

Mercer Private Investment Partners VI SICAV-SIF – Sub-Fund Sustainable Opportunities (the "Sub-Fund")

Sustainability-related disclosures required for Article 8 financial products under Regulation (EU) 2019/20

I. No sustainable investment objective	
This financial product promotes environmental or social characteristics but, does not have as its objective sustainable investment.	
II. Environmental or social characteristics of the financial product	
The Sub-Fund seeks to build a portfolio of predominantly environmental themes, i.e. — investments expected to benefit from the global shift toward a lower carbon economy and the need to address resource scarcity issues. In addition, the Sub-Fund will also target, where appropriate, social impact ideas affecting households and communities (urban and rural, in both developed and emerging economies), classified into four broad themes: inclusive finance, social/affordable housing, education, and health.	
III. Investment strategy	
It is the objective of the Sub-Fund to provide attractive risk-adjusted returns from capital invested in sustainable opportunities (with a focus on environmental and social themes), mainly including	
<ul style="list-style-type: none"> (i) private equity investments (with a sustainability focus, i.e., including cleantech and impact investments amongst others), (ii) real asset investments (with a sustainability focus, i.e., including renewable energy, timber, and agriculture investments, amongst others), and (iii) private debt and other instruments (in sustainability focused strategies), while reducing the risks through diversification. The Sub-Fund invests only in target funds and co-investments that contribute to the promoted environmental and social characteristics. 	
The ESG investment strategy of the Sub-Fund is based on Mercer’s ESG rating designation. Mercer’s ESG rating ranges from 1 – 4, with ESG4 as the lowest-rating. Managers with an ESG4 will not be considered.	
IV. Proportion of investments	
The Sub-Fund is pursuing the following target investment guidelines regarding ESG allocation based on Sub-Fund’s Commitments:	
▪ Sustainable Private Equity	30 – 60%
▪ Sustainable Real Assets	40 – 70%
▪ Private debt and other (sustainable-backed)	0 %
The Sub-Fund will disclose the proportion of investments in the annual reporting.	
V. Monitoring of environmental or social characteristics	
Investments that contribute to the achievement of the promoted environmental and social characteristics are periodically reviewed for alignment with elements detailed in the section “Investment Strategy”. The review is based on information provided by the target fund manager/lead-investor. As part of an internal process, the Sub-Fund manager ensures a four-eye check for each investment in the context of selection and monitoring.	
With regard to external controls, the Sub-Fund will monitor evolving best practices periodically and realign its positioning regarding external controls accordingly.	
VI. Methodologies for environmental or social characteristics	
The Sub-Fund is focusing on Mercer’s ESG Rating (1-4) to measure the alignment of the target investments with respect to the environmental and social characteristics promoted by the Sub-Fund.	
VII. Data sources and processing	
The Sub-Fund qualifies as a fund of fund structure that invests in unlisted investments (target fund investments as well as co-investments) where no, or respectively very limited, information about the underlying investments is publicly available. The data sources used by the Sub-Fund to achieve the environmental and social characteristics promoted are based on information and documentation provided by the respective target fund manager/lead-investor as part of the due diligence and ongoing monitoring.	

The data collection for the investments is initiated on a periodic basis. The required data is based on the Sub-Fund’s regulatory commitments and communicated to the target fund managers / lead-investors during the initial due diligence as well as in case of any material changes. The Sub-Fund will reassess periodically the proportion of data that is estimated, usually in line with the annual reporting process of the Sub-Fund.

VIII. Limitations to methodologies and data

The data sources are in principle limited regarding primary target fund investments during the initial due diligence as the assessment cannot be made with respect to existing investments but is focused on the processes of the target fund manager, and the disclosure of the target fund in addition to side letter representations. Further, the data received by the Sub-Fund is in principle provided by the target fund manager/lead-investor based on information obtained directly from the underlying investments. The completeness, accuracy and consistency of the obtained data may face certain limitations which is addressed in the periodic data management process assessment of the target fund manager/lead-investor. Methodologically, no material limitations are expected.

The Sub-Fund does not expect these limitations to materially affect the attainment of the ESG investment allocation or the promoted environmental and social characteristics and will periodically reassess relevant limitations and their impact on the attainment of the environmental and social characteristics promoted.

IX. Due Diligence

The Sub-Fund has established a dedicated ESG due diligence process resulting in Mercer’s ESG rating per investment. This rating process reflects the due diligence conducted in desk-based research and in meetings with the target fund managers to test their process for identifying and understanding potential risks and opportunities relevant to their portfolio. Managers must have an ESG rating of 1, 2 or 3 — the lowest-rated managers (ESG4) will not be considered. The following ESG factors are considering during the due diligence process:

Environmental	Social	Governance
<ul style="list-style-type: none"> ▪ Climate change ▪ Water ▪ Waste and pollution ▪ Biodiversity 	<ul style="list-style-type: none"> ▪ Healthcare ▪ Social inequality ▪ Health and safety ▪ Demographics/ consumption ▪ Labour standards (including the supply chain) ▪ Modern slavery ▪ Human rights and community impacts 	<ul style="list-style-type: none"> ▪ Board structure, diversity and independence ▪ Remuneration that is aligned with performance ▪ Accounting and audit quality ▪ Anti-bribery and corruption

A dedicated process documentation is established that details the internal controls. These include controls to ensure all applicable Sub-Fund guidelines are observed at all times, processes to ensure four-eye checks on proposed transactions, and independent oversight by Risk and Compliance functions as required.

X. Engagement policies

Mercer will seek to engage regularly with underlying investment managers to exert positive influence through seeking advisory board positions and making active contributions, or else through bilateral periodic meetings and updates. Further Mercer will seek to provide feedback received from its own clients to underlying investment managers as part of its engagement process.

XI. Designated reference benchmark

No index has been designated as a reference benchmark.