dealing Form"</b>	means a supplementary form to the Application Form permitting the Shareholder to subscribe or redeem to and from the Sub-Fund
<b>"Depository"</b>	means State Street Bank International GmbH, Luxembourg Branch;
<b>"Director"</b>	means any member of the Board;
<b>"Eligible Investor"</b>	means any Professional Investor and/or other Person to whom Shares in the relevant Sub-Fund may be distributed to and who is eligible to invest into an undertaking for collective investment governed by Part II of the UCI Law, provided that any such Person is not a Prohibited Person;

"ELTIF"	means European Long-Term Investment Fund within the meaning of the ELTIF Regulation;
"ELTIF Regulation"	refers to Regulation (EU) 2015/760 and Regulation (EU) 2023/606 on European Long-Term Investment Funds of the European Parliament and of the Council;
"EMIR"	means the Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, as amended;
"Entity"	means a corporation, limited liability company, partnership or other legal entity;
"FATCA"	means the Foreign Account Tax Compliance provisions of the Hiring Incentives to Restore Employment Act (HIRE) of 2010, as amended from time to time, and the rules and regulations promulgated thereunder;
"Feeder Fund"	means an Entity that invests 85% or more of its net asset value into any Sub-Fund;
"Feeder Investor"	has the meaning as set out in Section 2.6;
"Financial Year"	means the financial year of the Company as set out in Section 10.1;
"Fund Documents"	means this Prospectus, including the relevant Supplement(s), as well as the Articles;
"General Meeting"	means a general meeting of Shareholders;
"General Section"	means the general section of the Prospectus, which applies to the Company and all Sub-Fund, unless a Supplement expressly states otherwise;
"Holding Entity"	means a subsidiary or other Entity whose purpose is limited to holding equity, silent participations, equity-like rights and/or subordinated loans with equity features in Investments;
"Information Reporting Regime"	means: (a) FATCA; (b) CRS; (c) DAC; (d) any intergovernmental agreement, treaty, law, regulation, guidance, standard or other agreement, entered into or enacted in order to comply with, facilitate, supplement or implement the legislation, regulations, guidance or standards described in paragraphs (a), (b), and (c) above; and (e) any other similar automatic exchange of information or similar tax reporting legislation, regulations, regime or treaty, and in each case any official interpretations thereof and any published administrative guidance in connection therewith whether in force today or introduced at a later date;

<b>"Institutional Investor"</b>	means any Eligible Investor that is an "institutional investor" as set out in the UCI Law and corresponding administrative practice;
<b>"Investment Objective"</b>	means, in respect of a Sub-Fund, the investment objective as set out in the relevant Supplement;
<b>"Investment Policy"</b>	means, in respect of a Sub-Fund, the investment policy as set out in the relevant Supplement;
<b>"Investment Restrictions"</b>	means, in respect of a Sub-Fund, the investment restrictions as set out in the relevant Supplement;
<b>"Investor"</b>	means a Shareholder or, except where the context otherwise requires, an Eligible Investor who has signed and returned an Application Form and the subscription for Shares of a specific Sub-Fund has been accepted by the Board, and <b>"Investors"</b> shall be construed accordingly;
<b>"Investment"</b>	means, in respect of a Sub-Fund or the Company as whole, as context requires, investments of the Company and/or the relevant Sub-Fund;
<b>"Managed Vehicles"</b>	has the meaning as set out in Section 5.4;
<b>"Mercer Group"</b>	means the overall Mercer Group consisting of different Mercer entities who have the same ultimate beneficial owner;
<b>"Net Asset Value" or "NAV"</b>	means, in respect of a Sub-Fund or the Company as a whole, as context requires, the value of the relevant Sub-Fund's or, where applicable, the Company's net assets as determined in accordance with this Prospectus and the Articles;
<b>"Non-Institutional Investor"</b>	means any Eligible Investor that is not an "institutional investor" as set out in the UCI Law, including, among others, credit institutions and other professionals of the financial sector investing in their name but for the account of retail third parties based on advisory mandates;
<b>"Notice"</b>	means a notice in writing transmitted by postal mail, or electronic communication, or as otherwise agreed between the relevant parties, to the relevant party;
<b>"Person"</b>	means any individual, corporation, limited liability company, trust, partnership, estate, unincorporated association or other legal entity;
<b>"Pillar II"</b>	means the rules outlining a system of taxation intended to establish a global minimum Effective Tax Rate (ETR) of 15% at jurisdictional level laid down in Council Directive (EU) 2022/2523 of 15 December

	2022, as amended from time to time, including local implementation and guidance;
<b>"Portfolio Manager"</b>	means, in respect of a Sub-Fund and where applicable entity as described in the relevant Supplement, or such other entity as may subsequently be appointed as portfolio manager of one or several Sub-Funds by the AIFM, pursuant to the provisions of the relevant Portfolio Management Agreement;
<b>"Portfolio Management Agreement"</b>	any portfolio management agreement in respect of one or several Sub-Funds entered into between the AIFM and a Portfolio Manager;
<b>"PRIIPs KID"</b>	has the meaning as set out in the preamble of this Prospectus;
<b>"Professional Investor"</b>	means any Person that is a professional client or may, on request, be treated as a professional client, within the meaning of Directive 2014/65/EU (MiFID II);
<b>"Prohibited Person"</b>	means any Person, if in the sole opinion of the Board, the holding of Shares by such Person may be detrimental to the interests of the existing Shareholders or of the relevant Sub-Fund and/or Company, if it may result in a breach of any law or regulation, whether Luxembourg or otherwise, or if as a result thereof the relevant Sub-Fund, or which may result in a Restricted Tax Event and/or the Company may become exposed to tax or other regulatory disadvantages, fines or penalties that it would not have otherwise incurred (including, without limitation, the failure to qualify for an exemption from the registration requirements of the federal or any applicable state securities laws of the United States, or any jurisdiction, causing the Company's assets to be deemed to be "plan assets" for purposes of ERISA and the Regulation, the Interests losing eligibility for one or more exclusions or exemptions from registration under the Securities Act or the Company and/or the relevant Sub-Fund being deemed to be an "investment company" for purposes of the Investment Company Act or losing eligibility for one or more exclusions or exemptions from registration thereunder) or any other material disadvantages for the relevant Sub-Fund and/or the Company (e.g. resulting in a default under any loan agreement, contract or other agreement to which the Board, the AIFM, the Portfolio Manager, the Company and/or the relevant Sub-Fund or the AIFM or any of its assets is bound); in order for the Board to make this determination, any prospective Investor and/or proposed transferee of Shares will be required to

	confirm to the Company information that the Board deems relevant including, among other things, to what extent it is a Benefit Plan Investor or Controlling Person for the purposes of ERISA and the Regulation; the term "Prohibited Person" includes any Investor which does not meet the definition of Eligible Investor;
"Prospectus"	means this prospectus issued in respect of the Company, including the relevant Supplement(s), as amended from time to time;
"RBO"	means the publicly available Luxembourg central register of beneficial owners;
"RBO Law"	means the Luxembourg law of 13 January 2019 on the register of beneficial owners;
"RCS Luxembourg" or "RCS"	means the Luxembourg <i>Registre de Commerce et des Sociétés</i> or register of trade and companies of the Grand Duchy of Luxembourg;
"Relevant Entity"	means any of the following: (a) the Company, (b) the Board, (c) the AIFM, (d) Managed Vehicles and (e) any "related entity" (as defined in any applicable tax information provisions) of any of paragraphs (a) to (c) inclusive above;
"Relevant Person"	has the meaning as set out in Section 6.1;
"RESA"	means the <i>Recueil électronique des sociétés et associations</i> ;
"Reference Currency"	is the Company's reference currency, as set out in Section 2.5;
"Restricted Tax Event"	means where, in the reasonable opinion of the Board (in its absolute discretion), the ownership of Shares by a Shareholder, independently or combined with a similar ownership of Shares by another Shareholder(s) would result in the Company and/or any of its affiliates to suffer material financial damage, any tax liability or non-deductibility of payments resulting from the ATAD Provisions, Pillar II and other Information Reporting Regimes, which would otherwise not have occurred;
"Section"	means any section of the General Section;
"SFDR"	means the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector;
"SFTR"	means the Regulation (EU) No 2015/2365 of the European Parliament and of the Council of 25

	November 2015 on transparency of securities financing transactions and of reuse, as amended;
<b>"Shareholder"</b>	means, in respect of a Sub-Fund or the Company as a whole, as the context requires, a holder of one or more Shares of any Class;
<b>"Sub-Fund"</b>	has the meaning given to it in Section 2.2;
<b>"Sub-Fund Currency"</b>	means, in respect of each Sub-Fund, the relevant reference currency of such Sub-Fund as set out in the relevant Supplement;
<b>"Subscription Amount"</b>	means, in respect of an Investor and a specific Sub-Fund, such maximum amount as the relevant Investor has offered, and the Board has accepted, to subscribe for Shares in the relevant Sub-Fund. For the avoidance of doubt, the Board may, in its discretion, decide to accept a lower amount than the amount offered by the Shareholder;
<b>"Subscription Price"</b>	means, in respect of any Sub-Fund and/or Class, the price at which Shares are issued, as further described in the relevant Supplement;
<b>"Subsidiary"</b>	means any local or foreign Entity (including for the avoidance of doubt any wholly owned subsidiary) (a) in which the Company holds in aggregate more than fifty percent (50%) of the voting rights or (b) which is otherwise controlled by the Company, and (c) which in either case also meets all of the following conditions: (i) it does not have any activity other than the direct or indirect holding of investments, which qualify under the Investment Objective and Investment Policy of the Company and the relevant Sub-Fund(s); and (ii) to the extent required under applicable laws and regulations, the accounts of such subsidiary are audited by or under the supervision of the Auditor(s). Any of the above mentioned local or foreign Entities shall be deemed to be "controlled" by the Company if (i) the Company holds in aggregate, directly or indirectly, more than fifty percent (50%) of the voting rights in such Entity or controls more than fifty percent (50%) of the voting rights pursuant to an agreement with the other shareholders/interest holders, or (ii) the majority of the managers or board members of such Entity are members of the Board of the Board, or members of the board or employees of the AIFM or of an Affiliate of the AIFM, except to the extent that this is not practicable for tax or regulatory reasons, or (iii) the Company has the right to appoint or remove a majority of the members of the managing body of that Entity;

<b>"Supplement"</b>	means the particular terms and conditions pertaining to a given Sub-Fund, as amended from time to time, each time set forth in a particular supplement to this Prospectus;
<b>"Tax", "Taxes" and "Taxation"</b>	means: (i) any form of taxation (including value added tax), levy, duty, charge, surcharge, contribution, withholding or impost of whatever nature and wherever arising (including any related fine, penalty, surcharge or interest), and any fees, costs and expenses associated with any claim or communication with a Tax Authority; (ii) any amounts paid in connection with any settlement with a Tax Authority; and/or (iii) any fees or other charges levied by any Tax Authority;
<b>"Tax Authority"</b>	means any government, state or municipality or any local, state, federal or other authority, body or official anywhere in the world exercising a fiscal, revenue, customs or excise function;
<b>"Taxonomy Regulation"</b>	means the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment and amending SFDR;
<b>"UCI"</b>	means any undertaking for collective investment governed by the UCI Law;
<b>"UCI Law"</b>	means the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended, and
<b>"UCI Part II Fund"</b>	means a fund set up under Part II of the UCI Law.

---

Supplement

in respect of

Mercer Private Markets S.A. SICAV-UCI PART II – Mercer Semi-Liquid Private Debt Fund

---

## TABLE OF CONTENTS

<b>Sub-Section</b>	<b>Page</b>
1. Interpretation and Definitions .....	81
2. Overview .....	85
3. Investment Objective and Policies .....	85
4. Portfolio Manager.....	91
5. Subscription for Shares .....	92
6. Redemption of Shares .....	93
7. Distribution Policy .....	95
8. Share Classes, Fees and Expenses.....	96
9. Special Considerations and Risk Factors .....	106
10. Pre-Contractual Disclosure.....	121

## 1. INTERPRETATION AND DEFINITIONS

This Supplement should be read in conjunction with the General Section of the Prospectus. All information, terms and conditions set out in the General Section apply to this Sub-Fund and Supplement, unless specifically provided herein.

