

Sustainability-related disclosures required for Article 9 financial products under Regulation (EU) 2019/2088

I. Summary

The Sub-Fund has a sustainable investment objective and will invest 90% of its commitments into Primary Investments, Secondary Investments and Co-Investments that are aligned with the Sub-Fund's pursued environmental and social objectives and qualify as sustainable investments according to article 2 (17) Article 9 financial products Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR" or "Sustainable Finance Disclosure Regulation"). The Sub-Fund aims to gain exposure to a diversified portfolio of Investments, with a focus on private equity and real asset strategies.

II. No significant harm to the sustainable investment objective

Mercer's proprietary Sustainability & Impact Assessment is considering in the due diligence the regulatory requirements with respect to the "Do no significant harm" ("DNSH") principle as required under article 2 (17) SFDR and the EU Taxonomy Regulation (as relevant). The principle adverse impact indicators of Table 1 of Annex I SFDR Level 2 are taken into account for the Portfolio Investments in the investment decision process, i.e. in the due diligence of the respective Underlying GP based on an assessment of the processes implemented at Portfolio Investment During the holding period, Mercer receives relevant reporting to enhance its assessment of the investment against the relevant PAI indicators. During the holding period, Mercer receives relevant reporting to enhance its assessment of the investment against the relevant PAI indicators. Compliance with OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights is assessed via Mercer's Sustainability & Impact Assessment with respect to the Investments.

III. Sustainable investment objective of the financial product

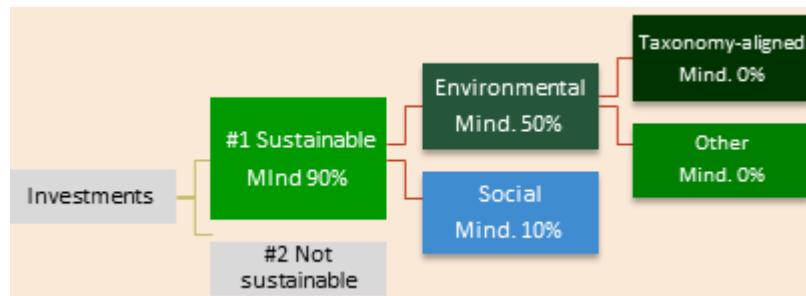
The Sub-Fund invests 90% of its Commitments into Primary Investments, Secondary Investments and Co-Investments that are aligned with the pursued environmental and social objectives and qualify as sustainable investments according to article 2 (17) of the SFDR. The Sub-Fund aims to gain exposure to a diversified portfolio of investments with a focus on private equity and real asset strategies. The Sub-Fund intends to contribute on the climate and associated environmental challenges and/or to a more inclusive and equitable society and/or to improved living standards. With that, it seeks to generate demonstrable positive impact across one or more of the UN SDGs with a principal focus on environmental UN SDGs such as but not limited to UN SDG 6 – Clean Water and Sanitation, UN SDG 7 – Affordable and clean energy, UN SDG 13 – Climate action, UN SDG 14 – Life below Water or UN SDG 15 – Life on Land. Further the Investments aim to deliver not only positive environmental and/or social impacts but also socio-economic contributions. Climate-related solutions and companies that facilitate emission reductions in particular are expected to form a significant part of the portfolio, together with Investments that enhance environmental outcomes more generally, and promote social development and socio-economic improvements. The Sub-Fund does not have a carbon-reduction objective, however, among others will focus on Investments that support the shift of energy production away from fossil fuel-based generation, increase the energy efficiency or productivity, or enable the utilisation of clean energy.

IV. Investment Strategy

The Sub-Fund aims to gain exposure to a diversified portfolio of Investments, with a focus on private equity and real assets. The Sub-Fund aims to provide positive financial returns alongside a measurable sustainable impact return. Mercer is integrating impact criteria across the full investment cycle. The ESG investment strategy of the Sub-Fund is based on an exclusion strategy, PAI limitation strategy, and Mercer's sustainability and impact strategy in accordance with article 2 (17) SFDR, executed through Mercer's Sustainability & Impact Assessment. Sustainable and impact data is being obtained, where available, during the due diligence and ongoing monitoring for every Investment. The Sub-Fund's Portfolio Manager is assessing the good governance practices deployed by the Underlying GP with respect to the underlying investment (structure), i.e. on a process basis.

