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Sustainability-related disclosures

For financial products that promote environmental or social characteristics, financial market participants shall publish the information referred to in Article 10(1) of the Sustainable Finance Disclosure Regulation (“SFDR”) and Articles 25 to 36 of Regulation EU 2022/1288 (“SFDR RTS”) in the below order and made up of the below sections (a) to (l)

This document provides you with information about this Sub-Fund in relation to SFDR. It is not marketing material. The information is required by law to help you understand the sustainability characteristics of the Sub-Fund. You are advised to read it in conjunction with other relevant documentation on this Sub-Fund so you can make an informed decision about whether to invest. Fund documentation can be found on the Mercer Investment Solutions website:: https://investment-solutions.mercer.com/global/all/en/investment-solutions-home.html

Sub-Fund: Acadian Sustainable European Equity

Umbrella Fund: MGI Funds plc

Legal Entity Identifier: 549300KMZ7HC6O17G403

The Investment Manager: Mercer Global Investments Europe Limited

Publication Date: 01 January 2023

a) Summary

The Sub-Fund's environmental characteristics are to manage the portfolio such that the Carbon Intensity of the Sub-Fund will be no more than 80% of the Carbon Intensity of the MSCI Europe Index (EUR) (the “Index”) at 31 December 2020 (the “Base Date”).

“Carbon Intensity” means the weighted average carbon intensity calculated as metric tons of Carbon Emissions divided by the companies revenue (USD).

“Carbon Emissions” means (a) scope 1 Emissions being direct carbon emissions of a company from owned and controlled sources and (b) scope 2 Emissions being indirect carbon emissions of a company from the generation of purchased energy.

Certain companies in the energy sector are excluded as follows:

(a) for electricity generators, companies that generate: (i) more than 10% of electricity from thermal coal; or (ii) more than 30% of electricity from other fossil fuels; or (iii) more than 30% of electricity from nuclear sources; and are companies who are those with the “worst in class” carbon emissions scores in the energy sector;

(b) in the conventional oil and gas industry, companies that have: (i) more than 60% of their fossil fuel reserves in oil; and (ii) more than 10% of their revenue from conventional oil and gas extraction; and (iii) are companies who are those with the “worst in class” Carbon Emission scores in the energy sector; and

(c) in the thermal coal and unconventional oil and gas sector, companies that generate either: (i) more than 5% of their revenue from thermal coal extraction; or (ii) more than 5% of their revenue from unconventional oil and gas extraction.

When considering if a company is "worst in class" Carbon Emission scores based on the Sub-Investment Manager’s rating of each company is used. The rating is provided by the Sub-Investment Manager based on analysis of its own data and that of third parties. The analysis will consider a company’s carbon emissions performance as well as forward looking measures such as emission reduction targets and actions taken to meet these targets.

Companies identified in (a)-(c) that are considered to be making efforts towards a climate transition using ratings from providers such as the Transition Pathway Initiative are allowed into the investment universe.

Additionally, the Sub-Fund will be decarbonising using a systematic approach towards net zero. This involves an

annual decarbonisation pathway towards net zero by 2050.

The Sub-Fund's social characteristics are to avoid investing in companies involved in the manufacture and/or production of tobacco products or inhumane weapons. The Sub-Fund will also avoid investing in companies that violate the UN Global Compact ("UNGC") principles.

The Sub-Fund promotes environmental or social characteristics, but does not have as its objective sustainable investment.

The Sub-Fund is actively managed and invests in European equities. The Investment Manager does not typically select investments directly; instead has appointed a specialist Sub-Investment Manager to manage the Sub-Fund.

The Investment Manager oversees the activities of the Sub-Investment Manager(s) to ensure that the investment process is implemented on a continuous basis and monitors the Sub-Fund using the ongoing monitoring of sustainability indicators.

At least 90% of the Sub-Fund will be aligned with the environmental and social characteristics promoted by the Sub-Fund. The remaining proportion of the Sub-Fund may include ancillary liquid assets and derivatives for efficient portfolio management purposes.