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

<b>"Accumulating Class"</b>	describes any Class in this Sub-Fund that automatically retains any proceeds from Investments back into the Sub-Fund;
<b>"Adjusted NAV"</b>	means the Net Asset Value per Share gross of Servicing Fees, Share class hedging FX Profit and loss and as adjusted for any distributions made since the end of the immediately preceding Performance Period, if any;
<b>"Aggregate Redemptions"</b>	means the aggregate value of redemptions received by the Company for the respective Redemption Dealing Day;
<b>"Ancillary Investments"</b>	means Investments as described in Sub-Section 3.3.4;
<b>"Business Day"</b>	means, in respect of this Supplement, a day on which the banks in Ireland and Luxembourg are open for normal business days, or as otherwise determined by the Board;
<b>"Class Currency"</b>	means, in respect of any Class, the reference currency of such Class;
<b>"Class S Shares"</b>	are Shares which may only be issued to Performance Recipients;
<b>"Co-Investment"</b>	has the meaning set out in Sub-Section 3.3.3;
<b>"Dealing Costs"</b>	means dealing and other costs that arise when the Portfolio Manager has to take measures to accommodate large cash inflows or outflows;
<b>"Dealing Day"</b>	means the first calendar day of the quarter and/or such other day or days as may from time to time be determined by the Board and notified in advance to Shareholders;
<b>"Dilution Charge"</b>	has the meaning as set out in Sub-Section 6.2.1;
<b>"Distributing Class"</b>	describes any Class in this Sub-Fund that distributes proceeds in accordance with this Supplement;
<b>"FINMA"</b>	means the Swiss financial market supervisory authority;

<b>"Hedged Share Class"</b>	means any Class not denominated in the Sub-Fund Currency and which will be hedged as set out in Sub-Section 3.2.5;
<b>"Hedging Fee"</b>	means the hedging fee as set out in Sub-Section 8.2(iii);
<b>"Hurdle Adjusted High Water Mark"</b>	means the High Water Mark increased by the Hurdle Rate;
<b>"Hurdle Rate"</b>	means 5% per annum, calculated on a simple (non-compounded) basis;
<b>"High Water Mark"</b>	means: <ul style="list-style-type: none"> <li>(i) the Net Asset Value per Share of the relevant Class as of the end of the most recent preceding Performance Period in respect of which High Water Mark has been exceeded;</li> <li>or</li> <li>(ii) if the High Water Mark has never been exceeded at the end of a preceding Performance Period, then the initial Subscription Price of the relevant Share class;</li> </ul>
<b>"Investment Objective"</b>	means, in respect of this Sub-Fund, the investment objective as set out in Sub-Section 3.1;
<b>"Investment Policy"</b>	means, in respect of this Sub-Fund, the investment policy as set out in Sub-Section 3.2;
<b>"Investment Restrictions"</b>	means, in respect of this Sub-Fund, the investment restrictions as set out in Sub-Section 3.3;
<b>"Launched Class"</b>	means any Class that has been launched and has been subject to a Net Asset Value Calculation;
<b>"Management Fee"</b>	means the management fee charged by the AIFM in respect of certain Classes and as set out in Sub-Section 8.6;
<b>"Minimum Subscription Amount"</b>	means, in respect of a specific Class (if applicable), the minimum Subscription Amount to be held by an Investor holding Shares in such Class;
<b>"New Class"</b>	means any Class that has not yet been subject to a Net Asset Calculation;
<b>"Performance Allocation"</b>	is the amount that Performance Recipients may receive either by way of a Performance Fee or return on Class S Shares;
<b>"Performance Fee"</b>	means the fee charged to certain Classes as Performance Allocation, where applicable and where such Performance Allocation is not otherwise allocated to Class S Shares;

<b>"Performance Period"</b>	means the period beginning on 1 January of each year and ending on 31 December of the same year, provided that the first Performance Period shall begin on the first Subscription Dealing Day on which Investors were admitted to the relevant Class and end on 31 December of the same year;
<b>"Performance Recipient"</b>	is a Person, as determined by the Portfolio Manager, who may receive all or part of the Performance Allocation and who may be a Class S Shareholder as determined in the discretion of the Board;
<b>"Portfolio Manager"</b>	means, in respect of this Sub-Fund, Mercer Alternatives AG, a FINMA authorised manager of collective assets, with its registered office at Löwenstrasse 1/3, CH-8001 Zurich, Switzerland;
<b>"Ramp-Up Period"</b>	means the period starting on the first Subscription Dealing Day, being 1 October 2025 in respect of this Sub-Fund and ending, two years thereafter, on 30 September 2027, provided that the Board may decide, in its discretion, to defer the starting (and consequently the end date of such Ramp-Up Period) and in such case, the Board will update the Prospectus accordingly;
<b>"Redemption Dealing Day"</b>	means the first calendar day of each calendar quarter and/or such other day or days as may from time to time be determined by the Board and notified in advance to Shareholders;
<b>"Redemption Dealing Deadline"</b>	has the meaning as set out in Sub-Section 6;
<b>"Redemption Price"</b>	has the meaning as set out in Sub-Section 6.1;
<b>"Redemption Request"</b>	means a written notice from the relevant Shareholder to the Company requesting the redemption of Shares and such notice setting out the Class and number Shares or amount to be redeemed;
<b>"Servicing Fee"</b>	means the fee as described in Sub-Section 8.8;
<b>"Shares"</b>	means shares issued in respect of this Sub-Fund;
<b>"Sub-Section"</b>	means any section of this Supplement;
<b>"Sub-Fund"</b>	means, for the purpose of this Supplement, Mercer Private Markets S.A. SICAV-UCI Part II – Mercer Semi-Liquid Private Debt Fund;
<b>"Sub-Fund Currency"</b>	means, in respect of this Sub-Fund, the currency set out in Sub-Section 2.2;

<b>"Subscription Dealing Day"</b>	means the first calendar day of each calendar quarter and/or such other day or days as may from time to time be determined by the Board and notified in advance to Shareholders;
<b>"Subscription Dealing Deadline"</b>	has the meaning as set out in Sub-Section 5;
<b>"Supplement"</b>	means this supplement, setting out the specific terms and conditions in respect of the Sub-Fund, which are to be read in conjunction with the General Section;
<b>"Underlying Funds"</b>	has the meaning as set out in Sub-Section 3.2;
<b>"Valuation Day"</b>	means the last calendar day of each month;
<b>"Valuation Point"</b>	means the close of business on each Valuation Day in the markets relevant to the assets and liabilities of the Sub-Fund or such other time on that Valuation Day as the Board may determine from time to time and notify to Shareholders;
<b>"Wind-Down Period"</b>	means the Sub-Fund's wind-down phase during which the Sub-Fund will dispose of all of its Investments as set out in Section 11.

## 2. **OVERVIEW**

The Sub-Fund is characterised as being of an open-ended type, meaning that it allows its Shareholders to request the redemption of their Shares under certain conditions as set out in the Prospectus and in particular this Supplement. Such conditions include the Board's power to gate and reduce redemptions, and to suspend redemption in certain circumstances, which may reduce and delay the liquidity available to Shareholders in respect of this Sub-Fund. Therefore, this Sub-Fund is not suitable for Investors who are investing for the account of retail investors who seek to invest in an open-ended structure.

### 2.1 **Term**

The Sub-Fund will continue for an undetermined period of time. It may be terminated in accordance with provisions of Section 11 of the Prospectus.

### 2.2 **Sub-Fund Currency**

The Sub-Fund Currency for the Sub-Fund shall be U.S. Dollar (USD).

Classes offered by the Sub-Fund may be denominated in other currencies, being the relevant Class Currency. Payments and distributions will be made in the applicable Class Currency.

### 2.3 **Classes of Shares**

The Sub-Fund may offer Classes of Shares with such terms and conditions as set out in Sub-Section 8.1, and subject in particular to the relevant eligibility criteria applicable to the relevant Class or Classes.

### 2.4 **Typical Investor Profile**

The Sub-Fund may be suitable for Investors with a long-term investment horizon, who are more concerned with long-term returns than short-term losses. Such Investors have a risk tolerance and sufficient assets to absorb potential losses associated with investing in private debt strategies.

## 3. **INVESTMENT OBJECTIVE AND POLICIES**

### 3.1 **Investment Objective**

The Sub-Fund's Investment Objective is to blend a variety of different private debt focused investment strategies to provide an attractive risk-adjusted return.

Investors should note that there can be no guarantee that the Sub-Fund will achieve its investment objective.

### 3.2 **Investment Policy**

The Sub-Fund is a fund of funds which seeks to achieve its Investment Objective by primarily investing in a selected group of underlying funds that are managed by selected specialist investment managers who invest in or who have particular expertise with

respect to a specific investment strategy or combination of strategies (the "**Underlying Funds**").

The Sub-Fund aims to generate primarily income-based returns, through exposure to private debt investment strategies, including direct lending, specialty finance, asset-based finance, structured credit and opportunistic credit. The Sub-Fund may maintain an allocation to shorter duration and/or liquid assets for liquidity management purposes.

### 3.2.1 Investment Selection

To achieve its objective, the Sub-Fund will invest primarily in Underlying Funds as well as Co-Investments and Ancillary Investments and in doing so achieve broad exposure to private debt strategies including some or all of, but not limited to direct lending, specialty finance, asset-based finance, structured credit and opportunistic credit. A general description of each of these investment strategies is set forth under "Investment Strategies" below.

Risk will be spread across the Underlying Funds as well as Co-Investments and Ancillary Investments with the aim to maximise returns and mitigating risk through diversification of the overall Sub-Fund at the aggregate level. The target risk / return profile, diversification potential, liquidity and other considerations will influence the asset allocation. Asset allocation may vary along with market cycles and can be dependent on the accessibility of opportunities.

### 3.2.2 Sustainability Approach

The Sub-Fund promotes environmental and social characteristics, within the meaning of Article 8 of the SFDR.

Sub-Section 10 sets out complete information on the sustainability approach and attributes of this Sub-Fund and applies in conjunction with the investment policy described herein.

### 3.2.3 Investment Strategies

The Sub-Fund invests, through Underlying Funds, in private debt opportunities, whilst looking to ensure suitability for the overall Sub-Fund's liquidity objectives. The types of private debt strategies in which the Sub-Fund may invest are not exclusive and may include:

- **Direct lending:** direct loans made on a bilateral basis, typically to mid-market companies and typically on a senior secured basis, although with the potential for subordinated loans. This includes transactions completed alongside private equity sponsors or directly originated, non-sponsored transactions.
- **Specialty finance:** investment strategies which focus on niche or differentiated parts or sectors of the private debt market, which in turn require specialist origination, underwriting and structuring capabilities. This includes for example consumer, mortgages, royalties, healthcare,

insurance-linked, litigation finance, commercial transport, trade finance and real assets/energy.

- **Asset-based finance:** private loans secured on tangible assets such as real estate or infrastructure.
- **Structured credit:** transactions that derive their returns in relation to, and are backed by, a pool of underlying cash flows, loans and/or collateral (for example mortgages, corporate or consumer loans). For example, this can include both primary and secondary investments in collateralized loan obligations, as well as other primary structured credit capital solutions such portfolio NAV lending or risk sharing transactions.
- **Opportunistic credit:** this includes for example special situations and distressed debt strategies, which intend to generate capital gains (as well as income) by capitalising on market volatility, pricing dislocations and periods of stress / distress (market, sector or company-driven), through primary or secondary investments.
- **Securitised debt:** this includes mortgage-backed securities, including collateralised mortgage obligations, and asset-backed securities, including collateralised debt obligations or collateralized loan obligations, as well as other types of collateralised debt securities.

For the avoidance of doubt, the Sub-Fund will not engage in loan participation or loan origination activities.

The private debt strategies referenced are subjective classifications made by the Portfolio Manager in its sole discretion and are indicative and not exhaustive.

The Portfolio Manager will periodically re-evaluate the contribution to the risk / return profile of the Sub-Fund from each private debt strategy and, if necessary, will re-allocate the Sub-Fund's assets or introduce additional private debt strategies and/or Underlying Funds.

The Sub-Fund may not necessarily invest in all of the strategies set out above and, for the avoidance of doubt, also invest in Underlying Funds specialising in strategies not described above but that are deemed by the Portfolio Manager to be appropriate in the context of the Sub-Fund's investment objective.

#### 3.2.4 Borrowing

For any purpose, including but not limited to enhancing returns, as well as for short-term liabilities, redemption requests, costs and any collateral posting requirements further to hedging, the Sub-Fund, either directly or through its Holding Entities on a consolidated basis, may borrow up to an expected maximum of Fifty percent (50%) of the Sub-Fund's Net Asset Value.

Within the abovementioned expected maximum, for any liabilities under a facility and/or in lieu of posting collateral, the Sub-Fund may grant security interests, including without limitation on its Investments and the accounts

opened in the Sub-Fund's name, for its own obligations as well as the obligations of any of its Holding Entities which are borrowers under a facility, as well as give guarantees in respect of Holding Entities' obligations.

### 3.2.5 Hedging

Foreign exchange hedging may be utilised for the benefit of certain Classes and its cost and related liabilities and/or benefits shall accrue solely to the relevant Classes.

The AIFM and/or the Portfolio Manager (or its respective delegate) may seek to hedge the foreign currency exposure of Hedged Share Classes denominated in a currency other than the Sub-Fund Currency so that Shareholders in each Hedged Share Class receive a return in the currency of that Hedged Share Class substantially in line with the investment objective of the Sub-Fund, although there is no guarantee that the AIFM and/or the Portfolio Manager (or its respective delegate) will be successful in this regard.

Shareholders of the Sub-Fund will still be exposed to fluctuations in foreign exchange rates as the AIFM and/or the Portfolio Manager (or its respective delegate) may decide to not hedge against currency fluctuations at a portfolio level. As foreign exchange hedging may be utilised solely for the benefit of Hedged Share Classes, transactions will be clearly attributable to the relevant Hedged Share Classes and its costs and related liabilities and/or benefits will be for the account of the relevant Hedged Share Classes only. While Hedged Share Classes will hedge an Investor's currency exposure from a decline in the value of the Hedged Share Class's currency against the Sub-Fund Currency, Investors in Hedged Share Classes will not generally benefit when the Class Currency of the relevant Hedged Share Class appreciates against the Sub-Fund Currency. A Hedged Share Class may not be leveraged as a result of the use of such techniques and instruments, but, subject to the below, hedging up to, but not exceeding 105% of the Net Asset Value attributable to the relevant Class, is permitted. The AIFM and/or the Portfolio Manager (or its respective delegate) will monitor hedging on at least a weekly basis to ensure that over-hedged positions do not exceed this limit and will ensure that any over-hedged positions are rectified without delay, and that under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the relevant Class which is to be hedged and are not carried forward from month to month. The AIFM and/or the Portfolio Manager (or its respective delegate) will seek to ensure that positions materially in excess of 100% of the Net Asset Value attributable to the relevant Class will not be carried forward from month to month. While not the intention, over-hedged or under-hedged positions may arise due to factors outside the control of the AIFM and/or the Portfolio Manager (or its respective delegate).

Foreign exchange hedging will not be used for speculative purposes.

### 3.3 Investment Restrictions

#### 3.3.1 Permissible Investments

The Underlying Funds in which the Sub-Fund may invest, shall be open-ended, open-ended with limited liquidity or closed-ended funds. It is generally envisaged that the Underlying Funds will be domiciled in Luxembourg and Ireland as well as in the main offshore centres: the Cayman Islands, Delaware, Bermuda, Guernsey, Jersey, the Isle of Man and the British Virgin Islands.

However, investment may also be made in Underlying Funds domiciled in other jurisdictions. The Underlying Funds may be regulated or unregulated and Investors should note that unregulated funds will generally not have an equivalent level of investor protection to that provided under Luxembourg laws, regulations and conditions governing UCI Part II Funds.

