

ESG Risks and Consideration

Sustainability Risks

In accordance with article 6 of the Disclosure Regulation, the AIFM reviews potential Sustainability Risks as part of the decision-making processes with respect to the Investments made and/or to be made by the Investment Manager. The review will be performed by the AIFM's risk management team. The AIFM's risk management procedures is updated to reflect the Sustainability Risk Policy content.

Under the applicable portfolio management delegation model the Sustainability Risks assessment is performed by the Investment Manager. During the ex-ante risk assessment process the Investment Manager will consider those risks and assess if those will have a relevant impact on the Investment. Subject to such identified risks being material, the AIFM's risk management team will perform regular ongoing review.

As part of the assessment performed, the Investments made and/or to be made are likely to be affected by Sustainability Risks such global instability, fiscal crisis, national governance failures, climate change or extreme weather events. If any of those risks happen, it is likely that the returns on such Investments will be affected negatively. Investors should note the complexity 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 returns. 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 (www.mercer.com/what-we-do/wealth-and-investments/alternative-investments.html).

Taxonomy Regulation

Unless otherwise provided for in the Special Section of the relevant Issue Document, the investments underlying the Sub-Funds do not take into account the EU criteria for environmentally sustainable economic activities within the meaning of the Taxonomy Regulation.