The Sub-Fund will measure attainment of the social and environmental characteristics promoted using specific sustainability indicators (as listed in the Methodologies section of this document). The Sub-Fund's environmental and social characteristics and the sustainability indicators are monitored using data from different data providers. The sustainability indicators will inform the investment guidelines applied to the Sub-Fund and are incorporated in the pre-trade and post-trade investment compliance processes where practical. Formal reviews of the sustainability indicators will be conducted by the Investment Manager at least quarterly as part of the overall monitoring process. For more information, please refer to Monitoring of Environmental or Social Characteristics and the Methodologies sections of this document.

The Sub-Fund will use third party data providers and data from the Sub-Investment Manager(s) of the financial product. The Investment Manager will also liaises with a market leading data aggregator to ensure bottom-up analysis of all holdings and data processing. Data quality and coverage have various challenges across different countries and regions. Some data may be modelled rather than reported data and data from some companies may be delayed. In addition, not all self-reported data is independently verified. Please refer to the Data sources and processing and the Limitations on methodologies and data sections for more information.

In most instances, corporate engagement implementation is delegated to the appointed Sub-Investment Manager(s), who is encouraged to engage with portfolio companies on material sustainability risks, adverse sustainability impacts and other ESG issues with the aim of improving long-term risk adjusted returns and the stability of financial markets. The Investment Manager may also elect to participate, as appropriate, in collaborative industry engagement initiatives related to the identified engagement priorities, or other topics that are considered aligned with the best interests of investors. Please refer to the Engagement Policies section for more information.

b) No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

c) Environmental or social characteristics of the financial product

The Sub-Fund’s environmental characteristics are to manage the portfolio such that the Carbon Intensity of the Sub-Fund will be no more than 80% of the Carbon Intensity of the Index at 31 December 2020 (the “Base Date”).

“Carbon Intensity” means the weighted average carbon intensity calculated as metric tons of Carbon Emissions divided by the companies revenue (USD).

“Carbon Emissions” means (a) scope 1 Emissions being direct carbon emissions of a company from owned and controlled sources and (b) scope 2 Emissions being indirect carbon emissions of a company from the generation of purchased energy.

This calculation is based on the latest available data i.e. the scope 1 and scope 2 emissions numbers that are uploaded into the Sub-Investment Manager’s systematic analytical model and are monitored on a daily basis.

Certain companies in the energy sector are excluded as follows:

(a) for electricity generators, companies that generate: (i) more than 10% of electricity from thermal coal; or (ii) more than 30% of electricity from other fossil fuels; or (iii) more than 30% of electricity from nuclear sources; and are companies who are those with the “worst in class” carbon emissions scores in the energy sector.

(b) in the conventional oil and gas industry, companies that have: (i) more than 60% of their fossil fuel reserves in oil; and (ii) more than 10% of their revenue from conventional oil and gas extraction; and (iii) are companies who are those with the “worst in class” Carbon Emission scores in the energy sector.

(c) in the thermal coal and unconventional oil and gas sector, companies that generate either: (i) more than 5% of their revenue from thermal coal extraction; or (ii) more than 5% of their revenue from unconventional oil and gas extraction.

When considering if a company is "worst in class" Carbon Emission scores based on the Sub-Investment

Manager’s rating of each company are used. The rating is provided by the Sub-Investment Manager based on analysis of its own data and that of third parties. The analysis will consider a company’s carbon emissions performance as well as forward looking measures such as emission reduction targets and actions taken to meet these targets.

Companies identified in (a)-(c) that are considered to be making efforts towards a climate transition using ratings from providers such as the Transition Pathway Initiative are allowed into the investment universe.

Additionally, the Sub-Fund will be decarbonising using a systematic approach towards net zero. This involves an annual decarbonisation pathway towards net zero by 2050.