#### 3.3.2 Diversification

The Sub-Fund shall not, directly or indirectly, hold more than 20% of its Net Asset Value in any single issuer (which means, for the avoidance of doubt and to the extent permitted by law, in case of an umbrella fund any single sub-fund of such umbrella fund) or borrower. The diversification may be assessed on a look-through basis to the Investments, provided that the relevant Investment is subject to the same mandatory risk-diversification requirements as a fund governed by Part II of the UCI Law.

In case such restriction is exceeded for reasons beyond the control of the Board, the AIFM and/or the Portfolio Manager, the Board may decide to take no remedial action, if such is deemed to be in the best interest of the Shareholders.

The above restriction will not apply during the Ramp-Up Period nor during the Wind-Down Period.

#### 3.3.3 Co-Investments

The Sub-fund may also co-invest along with Underlying Funds or other specialist investment managers in transactions that would offer exposure to any of the investment strategies described in Sub-Section 3.2.3 ("**Co-Investments**"). The Sub-Fund will follow a passive investment approach in case of Co-investments and such Co-Investments shall not, for the avoidance of doubt, loan participation or loan origination activities.

#### 3.3.4 Ancillary Investments

The Sub-Fund may also invest in "Ancillary Investments", including (but not limited to) money market instruments such as bank deposits, certificates of deposit, commercial paper, floating rate notes, freely transferable promissory notes, short term investment grade credit and other similar instruments, including money market funds for ancillary liquidity purposes, as well as cash or liquid instruments listed on recognised markets for liquidity and cash management purposes and for the purposes of paying any expenses due by it.

The Sub-Fund may hold cash or invest its cash balances and/or cash funds at such times and in any instruments deemed appropriate by the Portfolio Manager, pending allocation of such capital to one or more investment strategies, with the aim to fund anticipated redemptions or expenses of the Sub-Fund or otherwise in the sole discretion of the Portfolio Manager.

### 3.3.5 Leverage Limits

The leverage is calculated according to the requirements as set out in article 7 of the AIFM Regulation (gross method) or article 8 of the AIFM Regulation (commitment method) in connection with Annex 1 and 2 of the AIFM Regulation. Whilst the percentage of the leverage employed at the level of the Sub-Fund is generally not expected to be higher than 200% of the NAV of the Sub-Fund, (calculated according to the commitment method), the investment strategy of the Sub-Fund may create additional exposure but the maximum percentage of leverage is not expected to be higher than 300% (calculated according to the gross method). In addition, depending on the market situation the percentage of the leverage may be subject to fluctuations causing short-term exceeding of the expected percentage.

### 3.3.6 Use of Derivatives

The Sub-Fund may employ financial derivative instruments (each an "FDI" for efficient portfolio management purposes (including hedging) within the limits set forth in the Prospectus and this Supplement but not, for the avoidance of doubt, for investment purposes.

The Sub-Fund may use FDIs including:

- futures (bond futures, index futures, currency futures, forwards, exchange trade contracts, etc.); and
- swaps (interest rate swaps, credit default swaps, index credit default swaps, total return swaps, etc.).

Such FDI may be listed on recognised markets or traded over the counter. The reference assets that underlie the total return swaps, shall be any security, basket of securities or indices which are consistent with the Investment Policy. The counterparties to all swap transactions will be institutions subject to prudential supervision and belonging to categories approved by the CSSF and will not have discretion over the assets of the Sub-Fund.

The expected effect of utilising FDIs for efficient portfolio management is a reduction in the level of risk or costs with the level of risk consistent with the Sub-Fund's risk profile.

In accordance EMIR, the AIFM and Portfolio Manager will ensure compliance with all applicable requirements including but not limited to central clearing, risk mitigation techniques for non-centrally cleared derivatives, and trade reporting obligations. The Portfolio Manager will implement robust monitoring and oversight procedures to ensure that all derivative transactions are conducted

in manner consistent with the Sub-Fund's investment objectives and relevant risk management policies.

### 3.3.7 Securities Lending and Financing Transactions

#### **Haircut Policy**

The AIFM (and its delegates) shall have documented haircut policies in place in respect of each class of assets which may be received as collateral in respect of the Sub-Fund. A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The AIFM's (and its delegates') haircut policy shall take account of the characteristics of the relevant asset class, including the credit standing of the issuer of the Collateral, the price volatility of the Collateral and the results of any stress tests which may be performed in accordance with the stress testing policy. The value of any Collateral received by the Sub-Fund adjusted in light of the haircut policy, shall equal or exceed, in value, at all times, the relevant counterparty exposure.

Please refer to Section 9.1 (*Use of Securities Lending and Financing Transactions*) and corresponding risks under Section 9.9 (*Risks related to Certain Instruments*).

## 4. **PORTFOLIO MANAGER**

The AIFM has appointed Mercer Alternatives AG as portfolio manager for the Sub-Fund.

The Portfolio Manager will manage, under the supervision of the AIFM, the Sub-Fund's assets in accordance with the Investment Objective, Investment Policy and Investment Restrictions of the Sub-Fund and in this regard the Portfolio Manager will provide the services outlined in more detail herein. Its services, which it will perform within the parameters of a Portfolio Management Agreement, will include, but are not limited to, the following: identifying, originating and evaluating new investments, preparation of and negotiating investments, making investments and divestment decisions and ongoing monitoring of actual investments.

Pursuant to the Management Agreement, the Portfolio Manager may appoint investment advisor(s) in relation to the Sub-Funds in order to benefit from their expertise and experience in particular markets, pursuant to the relevant investment advisory agreements. The appointment of one or more investment advisors will not lead to an increase of expenses for the Sub-Fund, the remuneration of such investment advisors being paid by the Portfolio Manager out of his own assets. In case of the appointment of any such investment advisor by the Portfolio Manager, it shall exercise reasonable care in the selection and supervision of the relevant investment advisor.

The Portfolio Management Agreement will be automatically terminated, in respect of a Sub-Fund, at the termination of the Sub-Fund.

## 5. SUBSCRIPTION FOR SHARES

All Launched Classes are available at their Net Asset Value per Share on each Subscription Dealing Day.

The initial Subscription Price per Share for each New Class will be in its respective Class Currency: GBP 100, USD 100, JPY 10000, EUR 100, CHF 100, NOK 1000, SEK 1000, CAD 100, AUD 100, NZD 100, HKD 100, SGD 100, DKK 1000, MXN 100, ZAR 100 or CHN 100, with the exception of the Class Z Shares, which will have an initial Subscription Price per Share for each New Class of USD 10,000 (or the equivalent number in the respective Class Currency).

The initial offer periods in respect of New Classes of Shares, during which Shares will be issued at the initial Subscription Price, will run from the date of the launch of such New Class until the Subscription Dealing Day following the first acceptance of a Subscription in respect of such New Class.

Thereafter, all Launched Classes are available at their Net Asset Value per Share on each Subscription Dealing Day. For the avoidance of doubt, the Net Asset Value per Share of each Class on each Subscription Dealing Day is equal to the NAV per Share for such Class applicable on the last calendar day of the month immediately preceding the month in which the relevant Subscription Dealing day occurs.

Subscriptions for Shares of all Classes of the Sub-Fund that are received and accepted by or on behalf of the Company at the address specified in the Dealing Form on the Business Day which is at least forty-two (42) calendar days before the last day of the month preceding the relevant Subscription Dealing Day (the "**Subscription Dealing Deadline**") will be processed at the Subscription Price determined in respect of that Subscription Dealing Day. Subscriptions received after the Subscription Dealing Deadline in respect of a Subscription Dealing Day will be automatically deemed to be received in respect of the next Subscription Dealing Day, unless the Board determines that reasonable delays caused such late subscription and agrees to accept such subscription as soon as reasonably practicable after the relevant Subscription Dealing Deadline.

Save where expressly provided herein or in the Prospectus, a Dealing Form must be received by or on behalf of the Company at the address specified in the Dealing Form not later than the Subscription Dealing Deadline. Applications once received shall be irrevocable provided however that the Board reserves the right to reject in whole or in part any application for Shares. Applications to subscribe for Shares received and accepted by or on behalf of the Company after the Subscription Dealing Deadline for the Sub-Fund will be processed at the Net Asset Value per Share determined in respect of the next Subscription Dealing Day.

Payment should be made in the Class Currency by electronic transfer to the account specified in the Application Form so as to arrive no later than four (4) Business Days before the last day of the month preceding the relevant Subscription Dealing Day or such later time as the Board may determine from time to time. No interest shall be payable on funds received by the Company in advance of the deadline set out herein for receipt of subscription monies.

## 6. REDEMPTION OF SHARES

### 6.1 Redemption Requests

As of the date falling twenty-four (24) months after the first Subscription Dealing Day on which third-party investors were admitted to the Sub-Fund, Shareholders may redeem their Shares by way of Redemption Request. Shareholders may, request the Company to redeem their Shares on and with effect from any Redemption Dealing Day, at a price based on the relevant Net Asset Value per Share applicable on the last calendar day of the month immediately preceding the month in which the relevant Redemption Dealing day occurs, provided that when a redemption is deferred in accordance with this Prospectus and in particular this Supplement, the price will be based on the relevant Net Asset Value per Share in respect of the Redemption Dealing Day in respect of which the relevant Shares are actually redeemed (the "**Redemption Price**").

Save where specified herein, the Redemption Request will be irrevocable upon receipt by the Company and must be given in writing and received by the Company on the Business Day which is not less than forty-two (42) calendar days in advance of the last day of the month preceding the relevant Redemption Dealing Day (the "**Redemption Dealing Deadline**") or such later time as the Board may from time to time permit, provided that applications will not be accepted after the Valuation Point before the relevant Redemption Dealing Day. A Redemption Request cannot be withdrawn by a Shareholder after the Redemption Dealing Deadline without the approval of the Board.

Redemption proceeds will be remitted as soon as practicable after the publication of the relevant Net Asset Value. Shareholders will not know the applicable Net Asset Value per Share at the time of the Redemption Dealing Deadline and, consequently, will not know the cash value of their Redemption Request or the number of Shares to be redeemed, as applicable.

No redemption payments will be made until any anti-money laundering procedures have been completed. Any payment proceeds in respect of Hedged Share Classes may no longer be subject to hedging and may therefore be subject to currency fluctuations.

Redemption Requests received after the Redemption Dealing Deadline in respect of a Redemption Dealing Day shall be processed as at the next Redemption Dealing Day.

The Board may determine at its discretion that a Shareholder's Shares may be redeemed in their entirety if, following satisfaction of such Shareholder's Redemption Request, the aggregate value of such Shareholder's remaining Shares in the Sub-Fund would be below the applicable Minimum Subscription Amount, if any, for the relevant Class.

### 6.2 Liquidity Management

#### 6.2.1 Dilution Charge

Large volumes of redemptions in respect of the Sub-Fund can create "dilution" in respect of its assets as the relevant Net Asset Value at the time at which an Investor acquires or redeems Shares may not entirely reflect the dealing and other costs that may arise where measures need to be taken to accommodate large cash inflows or outflows (the "**Dealing Costs**").

To enhance the protection of existing Shareholders of such Sub-Fund and in such circumstances, the Board may, in its discretion, apply a dilution charge ("**Dilution Charge**") of up to 5% on the relevant redemption amount to counter the impact of such Dealing Costs on occasions when these are deemed to be significant, including in the event that the relevant Sub-Fund would need to make asset sales or trigger adverse Underlying Funds' dealing terms to meet redemption requests, which may be detrimental to remaining Shareholders.

Such a Dilution Charge will be set considering such Dealing Costs. Shareholders who have submitted a request for redemption of Shares will be informed in a timely manner of the applicable Dilution Charge, if any.

#### 6.2.2 Redemption Limits

Aggregate Redemptions will generally, in respect of each Redemption Dealing Day, be limited by the Board per calendar quarter to 5% of the latest available Net Asset Value of the Sub-Fund (adjusted for any subscription or redemption requests received for prior dealing days that fall between the Valuation Point of the latest available Net Asset Value and the cutoff date of the relevant Dealing Day), taking into account the available liquidity at such time.

If, in respect of any Redemption Dealing Day, Redemptions Requests are received in excess of the above threshold, the Redemption Requests shall be reduced *pro rata* to the Net Asset Value of the total Shares held by the relevant Shareholders, and the amount by which any Redemption Request was reduced as a result of such operation will be cancelled. Such cancellation will be notified to the Investor who may, if the Investor so wishes, submit a new Redemption Request in respect of the next Redemption Dealing Day, which will be without priority and subject to any limits applicable of such next Redemption Dealing Day. Any amounts not yet redeemed will continue to be subject to investment risk in the Sub-fund and will continue to be subject to the fees and expenses set out in this Supplement until it is actually redeemed.

Conversions will not be included in the calculation of the above redemption restrictions.

### 6.3 Suspension of Redemptions

In certain circumstances, as set out in the Prospectus, the Company may suspend redemption of Shares as of the applicable Redemption Dealing Day. Any Redemption Requests received during any period at which the redemption of Shares is suspended will be deferred until such Redemption Dealing Day following the date on which the suspension has been lifted.

Nevertheless, the Board undertakes to use its best efforts to anticipate Redemption Requests.

### 6.4 In Kind Redemptions

The Company may, at the discretion of the Board and with the consent of the redeeming Shareholder, satisfy requests for redemption of Shares in the Sub-Fund by transfer to

those Shareholders of assets of the Sub-Fund in kind, provided any such distributions in specie will not materially prejudice the remaining Shareholders. Shareholders who receive redemption proceeds in specie will be responsible for liquidating any securities received, including bearing any transaction costs involved in the sale of such securities.

Any payment of the redemption price in kind shall be included in a report prepared by an auditor qualified as an approved statutory auditor (*réviseur d'entreprises agréé*), and the costs will be borne by the relevant Shareholder.

#### 6.5 **Compulsory Redemptions**

Shares may also be subject to compulsory redemptions as set out in Section 7.3.3 of the General Section.

#### 6.6 **Transfer of Shares**

Shares can be transferred to other Shareholders and/or third parties subject to the provisions set out in Section 7.4 of the General Section.