V. Proportion of Investments

At least 90% of the Sub-Fund's commitments will be targeted in Investments aligned with the pursued environmental and/or social objectives of the Sub-Fund (# 1) (at the end of the transitional period of four years). The planned asset allocation with respect to the split between #1 and #2 (see below) may not be complied with during a transitional period of four years. The planned asset allocation remains applicable until the Sub-Fund begins realising its assets.



VI. Monitoring of sustainable investment objective

Investments that contribute to the achievement of the sustainable investment objective are periodically reviewed for alignment with the binding elements detailed in section “Investment Strategy”. The review is based on information provided by the Underlying GP. The sustainability indicators that will be monitored may evolve over time to ensure their ongoing relevance with respect to the Investments of the Sub-Fund. The sustainability indicators are to be understood as in principle relevant and dependent on the specific Investment. The Sub-Fund has defined relevant sustainability indicators per UN SDG and the disclosure in the annual report (article 11 (2) SFDR) will focus on the most relevant sustainability indicators at investment level.

VII. Methodologies for sustainable investment objective

The Sub-Fund is focusing, depending on the impact theme, on different sustainability indicators to measure the achievement of the pursued environmental and social objectives:

- Alignment of the investments with the exclusion screening;
- Underlying GP ESG due diligence assessment results;
- Sustainability assessment results at Primary Investment, Secondary Investment or Co-Investment level; and
- Sustainability & Impact assessment results at Primary Investment, Secondary Investment or Co-Investment level.

The Sub-Fund may consider different sustainability indicators to measure the achievement of the pursued environmental and social objectives which may differ from investment to investment. The sustainability indicators may evolve over time to ensure their ongoing relevance with respect to the Investments of the Sub-Fund. The sustainability indicators are to be understood as in principle relevant and dependent on the specific Investment. Other sustainability indicators might be more relevant and suitable to assess the level of contribution to the pursued environmental and/or social objectives.

VIII. Data sources and processing

The Sub-Fund qualifies as a fund of fund structure that invests in unlisted investments (Primary 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 sustainable investment objective are based on information and documentation provided by the respective Underlying GP 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 Underlying GP 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.

IX. Limitations to methodologies and data

The data sources are in principle limited regarding Primary Investments as the assessment cannot be made with respect to existing investments but is focused on the aspects further detailed in X. *Due Diligence* below, in addition to side letter representations. PAI information for the consideration of the DNSH may be quantitative or qualitative as relevant, the underlying processes at investment level are subject to the due diligence and ongoing monitoring. Further, the data received by the Sub-Fund is in principle provided by the Underlying GP 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 Underlying GP. The Sub-Fund does not expect these limitations to materially affect the attainment of the sustainability investment allocation and the sustainable investment objective and will periodically reassess relevant limitations and their impact on the attainment of the sustainable investment objective.

X. Due Diligence

The Investment Manager will implement a dedicated Sustainability and Impact due diligence process per investment. This enables the team to understand how the Underlying GPs are performing in terms of Sustainability and Impact but also to identify areas to monitor more closely going forward and in which to engage with the Underlying GP. This is in addition to consideration of the compliance of the investment with the Sub-Fund's exclusion policy and the SFDR product classification of the investment (if available). The due diligence focuses on, *inter alia*, ESG/Sustainability Governance; Sustainability risk management; Sustainability investment management for Investments contributing to allocation #1 with a focus on consideration and implementation of the requirements for sustainable investments according to art. 2 (17) SFDR; Impact assessment including Impact Understanding with IMP-5 dimensions as a supportive framework to understand the targeted and achieved impact, and Impact Mapping to identify potential additional positive and/or negative impact; and Sustainability and impact reporting.

XI. Engagement policies

The Portfolio Manager engages in a constructive dialogue with the Underlying GP to ensure that they have clear processes and policies in place to mitigate potential externalities, and an understanding for positive and any potential negative outcome. With engagement the Portfolio Manager supports the improvement of GP's ESG/Impact Score and their ESG/Impact process.

XII. Attainment of sustainable investment objective

No index has been designated as a reference benchmark to meet the sustainable investment objective of the Sub-Fund, and the Sub-Fund does not have a reduction of carbon emissions as its objective.