### 7. **DISTRIBUTION POLICY**

Each issued and unredeemed Share will carry an entitlement to be allocated proceeds in accordance with the provisions of the Articles, the Prospectus and in particular this Supplement from and including the date as of which such Share is issued, up to and including the date as of which such Share is redeemed.

A Class will, unless specifically set out in the relevant Application form, pay distributions in cash (a "**Distributing Class**").

Shareholders may elect an "**Accumulating Class**", in respect of which amounts that would otherwise be available for distribution will be retained.

No dividend shall bear interest against the Sub-Fund. Any dividend unclaimed after five years from the date when it first became payable shall be forfeited automatically, to the benefit of the Sub-Fund.

Proceeds will be allocated and distributed, as applicable to all Shareholders *pro rata* to the number of their Shares in the relevant Class and in accordance with the Articles, the Prospectus and in particular this Supplement.

The Board shall be entitled to cause the Sub-Fund not to make or delay any distribution if it deems it to be in the best interest of the Shareholders, including if:

- (a) there is insufficient cash available therefor;
- (b) which would render the Sub-Fund unable to pay its debts as and when they fall due; or
- (c) which, in the opinion of the Board, would or might leave the Sub-Fund with insufficient funds to meet any future or contingent obligations.

Dividends, if any, shall be declared on a quarterly basis on the last Business Day of March, June, September and December. Dividends shall be equal to substantially all of the net income arising on the Distributing Classes.

Each holder of Distributing Shares will be paid dividends in cash.

The Board may decide to terminate any Class with a specific dividend policy as set out and in accordance with Section 11.2 of the General Section. In such case, the Company shall serve a notice to the Shareholders of such Class prior to the effective date for the compulsory redemption, which will set forth the reasons for, and procedure of, the redemptions process.

## 8. SHARE CLASSES, FEES AND EXPENSES

### 8.1 Share Classes

Classes of Shares may be created and launched from time to time with terms and conditions applicable to such Class or Classes set out in the table in Sub-Section 8.6.

In the event that for any reason the value of the net assets in any Class has decreased to, or has not reached, an amount determined by the Board to be the minimum level for such Class, to be operated in an economically efficient manner or in case of a substantial modification in the political, regulatory, economic or monetary situation relating to the Class which would have material adverse consequences on the investments of that Class or as a matter of economic rationalisation, the Board may decide to compulsorily redeem all the Shares of the relevant Class at the net asset value per Share (taking into account actual realisation prices of investments and realisation expenses) as calculated on the Valuation Date on which such decision shall take effect and subsequently close such Class. The Company shall serve a notice to the holders of the relevant Class prior to the effective date for the compulsory redemption, which will indicate the reasons for, and the procedures applicable to such compulsory redemption.

### 8.2 Names of Classes

In respect of the name of any Class, Investors should note that

- (i) The five digit number in the name of the Classes listed in the table below reflects the maximum percentage per annum in respect of the Management Fees (as further described below in Sub-Section 8.6.
- (ii) For Distributing Classes, "D" will appear in the Class name and in the absence thereof, a Class will be an Accumulating Class.
- (iii) Hedged Share Classes will have "Hedged" or "H" appear in the Class name. All Hedged Share Classes are subject to a fee of up to 0.0200% (the "**Hedging Fee**") to reflect their hedging costs and expenses. This fee is paid to a hedging service provider that is not an Associate of the AIFM and/or the Portfolio Manager.
- (iv) Classes will be available in the following currencies: U.S. Dollar (USD), Sterling (GBP), Euro (EUR), Swedish Krona (SEK), Norwegian Krone (NOK), Danish Krone (DKK), Japanese Yen (JPY), Canadian Dollar (CAD), Australian Dollar (AUD), Swiss Franc (CHF), New Zealand Dollar (NZD), Singapore

Dollar (SGD), Hong Kong Dollar (HKD), Mexican Peso (MXN), South African Rand (ZAR) and Chinese Yuan Renminbi (CNH).

### 8.3 Types of Classes

Class Type	Max Management Fee	Max Servicing Fee	Targeted Investor	Subject to Performance Allocation
F1	0.2500%	N/A	Institutional Investors	Yes
F2	0.3500%	N/A	Institutional Investors	Yes
F3	0.2500%	N/A	Non-Institutional Investors	Yes
F4	0.3500%	N/A	Non-Institutional Investors	Yes
A1	0.5000%	N/A	Institutional Investors	Yes
A2	0.6000%	N/A	Institutional Investors	Yes
R1	0.5000%	0.85%	Non-Institutional Investors	Yes
R2	0.6000%	0.85%	Non-Institutional Investors	Yes
R3	0.5000%	N/A	Non-Institutional Investors	Yes
R4	0.6000%	N/A	Non-Institutional Investors	Yes
S	-	N/A	Performance Recipients	No
Z	-	N/A	Clients of the AIFM, the Portfolio Manager and their Associates and set out in Sub-Section 8.3	Yes

**Class F Shares** are offered to founding Investors, i.e. Investors committing the first USD 300 million (or its foreign currency equivalent), or any such higher amount as decided by the Board in its sole discretion, to the Sub-Fund. Class F Shares are available to any Investor eligible to hold Shares in the Sub-Fund, always subject to their respective Minimum Subscription Amount set out below.

**Class A Shares** are only available to Investors who qualify as Institutional Investors.

**Class R Shares** are available to Eligible Investors who invest into the Sub-Fund through approved distributors, platforms or intermediaries.

**Class S Shares** are available only to Class S Shareholders and in respect of which no Management Fee or Performance Allocation will be charged and which shall, if in issue, carry the entitlement to receive the Performance Allocation.

**Class Z Shares** are offered primarily to clients of the Portfolio Manager or its Associates pursuant to an investment management agreement. The other Sub-Funds of the Company and any other fund for which the AIFM, the Portfolio Manager or any of their Associates may serve as alternative investment fund manager or portfolio manager may also invest in Class Z Shares.

Additional Classes may be issued that are subject to different terms and conditions, including in respect of eligibility, applicable Management Fee and / or Performance Allocation, and or redemption terms.

The following Class naming convention will apply in respect of any Class launched:

Type of Class	Hedged	Management Fee	Distributing*	Currency
---------------	--------	----------------	---------------	----------

\*if applicable.

For example:

- A1 – H – 0.5000 – GBP
- A2 – H – 0.6000 – D – EUR

Any such new Share Class will be added to the Supplement in accordance with the requirements of the CSSF. All details of such Share Classes (including the applicable Management Fee) will be disclosed to the prospective Investor prior to subscribing for Shares.

#### 8.4 Available Classes

At the date of this Prospectus, the following Classes are available for subscription:

A1-0.5000-D-USD	F2-H-0.3500-GBP	F3-H-0.2500-D-GBP
A2-0.6000-D-USD	F2-H-0.3500-EUR	F3-H-0.2500-D-EUR
F1-0.2500-CAD	F2-H-0.3500-SEK	F3-H-0.2500-D-SEK
F1-H-0.2500-CAD	F2-H-0.3500-NOK	F3-H-0.2500-D-NOK
F1-0.2500-USD	F2-H-0.3500-DKK	F3-H-0.2500-D-DKK
F1-H-0.2500-GBP	F2-0.3500-D-USD	F4-0.3500-USD
F1-H-0.2500-EUR	F2-H-0.3500-D-GBP	F4-H-0.3500-GBP
F1-H-0.2500-SEK	F2-H-0.3500-D-EUR	F4-H-0.3500-EUR
F1-H-0.2500-NOK	F2-H-0.3500-D-SEK	F4-H-0.3500-SEK
F1-H-0.2500-DKK	F2-H-0.3500-D-NOK	F4-H-0.3500-NOK
F1-0.2500-D-USD	F2-H-0.3500-D-DKK	F4-H-0.3500-DKK
F1-H-0.2500-D-GBP	F3-0.2500-USD	F4-0.3500-D -USD
F1-H-0.2500-D-EUR	F3-H-0.2500-GBP	F4-H-0.3500-D-GBP
F1-H-0.2500-D-SEK	F3-H-0.2500-EUR	F4-H-0.3500-D-EUR
F1-H-0.2500-D-NOK	F3-H-0.2500-SEK	F4-H-0.3500-D-SEK
F1-H-0.2500-D-DKK	F3-H-0.2500-NOK	F4-H-0.3500-D-NOK
F1-H-0.2500-D-JPY	F3-H-0.2500-DKK	F4-H-0.3500-D-DKK
F2-0.3500-USD	F3-0.2500-D -USD	

## 8.5 **Minimum Subscription Amount**

The Minimum Subscription Amount is USD 10,000.- or the equivalent amount thereof in the relevant Class Currency, **provided that** the Minimum Subscription Amount of any Class targeted at Non-Institutional Investors is USD 25,000.- or the equivalent amount thereof in the relevant Class Currency.

However, such Minimum Subscription Amount may be increased in respect of an Investor, in case so required, including by law and/or regulation, for such Investor to be eligible to invest into the Sub-Fund and the relevant Class (the applicable "**Specific Minimum Subscription Amount**").

The Board may waive the Minimum Subscription Amount, unless a Specific Minimum Subscription Amount applies to the relevant Investor.

The Minimum Subscription Amount needs to be maintained for as long as an Investor is a Shareholder in the Sub-Fund and the relevant Class, unless waived by the Board.

## 8.6 **Management Fees**

The AIFM will be paid a Management Fee that is calculated on the monthly Net Asset Value of the Sub-Fund attributable to the relevant Class, are payable quarterly, subject to any correction, if required, following any Valuation Day, and will be payable in the Sub-Fund Currency for an amount up to the percentage indicated herein.

The AIFM may waive, also in part, the Management Fee in respect of any Class.

## 8.7 **Performance Allocation**

### 8.7.1 Entitlement

The Portfolio Manager, and/or other Persons designated by the Portfolio Manager as Performance Recipients, shall be entitled to receive a Performance Allocation in respect of certain Classes.

Such Performance Allocation may be charged as a Performance Fee to such Share Classes or be allocated to certain Classes and/or the relevant amounts are allocated from such Classes to Class S Shares.

### 8.7.2 Calculation

The Performance Allocation in respect of the relevant Class, and in respect of a Performance Period, will be equal to 5% of the amount by which the Adjusted NAV per Share of such Class at the end of the relevant Performance Period exceeds the relevant High Water Mark of such Class, once the Adjusted NAV per Share at the end of the relevant Performance Period exceeds the relevant Hurdle Adjusted High Water Mark.

For the avoidance of doubt, a Performance Allocation shall only be payable where the Adjusted NAV per Share of the relevant Class at the end of the relevant Performance Period exceeds the Hurdle Adjusted High Water Mark.

The Performance Allocation (as accrued below, if applicable) will be paid to the relevant Performance Recipients and/or allocated to Class S as soon as reasonably practicable after the end of each Performance Period.

If Shares in the relevant Class are redeemed during a Performance Period, the Performance Allocation, if any, in respect of such Shares will crystallize as though the relevant Redemption Day was the end of a Performance Period and an amount equal to any accrued Performance Allocation in respect of Shares redeemed in such Class will be paid to the relevant Performance Recipients and/or allocated to Class S Shares as soon as reasonably practicable after the date of redemption and may accordingly be withheld from the relevant redemption proceeds.

#### 8.7.3 Accrual

For the purpose of calculating the Net Asset Value per Share of Classes in respect of which a Performance Allocation is applied, the Performance Allocation is accrued or decreased on each Valuation Day in accordance with the following principles:

- On any Valuation Day, the Performance Allocation per Share is accrued based on the difference between the Adjusted NAV per Share of the relevant Class on such Valuation Day and the applicable High Water Mark, once the Hurdle Adjusted High Water Mark has been achieved.
- The Hurdle Adjusted High Water Mark is determined, for each Valuation Day, by increasing the relevant High Water Mark in respect of any Share of the relevant Class 5% *pro rata temporis* in respect of the period passed since the end of the immediately preceding Performance Period.
- The difference between the Adjusted NAV per Share of the relevant Class on the relevant Valuation Day and the High Water Mark on such Valuation Day is the basis for calculating the Amount of Performance Allocation to be considered accrued as of such Valuation Day, if any.

As the Performance Allocation is calculated and accrued on a monthly basis but crystallised annually, it is possible that value of the Shares may reflect Performance Allocation accrued during part of a year even though they may incur substantial overall losses during such year.

The Performance Allocation shall be calculated by the Administrator and verified by the Depositary following the year end and is not open to the possibility of manipulation. The Performance Allocation is calculated at the level of each Class.

#### 8.7.4 Worked Examples

To illustrate the effect that the Performance Allocation might have on the Net Asset Value of the relevant Class, examples of certain scenarios are set out below.

These examples are hypothetical and are provided for illustrative purposes only. They are not intended, and should not be interpreted, as an indication of future performance or Performance Allocation which may be payable to the Performance Recipients. They are provided so that Investors may better understand the methodology of the Performance Allocation calculation. These examples below illustrate the Performance Allocation calculation for a base currency accumulation Class with no Servicing Fees applicable.

<b>Example 1</b>	
Hurdle Rate:	5%
Performance Allocation:	5%
Scenario:	Adjusted NAV decreases during the Performance Period.
Result:	No Performance Allocation is paid.
Detail in respect of this example: <ul style="list-style-type: none"> <li>– An investor purchases Shares at an initial price of USD 1'000 at the beginning of the Performance Period (at which point the relevant High Water Mark is USD 1'000);</li> <li>– The Adjusted NAV at the end of the Performance Period decreases to USD 900; and</li> <li>– The Hurdle Rate is 5%.</li> </ul> Hurdle Adjusted High Water Mark = USD 1'000 * 1.05 = USD 1'050	
In this situation, no Performance Allocation is payable, as the Adjusted NAV at the end of the Performance Period is below the High Water Mark.	
The Adjusted NAV is USD 900 and the High Water Mark remains at USD 1'000.	

<b>Example 2</b>	
Hurdle Rate:	5%
Performance Allocation:	5%
Scenario:	Adjusted NAV increases during the Performance Period.
Result:	Performance Allocation is paid on the appreciation of the Adjusted NAV in excess of the High Water Mark.
Detail in respect of this example: <ul style="list-style-type: none"> <li>– An Investor purchases Shares at an initial price of USD 1'000 at the beginning of the Performance Period (at which point the relevant High Water Mark is USD 1'000);</li> <li>– The Adjusted NAV at the end of the Performance Period increases to USD 1'100; and</li> </ul>	

<ul style="list-style-type: none"> <li>– The Hurdle Rate is 5%.</li> </ul> <p>Hurdle Adjusted High Water Mark = USD 1'000 * 1.05 = 1'050</p>
<p>In this situation, a Performance Allocation is payable, as the Adjusted NAV at the end of the Performance Period is larger than the Hurdle Adjusted High Water Mark, and is calculated as follows:</p> <p>(Adjusted NAV – High Water Mark) * 5% = (USD 1'100 – USD 1'000) * 5% = USD 5.</p>
<p>The Net Asset Value at the end of the Performance Period is USD 1'095 and is the new High Water Mark.</p>

<b>Example 3</b>	
Hurdle Rate:	5%
Performance Allocation:	5%
Scenario:	Net Asset Value is at High Water Mark and decreases during the Performance Period.
Result:	No Performance Allocation is paid.
<p>Detail in respect of this example:</p> <ul style="list-style-type: none"> <li>– An Investor purchases Shares at a price of USD 1'090 at the beginning of the Performance Period (at which point the relevant High Water Mark is USD 1'090);</li> <li>– The Adjusted NAV at the end of the Performance Period decreases to USD 900; and</li> <li>– The Hurdle Rate is 5%.</li> </ul> <p>Hurdle Adjusted High Water Mark = USD 1'090 * 1.05 = 1'144.50</p>	
<p>In this situation, no Performance Allocation is payable, as the Adjusted NAV at the end of the Performance Period is below the High Water Mark.</p>	
<p>The Net Asset Value at the end of the Performance Period is USD 900 and the High Water Mark remains at USD 1'090.</p>	

<b>Example 4</b>	
Hurdle Rate:	5%
Performance Allocation:	5%
Scenario:	Net Asset Value is at the High Water Mark and increases during the Performance Period, but does not surpass the Hurdle Rate.
Result:	No Performance Allocation is paid.
Detail in respect of this example:	
<ul style="list-style-type: none"> <li>– An Investor holds Shares with a Net Asset Value of USD 1'090 at the beginning of the Performance Period (at which point the relevant High Water Mark is USD 1'090);</li> <li>– The Adjusted NAV at the end of the Performance Period increases to USD 1'122.70; and</li> <li>– The Hurdle Rate is 5%.</li> </ul>	
Hurdle Adjusted High Water Mark = USD 1'090 * 1.05 = 1'144.50	
In this situation, no Performance Allocation is payable, as the Adjusted NAV at the end of the Performance Period is below the Hurdle Adjusted High Water Mark.	
The Net Asset Value at the end of the Performance Period is USD 1'122.70 and becomes the new High Water Mark.	

## 8.8 Servicing Fee

Certain fees, costs and/or charges may be incurred in respect of the marketing and distribution of Shares to specific Investors ("**Servicing Fees**"), which will be borne by the Investors holding Shares in such Classes.

## 8.9 Service Provider Fees

The aggregate fees and expenses of the service providers charging fees and expenses to the Company and/or the Sub-Fund will not exceed 5% of the Net Asset Value of the Sub-Fund and will usually accrue daily and be payable quarterly in arrears. Service providers to the Company and/or the Sub-Fund who delegate or sub-contract part of their services will bear the cost of such delegation or sub-contract themselves, unless otherwise provided in the Prospect and/or this Supplement.

## 8.10 Subscription Tax

The Sub-Fund established as an UCI Part II Fund is subject to an annual subscription tax (*taxe d'abonnement*) charged at an annual rate of 0.05% based on the total net assets of the Sub-Fund, valued at the end of each calendar quarter.

Under certain conditions, (i) money market funds and (ii) individual compartments and classes which are reserved to Institutional Investors may benefit from a reduced subscription tax of an annual rate of 0.01%. Subject to specific formalities, certain Part

II Funds, or their compartments, may benefit from other reduced subscription tax rates provided they invest in environmentally sustainable economic activities within the meaning, and meeting the requirements, of Article 3 of the Taxonomy Regulation.

Under certain conditions, the UCI Law exempts from the subscription tax, inter alia, (i) the assets invested in other Luxembourg based UCIs subject to this tax, (ii) certain short-term money market funds meeting certain criteria, (iii) institutional cash funds, (iv) microfinance funds (v) pension pooling funds and (vi) ELTIF.

#### **8.11 Underlying Funds**

Each Underlying Fund will bear its own offering, establishment, organisational, and operating expenses, including any administration, custody and valuation fees payable by the Underlying Fund and any management and performance incentive fees payable to the manager and/or investment manager of the Underlying Fund pursuant to the Underlying Fund's offering documents and material contracts which will be in addition to the Sub-Fund's fees and expenses. The Sub-Fund will indirectly bear a *pro rata* portion of the fees and expenses of each Underlying Fund as an investor in that Underlying Fund. The Sub-Fund will also bear any subscription fee, redemption fee or sales charge payable in respect of its investment in an Underlying Fund.

Where an Underlying Fund invests in other collective investment schemes, is a fund of funds or a feeder fund, the Underlying Fund and in turn the Sub-Fund, may bear a portion of the fees and expenses of the collective investment schemes in which the Underlying Fund invests. The Underlying Fund will bear any subscription fee, redemption fee or sales charge payable in respect of any of its investments in collective investment schemes and the Sub-Fund will indirectly bear a *pro rata* portion of such fees and charges.

#### **8.12 Underlying Funds Managers' Fees**

Managers to Underlying Funds, in which the Sub-Fund may invest, are compensated on terms that may include fixed and/or performance-based fees or allocations. The Sub-Fund, as an investor in an Underlying Fund, will bear a *pro rata* portion of any fixed management fees payable to an Underlying Fund's manager, and an indirect *pro rata* portion of any fixed management fees of any collective investment schemes in which the Underlying Funds may invest. It is currently expected that the management fees payable to an Underlying Fund manager or the manager of collective investment schemes in which the Underlying Fund invests may range up to 1.5% of an Underlying Fund's assets.

In addition, a performance fee may be payable to managers of certain Underlying Funds or of the collective investment schemes in which the Underlying Fund invests, and it is currently expected that these will generally range from 0% to a maximum of 20% of the increase in net asset value of the assets allocated to an adviser over the period of such allocation, deducted from the assets of the relevant Underlying Funds or collective investment schemes in which the Underlying Fund invests and thereby reducing the actual performance of such Underlying Funds. The performance fee may also be subject to minimum hurdle rates of return.

The fees payable to the managers of the Underlying Funds and collective investment schemes in which the Underlying Fund invests and described above are estimates only and may vary from time to time without notice to Shareholders.

In case an Underlying Fund is managed by the Portfolio Manager or an Associate thereof, they will waive the Sub-Fund's proportion of any preliminary charge, initial charge or redemption charge which they would otherwise be entitled to charge in respect of investments made by the Sub-Fund in that Underlying Fund.

#### **8.13 Co-Investments**

In respect of any Co-Investment, the Sub-Fund will bear, where applicable, the organisational and operating expenses, including any administration, custody and valuation fees as well as any management fees payable in respect of such Co-Investment, including any establishment costs and expenses incurred for any vehicle established in respect of such Co-Investment. Any fees, costs and expenses incurred in relation to Co-Investments are generally expected to be lower in aggregate than fees, costs and expenses incurred in respect of investments into Underlying Funds (as set out in Sub-Sections 8.11 and 8.12).

#### **8.14 Operating Expenses**

Certain costs and expenses incurred in the operation of the Sub-Fund, other than those expressly assumed by the AIFM, the Portfolio Manager, the Depositary, the Administrator and/or the Auditor will be borne out of the assets of the Sub-Fund, including without limitation, registration fees, and other expenses relating to regulatory, supervisory or fiscal authorities in various jurisdictions, management, investment management, sub-investment management, administrative and custodial services; the fees of any other person, firm or corporation providing professional advisory services to or for the benefit of the Sub-Fund; directors' fees and expenses; client service fees; investor reporting fees including expenses incurred in connection with publication and supply of information to Shareholders; writing, translating, typesetting and printing the Prospectus and Supplement, sales, literature and other documents for Shareholders including the financial statements and any other reports to the CSSF or to any other regulatory authority or to the Shareholders and the cost of all stationery and postage costs in connection with the preparation and distribution of information to Shareholders; taxes and commissions; issuing, purchasing, repurchasing and redeeming Shares; transfer agents, platform fees, dividend dispersing agents, Shareholder servicing agents and registrars; auditing, accounting and legal expenses; reports to Shareholders and governmental agencies; meetings of Shareholders and proxy solicitations therefore (if any); insurance premiums; association and membership dues; and such non-recurring and extraordinary items as may arise.

Expenses of the Company will be allocated to the Sub-Fund or Sub-Funds to which, in the opinion of the Board, they relate. If an expense is not readily attributable to any particular Sub-Fund, the expense will be allocated to all Sub-Funds pro rata to the value of the Net Asset Value of the relevant Sub-Fund.

9. **SPECIAL CONSIDERATIONS AND RISK FACTORS**

Investors should be aware of the risks of the Sub-Fund including, but not limited to, the considerations and risks described in Section 14 of the General Section as well as, in particular, those listed below. Investment in the Sub-Fund is suitable only for persons who are in a position to take the risk related to an investment in this Sub-Fund.

For the purpose of CSSF Circular 24/856, Investors should note that the error threshold in respect of the calculation of the Net Asset Value of the relevant Class is set at 1%.

9.1 **Use of Securities Lending and Financing Transactions**

The SFTR requires, among other things, that the AIFM makes certain disclosures in relation to its use of securities financing transactions and total return swaps ("**SFTs**" and "**TRSs**"), more generally, the SFTR Techniques. The SFTR will also require reporting of SFTs by the AIFM to a trade repository.

*1. General description of the SFTs and total return swaps used by the collective investment undertaking and the rationale for their use.*

The AIFM (or its delegate), at its full discretion, may employ investment techniques and instruments (including SFTR Techniques) for efficient portfolio management of the assets of the Sub-Fund and for short term investment purposes under the conditions and within the limits stipulated by applicable regulation and this Prospectus.

The Sub-Fund's use of SFTR Techniques is consistent with its investment objective and strategy. SFTR Techniques may only be used for efficient portfolio management (EPM).

"Efficient portfolio management (EPM)" refers to an investment technique aimed at either reducing risk, reducing cost or generating additional capital or income with a level of risk consistent with the risk profile of the Sub-Fund.

*2. Overall data to be reported for each type of SFTs and total return swaps:*

- a. Types of assets that can be subject to them*
- b. Maximum proportion of assets under management that can be subject to them*
- c. Expected proportion of assets under management that will be subject to each of them.*

Any permitted investments of the Sub-Fund may be subject to SFTR Techniques.

The Sub-Fund's exposure to securities financing transactions is as set out below (in each case as a percentage of Net Asset Value):

	<b>Expected</b>	<b>Maximum</b>
Total Return Swaps	0 – 20%	20%
Repurchase Agreements	0 - 10%	20%

Reverse Repurchase Agreements	0 - 10%	20%
Securities Lending	0 - 10%	50%

*3. Criteria used to select counterparties (including legal status, country of origin, minimum credit rating).*

Counterparties to SFTR Techniques must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law and specialised in these types of transactions. The counterparties to such transactions will generally be financial institutions based in an OECD member state and having an investment grade credit rating. These counterparties will generally be financial institutions based in an OECD member state and having an investment grade credit rating. The selected counterparties comply with Article 4 of the SFTR.

The identity of the counterparties (and any affiliation they may have with the AIFM, Depositary or their delegates, if applicable) to SFTR Techniques, as well as information on direct and indirect operational costs and fees incurred by the Sub-Fund in the context of those transactions will be available in the annual accounts.

*4. Acceptable collateral: description of acceptable collateral with regard to asset types, issuer, maturity, liquidity as well as the collateral diversification and correlation policies.*

In accordance with the above criteria, it is proposed that the Sub-Fund will accept the following types of collateral in respect of efficient portfolio management techniques:

- (i) cash;
- (ii) government or other public securities;
- (iii) certificates of deposit issued by a credit institution authorised in the European Economic Area (EEA) (EU Member States, Norway, Iceland, Liechtenstein), a credit institution authorised within a signatory state, other than an EU Member State or a member state of the EEA, to the Basle Capital Convergence Agreement of July 1988 (including Switzerland, Canada, Japan or the United States) or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia, New Zealand or the United Kingdom ("**Relevant Institutions**");
- (iv) bonds / commercial paper issued by Relevant Institutions or by non-bank issuers where the issue or the issuer are rated A1 or equivalent;
- (v) repurchase agreements provided collateral received falls under categories (i)-(v) of this paragraph;
- (vi) letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by Relevant Institutions;

- (vii) daily dealing money market funds which have and maintain a rating of triple-A or its equivalent from an internationally recognised rating agency. If investments are made in a linked fund, being a collective investment scheme that is managed, directly or delegation, by the AIFM or by any other company with which the AIFM is linked by common management or control, or by a substantial direct or indirect holding, no subscription, conversion or redemption charge can be made by the underlying money market fund;
- (viii) equity securities traded on a stock exchange in the EEA, Switzerland, Canada, Japan, the United States, Jersey, Guernsey, the Isle of Man, Australia, New Zealand or the United Kingdom;
- (ix) corporate bonds (debt instruments issued by corporate entities); and
- (x) any other Collateral which is in accordance with the above criteria.

*5. Collateral valuation: description of the collateral valuation methodology used and its rationale, and whether daily mark-to-market and daily variation margins are used.*

Collateral obtained under efficient portfolio management techniques ("**Collateral**") must at all times meet the following criteria:

- (i) **Liquidity:** Collateral (other than cash) should be transferable securities or money market instruments (of any maturity) which must be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a robust price that is close to its pre-sale valuation. Collateral received should also comply with the provisions of the CSSF.
- (ii) **Valuation:** Collateral must be capable of being valued on a daily basis and assets that exhibit high price volatility shall not be accepted as Collateral unless suitably conservative haircuts are in place. Collateral may be marked to market daily by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk and may be subject to variation margin requirements;
- (iii) **Issuer credit quality:** Collateral must be of high quality;
- (iv) **Correlation:** Collateral must be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
- (v) **Diversification:** Collateral must be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to any given issuer of 20% of the Sub-Fund's Net Asset Value. When the Sub-Fund is exposed to different counterparties the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer; and
- (vi) **Immediately Available:** Collateral must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

Notwithstanding the above, the Sub-Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by an EU Member State, one or more of its local authorities, a third country, or a public international body to which one or more EU Member States belong. Such a Sub-Fund will receive securities from at least six different issues and securities from any single issue will not account for more than 30% of the Sub-Fund's Net Asset Value.

Risks linked to the management of Collateral, including operational and legal risks, are identified and mitigated by risk management procedures employed by the AIFM. Where there is a title transfer, the Collateral received will be held by the Depositary, or its agent. For other types of collateral arrangement the collateral may be held by a third party depositary which is subject to prudential supervision and which is unrelated to the provider of the Collateral.

*6. Risk management: description of the risks linked to SFTs and total return swaps as well as risks linked to collateral management, such as operational, liquidity, counterparty, custody and legal risks and, where applicable, the risks arising from its reuse.*

There are certain risks involved in SFTs and total return swaps and the management of collateral in relation to such activities, including the reinvestment of cash collateral. Please refer to the section of this Prospectus entitled "**Special Considerations and Risk Factors**" and, in particular, but without limitation, the risk factors relating to "**Derivatives**" in this Prospectus. These risks may expose investors to an increased risk of loss.

The use of efficient portfolio management techniques may impact positively or negatively on the performance of the Sub-Fund.

*7. Specification of how assets subject to SFTs and total return swaps and collateral received are safe-kept (e.g. with fund custodian).*

The Sub-Fund may accept collateral in the context of SFTR Techniques, subject to the restrictions set out in this Section. Such collateral will be transferred, where there is title transfer, to the Depositary (or its delegate) for safekeeping or, where there is no title transfer, it can be held by a third-party custodian. The collateral received will be appropriately diversified and will be valued by the AIFM in accordance with the terms of the Prospectus (applying appropriate haircuts where the AIFM or its delegate determines this to be necessary or desirable) and at a frequency determined by the AIFM to be appropriate.

*8. Specification of any restrictions (regulatory or self-imposed) on reuse of collateral.*

Cash received as Collateral may not be invested or used other than as set out below:

- (i) placed on deposit with, or invested in certificates of deposit (which mature in no more than 12 months) issued by Relevant Institutions;
- (ii) invested in high quality government bonds;
- (iii) used for the purpose of reverse repurchase agreements provided that the transactions are with credit institutions subject to prudential supervision and the

Sub-Fund is able to recall at any time the full amount of cash on an accrued basis; or

(iv) invested in short term money market funds.

Re-invested cash Collateral must be diversified in accordance with the diversification requirements applicable to non-cash Collateral. The Sub-Fund must be satisfied, at all times, that any investment of cash collateral will enable it to meet with its repayment obligations. Invested cash collateral may not be placed on deposit with, or invested in securities issued by, the counterparty or a related entity.

Non-cash collateral cannot be sold, pledged or re-invested.

*9. Policy on sharing of return generated by SFTs and total return swaps: description of the proportions of the revenue generated by SFTs and total return swaps that is returned to the collective investment undertaking, and of the costs and fees assigned to the manager or third parties (e.g. the agent lender).*

The AIFM shall ensure that all revenues arising from efficient portfolio management techniques and instruments, net of direct and indirect costs, are returned to the Sub-Fund. To the extent that the AIFM engages in securities lending in respect of the Sub-Fund it may appoint a securities lending agent which may receive a fee in relation to its securities lending activities. Any such securities lending agent may be an affiliate of the Depository. Any operational costs incurred by the securities lending agent arising from such securities lending activities shall be borne out of its fee. In addition, any direct and indirect operating costs arising from such securities lending activities incurred by the AIFM (or its delegate) shall be reimbursed by the Sub-Fund.

The AIFM does not charge any additional costs or fees or receive any additional revenues in connection with these transactions. While additional costs may be inherent in certain products, these are imposed by the counterparty based on market pricing, form part of the revenues or losses generated by the Sub-Fund, and are allocated to the Company and/or the Sub-Fund as applicable. Details on the actual return and cost for each type of SFT and TRS (in absolute terms and as a percentage of overall returns generated by that type of STF or TRS) will be published in the Fund's annual reports and accounts.

## 9.2 **Asset backed securities ("ABS"), mortgage backed securities ("MBS"), and commercial mortgage backed securities ("CMBS") and collateralised debt obligations ("CDOs") such as collateralised loan obligations ("CLOs")**

The Sub-Fund, indirectly through the Underlying Fund, may from time to time invest in asset backed securities ("ABS"), mortgage backed securities ("MBS"), including collateralised mortgage obligations ("CMO") and commercial mortgage backed securities ("CMBS") and collateralised debt obligations ("CDOs") such as collateralised loan obligations ("CLOs").

ABS, including MBS are generally limited recourse obligations of the issuers thereof payable solely from the underlying assets ("**ABS Assets**") of the relevant issuer or proceeds thereof. Consequently, holders of ABS including where applicable, an Underlying Fund, must rely solely on distributions on the ABS Assets or proceeds

thereof for payment in respect thereof. In addition, interest payments on ABS (other than the most senior tranche or tranches of a given issue) are generally subject to deferral. If distributions on the ABS Assets (or, in the case of a market value ABS security – as explained hereinafter) – proceeds from the sale of the ABS Assets) are insufficient to make payments on the ABS, no other assets will be available for payment of the deficiency and following realisation of the underlying assets, the obligations of the issuer of the related ABS security to pay such deficiency including to the relevant Underlying Fund will be extinguished.

With a market value ABS deal, principal and interest payments to investors come from both collateral cash flows as well as sales of collateral. Payments to tranches are not contingent on the adequacy of the collateral's cash flows, but rather the adequacy of its market value. Should the market value of collateral drop below a certain level, payments are suspended to the equity tranche. If it falls even further, more senior tranches are impacted. An advantage of a market value ABS is the added flexibility they afford the portfolio manager. It is not constrained by a need to match the cash flows of collateral to those of the various tranches.

ABS Assets may be highly illiquid and private in nature. ABS Assets are subject to greater liquidity, market value, credit interest rate, reinvestment and certain other risks compared to other debt securities. These risks could be exacerbated to the extent that the portfolio is concentrated in one or more particular ABS Assets. ABS Assets are typically actively managed by an investment manager, and as a result ABS Assets will be traded, subject to rating agency and other constraints, by such investment managers. The aggregate return on the ABS Assets will depend in part upon the ability of the relevant investment manager to actively manage the related portfolio of the ABS Assets.

The ABS Assets will be subject to certain portfolio restrictions. However, the concentration of the ABS Assets in any one security type subjects the holders of ABS to a greater degree of risk with respect to defaults on the ABS Assets.

Prices of the ABS Assets may be substantially volatile and will generally fluctuate due to a variety of factors that are inherently difficult to predict, including but not limited to changes in interest rates, prevailing credit spreads, general economic conditions, financial market conditions, domestic and international economic or political events, developments or trends in any particular industry, and the financial condition of the obligors of the ABS Assets. In addition, the ability of the issuer to sell ABS Assets prior to maturity is subject to certain restrictions set forth in the offering and constitutive documents of the relevant ABS. The ABS Assets are often exposed to extension and prepayment risks and risks that the payment obligations relating to the underlying assets are not met, which may adversely impact the value of the securities.

The abovementioned risks described for ABS also apply to MBS and CMBS.

A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. CDOs may charge a management fee and administrative expenses. For CLOs, the cash flows from the trust are split into two or more portions, called tranches, varying in risk and yield. The riskiest portion is the "equity" tranche which bears the bulk of defaults from the bonds or loans in the trust and serves to protect

the other, more senior tranches from default in all but the most severe circumstances. Since it is partially protected from defaults, a senior tranche from a CLO trust typically has higher ratings and lower yields than the underlying securities, and can be rated investment grade. Despite the protection from the equity tranche, CLO tranches can experience substantial losses due to actual defaults, increased sensitivity to defaults due to collateral default and disappearance of protecting tranches, market anticipation of defaults and aversion to CLO securities as a class. The risks of an investment in a CDO depend largely on the type of the collateral and the class of the CDO in which the Sub-Fund invests.

Normally, CLOs and other CDOs are privately offered and sold, and thus are not registered under the securities laws. As a result, certain investments in CDOs may be characterized as illiquid securities. Moreover, if the underlying mortgage portfolio has been overvalued by the originator, or if the values subsequently decline and, as a result, less collateral value is available to satisfy interest and principal payments and any other fees in connection with the trust or other conduit arrangement for such securities, the Sub-Fund may incur significant losses. Also, with respect to the CLOs and CDOs in which the Sub-Fund (indirectly through the Underlying Fund) invests, control over the related underlying loans will be exercised through a special servicer or collateral manager designated by a "directing certificate holder" or a "controlling class representative," or otherwise pursuant to the related securitization documents. The Sub-Fund may acquire classes of CLOs or CDOs for which it may not have the right to appoint the directing certificate holder or otherwise direct the special servicing or collateral management. With respect to the management and servicing of those loans, the related special servicer or collateral manager may take actions that could adversely affect the Sub-Fund's interests. In addition to the risks associated with debt instruments (e.g., interest rate risk and credit risk), CDOs carry additional risks including, but not limited to: (i) the possibility that distributions from collateral securities will not be adequate to make interest or other payments; (ii) the quality of the collateral may decline in value or default; (iii) the possibility that the Sub-Fund may invest in CDOs that are subordinate to other classes; and (iv) the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results. In addition, the Underlying Fund will generally have the right to receive payments only from the CLOs, and will generally not have direct rights against the underlying borrowers or entities that sponsored the CLOs.

### **9.3 Preferential Treatment of Investors**

The Company will, at all times, seek the fair treatment of Investors in this Sub-Fund.

There may be instances where certain Shareholders may obtain preferential treatment, which may include rebate arrangements between the Mercer Group and a particular Investor or Investors and arrangements for the provision of additional information or reporting to a particular Investor or to Investors, including, by way of example where such information or reporting is required by the Investor or Investors for the purpose of complying with a specific regulatory or legal obligation.

The Mercer Group may contribute directly towards the expenses attributable to the establishment and/or operation of the Company and/or this Sub-Fund and/or the marketing, distribution and/or sale of Shares and may from time to time at its sole

discretion waive or rebate any or all of the Management Fees in respect of any limited or unlimited payment period.

The Management Fee may vary from class to class within a Sub-Fund based on factors such as the size and nature of the Investor's holding in the Sub-Fund, investor type and relationship with the Mercer Group and any additional distribution services or portfolio management services being provided within the Mercer Group. In certain circumstances, an Investor may agree a fee pursuant to a separate commercial arrangement with the Mercer Group, which may be reflected in the Management Fee effectively applied to such Investor.

#### 9.4 **Market and Other Risks**

The nature of the Sub-Fund's investments is subject to significant price fluctuations and involves certain risks. The Sub-Fund may opportunistically select Underlying Funds that have the ability to invest in undervalued securities. The identification of undervalued securities is a difficult task which requires investment skill, and there can be no assurance that such opportunities will be successfully recognised. While investments in undervalued securities offer opportunities for above average capital appreciation, these investments often involve a high degree of risk and can result in financial losses. The Underlying Funds may utilise techniques or trading strategies such as leverage, short selling and the use of derivatives, which may carry separate substantial risks. There can be no assurance that appreciation will occur or that losses will not be realised and the value of shares may be subject to volatile movements. **The Sub-Fund is intended for professional and sophisticated investors who understand the risks inherent in this type of investment.** Past performance of individual asset classes and of selected funds cannot be considered as a guide to future performance of the Sub-Fund. The performance of the Sub-Fund is affected by the allocation across investment sectors and by the investment decisions of the investment managers of the Underlying Funds. A general increase in the correlation among investment sectors and asset classes during stress periods leading to increased portfolio risk cannot be excluded.

To the extent that Underlying Funds invest in the securities markets of developing countries, the political, regulatory and economic risks inherent in investments in emerging markets' securities are significant and may differ in kind and degree from the risks presented by investments in the world's major securities markets. These may include greater price volatility, substantially less liquidity and controls on foreign investment and limitations on repatriation of invested capital.

The performance of the Sub-Fund is also subject to risks such as fluctuations in exchange rates and future economic and political developments. Although the Sub-Fund currently intends to invest in the investment sectors described herein and to manage the asset allocation, there can be no assurance that the Sub-Fund will be able to make such investments or will maintain the same asset allocation.

Prospective investors should understand that an investment in the Sub-Fund is subject to the liquidity restrictions and conditions set out in this Supplement and the General Section of the Prospectus. The Sub-Fund provides for quarterly redemptions and the Sub-Fund may be fully invested in open-ended collective investment schemes which provide limited redemption facilities, provided that investments will not be made in such funds if this is likely to impact on the ability of the Sub-Fund to meet permitted

Redemption Requests. Such investments may restrict the ability of the Sub-Fund to meet large redemption requests as the Sub-Fund's ability to meet redemption requests is dependent upon the Sub-Fund's ability to redeem its investment from an Underlying Fund. Shares are subject to a Lock-Up Period before they can be redeemed. Shareholders are required to give the Company at least 42 calendar days' notice in advance of last day of the month preceding the relevant Redemption Dealing Day in order to redeem their Shares in the Sub-Fund.

## 9.5 **Underlying Funds Risk**

The Underlying Funds in which the Sub-Fund may invest may utilise leverage in their investment programs. Such leverage may take the form of loans for borrowed money, trading on margin, derivative instruments that are inherently leveraged, including among others forward contracts, futures contracts, swaps and repurchase agreements, and other forms of direct and indirect borrowings, increasing the volatility of the Underlying Fund's investments. The use of leverage by the Underlying Funds may substantially increase the adverse impact to which the investment portfolios of the Underlying Funds may be subject. The level of interest rates generally, and the rates at which the Underlying Funds can borrow in particular, can affect the operating results of the Underlying Funds. Underlying Sub-Funds may pledge, charge, lend, hypothecate and/or re hypothecate their assets to obtain additional financing.

## 9.6 **Special Risks of Fund of Funds**

Since the Sub-Fund may make investments in or effect withdrawals from an Underlying Fund only at certain times pursuant to limitations set forth in the governing documents of the Underlying Fund, the Sub-Fund from time to time may have to invest a greater portion of its assets temporarily in money market securities than the Portfolio Manager (or its delegate) otherwise might wish to invest, the Sub-Fund may not be able to withdraw its investment in an Underlying Fund promptly after it has made a decision to do so, and the Sub-Fund may have to borrow money to pay redemption proceeds. This may adversely affect the Sub-Fund's investment return.

### *Multiple Levels of Fees and Expenses*

To the extent that any of the Underlying Funds invest in other collective investment schemes, Investors will be subject to higher fees arising from the layered investment structure as fees may arise at three levels; a Sub-Fund, the Underlying Fund and the funds in which the Underlying Fund invests. This investment structure may also result in a lack of transparency with respect to investments in which a Sub-Fund has an indirect interest.

### *Valuation of Underlying Funds*

Although the Portfolio Manager (or its delegate) expects to receive detailed information from the investment manager of each Underlying Fund regarding its investment performance on a regular basis, the Portfolio Manager (or its delegate) may have limited access to the specific underlying holdings of the Underlying Funds and little ability to independently verify the information that is provided by the investment managers of the Underlying Funds. In the event of an error in the determination of the value of an

investment in an Underlying Fund, the Net Asset Value of a Sub-Fund may be inaccurate.

Further, from time to time, when valuing the assets of a Sub-Fund, units or shares in Underlying Funds may be valued at their latest available net asset value as published by the collective investment schemes as at the Valuation Point, or, if unavailable at the probable realisation value, as determined by the AIFM with care and in good faith, who may appoint a professional independent valuer. Therefore, it is possible that from time to time the value of the units or shares in Underlying Funds used in the valuation of the Sub-Fund as at the Valuation Point may deviate from the value that may have been determined if the Underlying Funds' latest net asset value had been available at the relevant time.

## **9.7 Hedging**

The Sub-Fund may invest in derivatives in certain circumstances for hedging purposes (e.g. currency hedging). The use of derivatives in this way involves additional costs and expenses, as well as certain special risks, including the dependence on the Sub-Fund's ability to predict movements, in interest rates and exchange rates, as well as the ability to time the implementation or the dissolution of hedging transactions and the imperfect correlation between the hedging instrument and the investments, securities or market sectors being hedged.

## **9.8 Sustainability Risk**

The Portfolio Manager reviews and assesses potential Sustainability Risks as part of its decision-making processes with respect to the Investments made and/or to be made by the Portfolio Manager and integrates such review within its internal procedures and policies. Such review is performed by the risk management team of the AIFM and its risk management policy and procedure is updated to reflect the Sustainability Risk Policy content.

During the ex-ante risk assessment process the Portfolio Manager will consider those risks and assess if those will have a relevant impact on the Investment. If those risks are relevant, the risk management team also performs a regular ongoing review of those risks as part of the discharge of its duties.

As part of the review performed, the Investments made and/or to be made are likely to be affected by Sustainability Risks such as global instability, fiscal crisis, national governance failures, climate change or extreme weather events and that if any of those risks happen, it is likely that the returns on such Investments will be affected negatively. Investors should note that it is very difficult to assess with any reasonable certainty the likely outcome of any Sustainability Risk on the Investments and/or the risk of occurrence of any such risk.

The Sustainability Risk exposure assessment of the financial product will be performed on a periodic basis to ensure that the AIFM is able to identify a change in the relevance of the risk affecting the Company's return. Based on this assessment, if a change is identified, the present Issue Document will be adapted accordingly.

More information regarding the Sustainability Risks management approach can be found under the sustainability risk policy available on the website of the AIFM (<https://investment-solutions.mercer.com/content/mercero-sites/investment-solutions/global/all/en/investment-solutions-home/responsible-investment-private-markets.html>).

#### *Risks related to ESG information*

The Sub-Fund's ESG assessment framework for the Investments relies on different or limited information that may be qualitative rather than quantitative and is provided by the Underlying Investment managers, their general partners and/or lead investors. The information and data may be incomplete, inaccurate or unavailable which may lead the Sub-Fund to incorrectly assess ESG practices and/or related risks and opportunities.

Furthermore, the Sub-Fund's disclosures and reporting in relation to the promoted environmental and/or social characteristics are, given the lack of independent data on the Investments, reliant on information made available by the Underlying Investment managers, their general partners and/or lead investors, which may be inaccurate or inconsistent with the Sub-Fund's understanding and expectations.

The SFDR is subject to different interpretations by various stakeholders, including financial institutions and regulatory bodies. This may result in inconsistencies in the implementation and disclosure of sustainability-related information. In addition, SFDR is subject to future amendments and guidelines, which may cause the investment strategy of the Sub-Fund to no longer be compliant with the provisions of the SFDR in the future and may no longer align with the expectations of Investors.

### **9.9 Risks related to Certain Instruments**

#### *Credit Risk and Counterparty Risk*

The Sub-Fund will have a credit risk on the issuer of debt securities in which it invests which will vary depending on the issuer's ability to make principal and interest payments on the obligation. Any failure by an issuer to meet its obligations will have adverse consequences for the Sub-Fund and will adversely affect the Net Asset Value per Share in the Sub-Fund.

The Sub-Fund will also have a credit risk on the parties with which it trades including for example, counterparties to repurchase agreements or securities lending contracts. In the event of the insolvency, bankruptcy or default of the seller under a repurchase agreement, the Sub-Fund may experience both delays in liquidating the underlying securities and losses, including the possible decline in the value of securities, during the period while it seeks to enforce its rights thereto, possible sub-normal level of income, lack of access to income during the period and expenses in enforcing its rights. The risks associated with lending portfolio securities include the possible loss of rights against the collateral for the securities should the borrower fail financially.

The Sub-Fund's foreign exchange, futures, forwards, options, options on futures, swaps, swaptions, warrants, credit default swaps, structured notes, hybrid securities, transferable securities with embedded derivatives and other similar transactions also involve counterparty credit risk and will expose the Sub-Fund to unanticipated losses

to the extent that counterparties are unable or unwilling to fulfil their contractual obligations. With respect to futures contracts and options on futures, the risk is more complex in that it involves the potential default of the clearing house or the clearing broker.

The AIFM or sub-investment manager will have contractual remedies upon any default pursuant to the agreements related to the transactions. Such remedies could be inadequate, however, to the extent that the collateral or other assets available are insufficient.

### *Derivatives*

Derivative instruments (which are instruments that derive their value from another instrument, security, index, interest rate, money market instrument or currency) may be purchased or sold to enhance return (which may be considered speculative), to hedge against fluctuations in securities prices, market conditions or currency exchange rates, or as a substitute for the purchase or sale of securities or currencies, either for efficient portfolio management or investment purposes. Such transactions may include the purchase or sale of OTC and exchange traded futures, forwards, options (including interest rate, currency, credit, index or total return swaps), swaptions, credit default swaps, structured notes, hybrid securities, transferable securities with embedded derivatives (including convertible bonds and structured notes) securities lending when-issued, delayed delivery, warrants and forward commitment transactions. Transactions in derivative instruments involve a risk of loss or depreciation due to: unanticipated adverse changes in securities prices, interest rates, indices, the other financial instruments' prices or currency exchange rates; the inability to close out a position; default by the counterparty; imperfect correlation between a position and the desired hedge; tax constraints on closing out positions; risks relating to settlement default; legal risk; and portfolio management constraints on securities subject to such transactions. The loss on derivative instruments (other than purchased options) may substantially exceed an investment in these instruments. In addition, the entire premium paid for purchased options may be lost before they can be profitably exercised. Transaction costs are incurred in opening and closing positions. Derivative instruments may sometimes increase or leverage exposure to a particular market risk, thereby increasing price volatility of derivative instruments the Sub-Fund holds. The Sub-Fund's success in using derivative instruments to hedge portfolio assets depends on the degree of price correlation between the derivative instruments and the hedged asset. Imperfect correlation may be caused by several factors, including temporary price disparities among the trading markets for the derivative instrument, the assets underlying the derivative instrument and the Sub-Fund's assets.

OTC derivative instruments involve an enhanced risk that the issuer or counterparty will fail to perform its contractual obligations. Some derivative instruments are not readily marketable or may become illiquid under adverse market conditions. In addition, during periods of market volatility, a commodity exchange may suspend or limit trading in an exchange-traded derivative instrument, which may make the contract temporarily illiquid and difficult to price. Commodity exchanges may also establish daily limits on the amount that the price of a futures contract or futures option can vary from the previous day's settlement price. Once the daily limit is reached, no trades may be made that day at a price beyond the limit. This may prevent the closing out of positions to limit losses. The ability to terminate OTC derivative instruments may depend on the

cooperation of the counterparties to such contracts. For thinly traded derivative instruments, the only source of price quotations may be the selling dealer or counterparty. The use of Derivatives are highly specialised activities that involve skills different from conducting ordinary portfolio securities transactions. There can be no assurance that the AIFM or any sub-investment manager's use of derivative instruments will be advantageous to the Sub-Fund.

The AIFM (or its delegate) may make use of derivative instruments in the Sub-Fund's investment program. Certain swaps, options and other Derivatives may be subject to various types of risks, including market risk, liquidity risk, counterparty credit risk, legal risk, conflicts of interest and operations risk. In addition, swaps and other Derivatives can involve significant economic leverage and may, in some cases, involve significant risks of loss. The global exposure of the Sub-Fund which uses the VaR approach to manage the risks associated with its use of Derivatives may be highly leveraged as a result of their use of Derivatives, which may result in a significant or a total loss to the Sub-Fund.

#### *Correlation Risk*

Although the AIFM (or its delegate) believes that taking exposure to underlying assets through the use of Derivatives will benefit Shareholders in certain circumstances, due to reduced operational costs and other efficiencies which investment through Derivatives can bring, there is a risk that the performance of the Sub-Fund will be imperfectly correlated with the performance which would be generated by investing directly in the underlying assets.

#### *Collateral Re-Use and Reinvestment Risk*

To the extent that collateral received by the Sub-Fund is re-used or reinvested, the Sub-Fund is exposed to the risk that cash collateral re-use or reinvestment could lead to a reduction of the value of the eligible collateral capital. This, in turn may causes losses to the Sub-Fund because it is obliged to return collateral to the counterparty.

#### *Necessity for Counterparty Trading Relationships*

Participants in the OTC markets typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. While it is anticipated that the Sub-Fund will be able to establish the necessary counterparty business relationships to permit the Sub-Fund to effect transactions in the OTC commodities markets and other counterparty markets, including the swaps market, there can be no assurance that it will be able to do so or, if it does, that it will be able to maintain such relationships. An inability to continue existing or establish new relationships could limit the Sub-Fund's activities and would require the Sub-Fund to conduct a more substantial portion of such activities in the futures markets. Moreover, the counterparties with which the Sub-Fund expects to establish such relationships will not be obligated to maintain the credit lines extended to the Sub-Fund, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

#### *Repurchase and Reverse Repurchase Agreements*

The Sub-Fund may buy securities subject to reverse repurchase agreements. Reverse repurchase agreements may be entered into for cash management purposes, such as when anticipating large redemptions or seeking investment opportunities. In a reverse repurchase transaction, the Sub-Fund buys a security from a seller (for example, a bank or securities dealer) who agrees, at the time of sale, to repurchase the securities at a mutually agreed-upon date and price. The resale price exceeds the purchase price by an amount that reflects an agreed-upon interest rate effective for the period during which the reverse repurchase agreement is in effect.

A repurchase agreement is the sale of a debt obligation to a party for a specified price, with the simultaneous agreement to repurchase it from that party on a future date at a higher price. Similar to a borrowing, repurchase agreements provide a Sub-Fund with cash for investment and operational purposes. Repurchase agreements that the Sub-Fund may engage in also create leverage. When the Sub-Fund engages in repurchase agreements, changes in the value of the Sub-Fund's investments will have a larger effect on its share price than if it did not engage in these transactions due to the effect of leverage. Repurchase agreements create fund expenses and require that the Sub-Fund have sufficient cash available to repurchase the debt obligation when required.

Repurchase agreements also involve the risk that the market value of the debt obligation that is the subject of the repurchase agreement could decline significantly below the price at which the Sub-Fund is required to repurchase the security. The Sub-Fund will identify liquid assets on its books to cover its obligations under repurchase agreements until payment is made to the other party.

In the event the other party to a Repo Contract becomes subject to a bankruptcy or other insolvency proceeding or such party fails to satisfy its obligations thereunder, the Sub-Fund could (i) experience delays in recovering cash or the securities sold (and during such delay the value of the underlying securities may change in a manner adverse to the Sub-Fund) or (ii) lose all or part of the income, proceeds or rights in the securities to which the Sub-Fund would otherwise be entitled.

#### *Securities Lending*

The Sub-Fund may engage in securities lending. The Sub-Fund may have a credit risk exposure to the counterparties to any securities lending contract. The Sub-Fund investments can be lent to counterparties over a period of time. A default by the counterparty combined with a fall in the value of the collateral below that of the value of the securities lent may result in a reduction in the value of the Sub-Fund. To the extent that any securities lending is not fully collateralised (for example due to timing issues arising from payment lags), the Sub-Fund will have a credit risk exposure to the counterparties to the securities lending contracts.

#### *Securitisation risks*

Mortgage-backed and asset-backed securities (MBS and ABS), along with other types of structured finance investments such as collateralised loan obligations (CLOs), often come with risks such as prepayment, extension, and above-average liquidity risk. These instruments are also particularly subject to interest rate, credit and valuation risks.

These securities generally have lower credit quality compared to other debt securities. If the underlying debts of an MBS or ABS default or become uncollectible, the value of these securities will decrease. Changes in interest rates can negatively impact the performance of ABS/MBS and other callable debt securities. When interest rates drop, issuers often pay off these securities and issue new ones at lower rates, forcing the fund to reinvest at lower interest rates (prepayment risk).

Conversely, when interest rates rise, borrowers are less likely to prepay their low-interest mortgages, causing the fund to receive below-market yields until rates fall or the securities mature (extension risk). This situation may lead the relevant Underlying Fund to sell the securities at a loss or miss out on better investment opportunities. Callable securities' prices and yields typically assume they will be paid off before maturity. If prepayment occurs as expected, the fund is generally unaffected. However, if prepayment happens much earlier or later than anticipated, the relevant Underlying Fund may have overpaid for the securities. These factors can also influence the relevant Underlying Fund's duration, affecting its sensitivity to interest rates. Unexpected changes in interest rates can cause prepayment or extension risks.

Please also refer to the risks disclosed under Section 9.1 (*Asset backed securities ("ABS"), mortgage backed securities ("MBS"), including collateralised mortgage obligations ("CMOs") and commercial mortgage backed securities ("CMBS") and collateralised debt obligations ("CDOs") such as collateralised loan obligations ("CLOs")*).

10. PRE-CONTRACTUAL DISCLOSURE

ANNEX II

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

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

**Product name:** Mercer Semi-Liquid Private Debt Fund    **Legal entity identifier:** (the "Sub-Fund")

**Environmental and/or social characteristics**

**Does this financial product have a sustainable investment objective?**

<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective:</b> _____ %	<input type="checkbox"/> It promotes <b>Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of _____ % of sustainable investments
<input type="checkbox"/> _____ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> _____ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> _____ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> _____ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective:</b> _____ %	<input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b>
	<input type="checkbox"/> _____ with a social objective

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

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.



## **What environmental and/or social characteristics are promoted by this financial product?**

The Sub-Fund promotes social and/or environmental characteristics by investing in Underlying Funds and/or Co-Investments in the private debt universe, with a view to mitigating environmental, social and governance risks that can result in credit deterioration.

The Sub-Fund intends to contribute to the limitation of adverse impacts on the climate and associated environmental challenges and/or to a more inclusive and equitable society and/or to improved living standards by focusing on Underlying Funds and Co-Investments that are ESG risk aware. Underlying Funds and Co-Investments are selected based on a systematic investment due diligence process that is based on a proprietary ESG analysis at both manager/GP/Lead Investor level and investment level, and complemented with exclusions regarding certain activities and behaviours which are harmful to society in the opinion of the Portfolio Manager.

The Sub-Fund seeks to achieve a diversified portfolio of assets across different sub-sectors/strategies of the private debt universe.

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund.

The Sub-Fund is not considering the EU criteria for environmentally sustainable economic activities as defined under the EU Taxonomy Regulation in its investment decisions.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The Sub-Fund is focused on the following sustainability indicators to measure the promotion of environmental or social characteristics:

- Alignment with the exclusion screening
- Underlying Investment Manager/GP/Lead Investor ESG due diligence assessment results
- ESG assessment results at Underlying Fund/Co-Investment level

The environmental and/or social characteristics focus with respect to the sustainability indicators underlying the Underlying Investment Manager/GP/Lead Investor. Due diligence may differ within the limits of the investment objective from investment to investment.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives***

The Sub-Fund has no sustainable investment objective and does not intend to make sustainable investments.

- ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

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

The Sub-Fund has no sustainable investment objective and does not intend to make sustainable investments.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The Sub-Fund has no sustainable investment objective and does not intend to make sustainable investments.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

The Sub-Fund has no sustainable investment objective and does not intend to make sustainable investments.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

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

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



**Does this financial product consider principal adverse impacts on sustainability factors?**

- Yes
- No



**What investment strategy does this financial product follow?**

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

To achieve its objective, the Sub-Fund will invest in Underlying Funds and Co-Investments and in doing so achieve broad exposure to private debt strategies including some or all of, but not limited to direct lending, specialty finance, asset-based finance, structured credit and opportunistic credit. The Sub-Fund may maintain an allocation to shorter duration and/or liquid assets for liquidity management purposes.

The ESG investment strategy of the Sub-Fund is considering the following elements:

- (i) exclusion screening;
- (ii) dedicated due diligence of the underlying investment manager/GP/Lead Investor with respect to their ESG policies and capabilities; and
- (iii) ESG assessment at Underlying Fund and Co-Investment level.

Further information on the investment strategy of the Sub-Fund can be found in the investment strategy section of the Issue Document.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The Sub-Fund seeks to attain the promoted environmental and social characteristics by focusing on the following binding elements:

### **Exclusions screening**

The Sub-Fund has defined exclusions with respect to the following sectoral activities and behaviours/activities for the Sub-Fund's investments contributing to the promoted environmental and/or social characteristics.

1. Any direct investment which has been found in severe, systematic and ongoing violation of the principles of the UN Global Compact, the UN Guiding Principles or similarly robust equivalent principles concerning human rights, labour, environment, and anti-corruption, unless the Manager can provide a clear plan for effectively addressing and rectifying these violations.
2. Any direct investment in a company that derives direct revenues from controversial weapons. Controversial weapons include cluster munitions, anti-personnel landmines, biological, chemical or nuclear weapons and depleted uranium ammunition/armour.
3. Any direct investment in a company that generates direct revenue from the production of tobacco products, and any direct investment in a company that generates more than 50% of revenue from the distribution of tobacco products.
4. Any direct investment in thermal coal extraction, arctic drilling and oil tar sands mining representing more than 10% of the turnover of the company.
5. Any direct investment in new projects related to the energy generation from thermal coal, oil and conventional nuclear representing more than 10% of the turnover of the company.

### **Underlying Investment Manager/GP/Lead Investor Due Diligence**

Mercer has developed a proprietary scoring framework to classify Underlying Investment Managers/GP/Lead Investor and strategies on their approach to ESG, which not only enables the team to understand how underlying managers are performing in terms of ESG but also to identify areas to monitor more closely going forward. On the Underlying Investment Manager/GP/Lead Investor level, the score represents Mercer's assessment of the degree to which ESG factors are incorporated within an Investment Manager's corporate culture.

### **ESG assessment at investment level**

The Underlying Investment Manager due diligence is complemented by an ESG assessment at the Underlying Fund/Co-Investment level, which focuses on the degree of ESG integration within the investment strategy.

To be considered as being aligned with E/S characteristics, the following minimum score is required:

- They score a minimum of two (out of four) on both the Underlying Manager/GP/Lead Investor Assessment and the Underlying Fund/Co-Investment Assessment; or
- They score at least a three (out of four) in one of either the Underlying Manager/GP/Lead Investor Assessment or the Underlying Fund/Co-Investment Assessment

Investments contributing to the attainment of the promoted environmental and/or social characteristics are required to pass the good governance requirements detailed below.

The Sub-Fund allows for subscriptions and redemptions during the year. The Investment Manager will assess the alignment of the investments contributing to the promoted environmental and/or social characteristics, before the first investment and at a minimum on an annual basis in line with other reporting requirements. In case the Investment Manager notices throughout the holding period that an investment is not (fully) aligned anymore with the exclusion policy, the Investment Manager will engage with the Underlying Investment Manager/GP/Lead Investor of the Underlying Fund/Co-Investment to assess the situation.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

The Sub-Fund pursues an active investment selection strategy. No pre-defined minimum rate of investable universe reduction is defined.

- ***What is the policy to assess good governance practices of the investee companies?***

The Sub-Fund's investment strategy will be realized indirectly, either, via Underlying Funds and Co-Investments. The Sub-Fund's management is assessing the good governance practices deployed by the Underlying Investment Managers/GP/Lead Investor with respect to the underlying investment (structure), i.e. on a process basis. With respect to single asset deals, the Sub-Fund's Portfolio Manager is considering the good governance requirements based on information provided by the Lead-Investor for the specific underlying asset/portfolio company.

### **What is the asset allocation planned for this financial product?**

The Sub-Fund aims to create a private debt portfolio consisting of Underlying Funds and Co-Investments, that is well diversified across different sectors and sub-sectors.

At least 51% of the Sub-Fund's commitments will be targeted on Investments that are aligned with E/S characteristics (# 1)

Investments that fall into the category #2 ("Other") refers to Underlying Funds and Co-Investments that are not expected to promote environmental and/or social characteristics, as well as ancillary assets such as cash and other balance sheet items. For the avoidance of doubt, those investments that are not expected to promote environmental and/or social characteristics are not subject to exclusion screening and/or have not met the minimum score on the Underlying Fund/Co-Investment assessment and manager assessment.

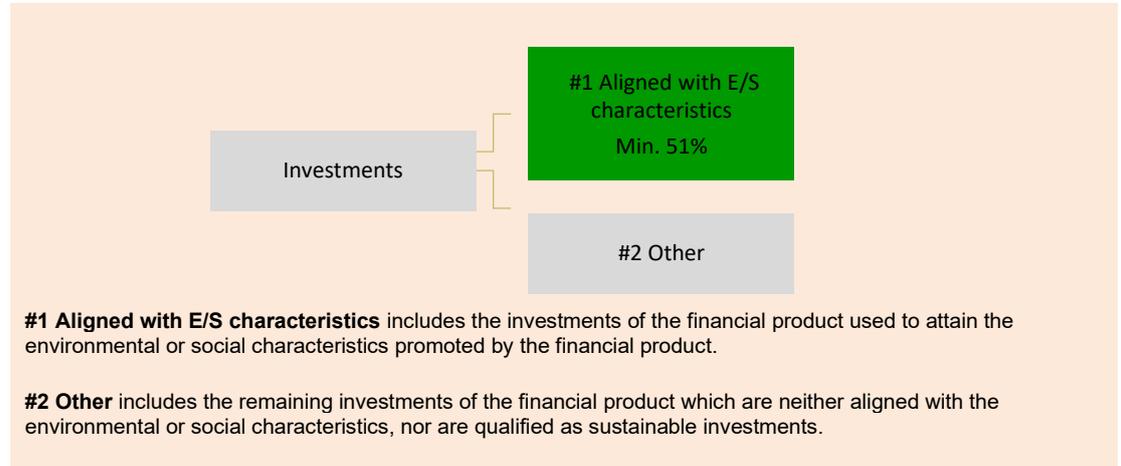
The Sub-Fund may maintain an allocation to shorter duration and/or liquid assets for liquidity management purposes.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

**Asset allocation** describes the share of investments in specific assets.



The planned asset allocation with respect to the split between #1 Aligned with E/S characteristics and #2 Other (see below) may not be adhered to during the Ramp-Up Period and the divestment period. Considering the semi-liquid nature of the Sub-Fund, the planned asset allocation may be temporarily not adhered to due to subscriptions and redemptions.



Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.

- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.



- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

Derivative use, if any, does not contribute to attaining the environmental or social characteristics promoted by the Sub-Fund.

- **To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Sub-Fund does not currently commit to investing more than 0% of its assets in investments in environmentally sustainable economic activities within the meaning of the Taxonomy Regulation.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy<sup>1</sup>?**

Yes:

In fossil gas     In nuclear energy

No

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

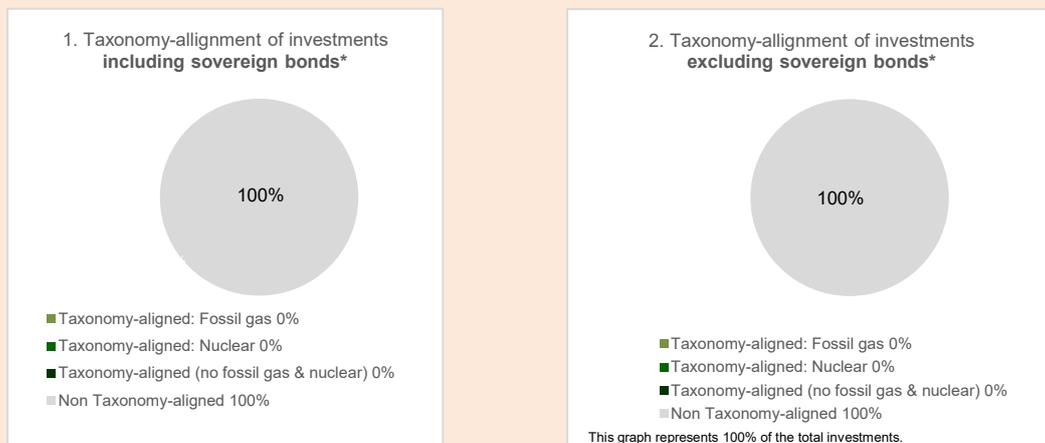
To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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

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

 are environmentally sustainable investments that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

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



\*For the purpose of these graphs, "sovereign bonds" consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

The Sub-Fund does not currently commit to investing more than 0% of its assets in transitional and enabling activities.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Sub-Fund does not currently commit to investing more than 0% of its assets in sustainable investments.



**What is the minimum share of socially sustainable investments?**

The Sub-Fund does not currently commit to investing more than 0% of its assets in sustainable investments.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

'#2 Other' refers to investments that are not expected to promote environmental and/or social characteristics, as well as ancillary assets such as cash and other balance sheet items. There are no minimum environmental or social safeguards defined.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

No reference benchmark has been designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-Fund, therefore this section is not applicable.

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

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

Not applicable

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable

- ***How does the designated index differ from a relevant broad market index?***

Not applicable

- ***Where can the methodology used for the calculation of the designated index be found?***

Not applicable



**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

<https://investment-solutions.mercer.com/global/all/en/investment-solutions-home/responsible-investment-private-markets.html>