The Sub-Fund's social characteristics are to avoid investing in companies involved in the manufacture and/or production of tobacco products or inhumane weapons. The Sub-Fund will also avoid investing in companies that violate the UN Global Compact ("UNGC") principles.

d) Investment strategy

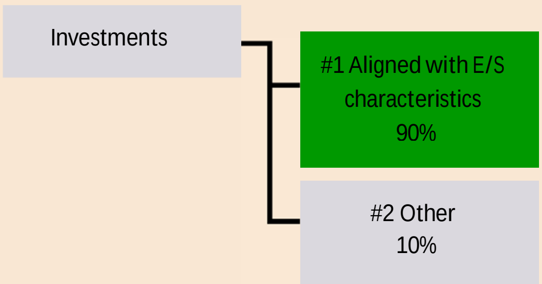
The investment objective of the Sub-Fund is to seek to achieve long-term capital appreciation by investing primarily in equity and equity-related securities of European issuers in line with the characteristics detailed in the “Environmental or social characteristics of the financial product” section of this document. The Sub-Fund will seek to achieve its objective by investing primarily in equity and equity-related securities of European issuers listed or traded on equity markets in Recognised Markets.

The Investment Manager does not typically select investments directly; instead has appointed a specialist Sub-Investment Manager to manage the Sub-Fund.

The Investment Manager oversees the activities of the Sub-Investment Manager to ensure that the investment process is implemented on a continuous basis and monitors the Sub-Fund using the ongoing monitoring of sustainability indicators.

The Sub-Investment Manager(s) will assess companies in which the Sub-Fund invests to ensure they will follow good governance practices. The Sub-Investment Manager(s) incorporates corporate governance considerations into the investment process. The Sub-Investment Manager’s forecasting model includes assessments of management turnover, litigation and board level characteristics. Additionally, certain securities are screened out, by incorporating ESG risk controls in the portfolio construction process to help avoid exposure to companies involved in controversial ESG behaviour. The Sub-Investment Manager(s) uses data sources to assess reputational risks linked to ESG events and are able to identify and manage exposure to companies involved in ESG incidents. Finally, UNGC violators are excluded from investment.

e) Proportion of investments



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments

At least 90% of the Sub-Fund will be aligned with the environmental and social characteristics promoted by the Sub-Fund through direct investment.

The remaining proportion of the Sub-Fund may include ancillary liquid assets and derivatives for efficient portfolio management purposes.

f) Monitoring of environmental or social characteristics

The Sub-Funds environmental and social characteristics and the sustainability indicators are monitored using data from different data providers. Each sustainability indicator is individually assessed as a formal investment guideline and monitored at a frequency which is appropriate for the indicator, both externally through third party service providers and internally by the Investment Manager via portfolio intelligence and portfolio management. Formal reviews will be conducted internally at least quarterly by the investment risk oversight functions of the Investment Manager.

Mercer Global Investments Management Limited ("MGIM"), as the management company, performs oversight of sustainability risk, and the monitoring of the environmental and social characteristics by the Investment Manager through the MGIM Fund Risk Committee.

The structure and mechanisms for monitoring of the environmental and social characteristics is inclusive of, but not limited to:
- Pre-trade compliance checks on exclusions and investment guidelines by the appointed Sub-Investment Manager. The Investment Manager maintains oversight on the Sub-Investment Manager investment operations through periodic assessment via a dedicated operational due diligence team.
- Post trade compliance checks on exclusions and investment guidelines.
- Continuous evaluation managed through risk committees, engagement and reporting.
- Ongoing efforts to refine processes, enhance analysis and align with market best practice and regulatory guidance.

g) Methodologies

The Sub-Fund will measure how the social and environmental characteristics promoted are met by measuring the below indicators:

The Sub-Fund maintains its Carbon Intensity target relative to the Index as at the Base Date.
The Sub-Fund maintains its progress towards its net zero carbon emissions target.
The Sub-Fund has no exposure to companies excluded based on the environmental and social screens described in the "Environmental or social characteristics of the financial product" section of this document

Data sources and processing

The Sub-Fund will use third party data providers and data from the Sub-Investment Manager of the financial product. Each data provider is selected based on a competitive tender process and are reviewed on a regular basis. An assessment of data quality is undertaken as part of the tender process. The Investment Manager also liaises with a market leading data aggregator to ensure bottom-up analysis of all holdings and data processing.

The data quality and coverage in relation to investee companies has various challenges across different countries and regions (especially for smaller companies and less developed markets). Some data may be modelled rather than reported data and data from some companies may be delayed. In addition, not all self-reported data is independently verified. Since the regulation and standards of non-financial reporting is developing, data quality, coverage, consistency and accessibility remains challenging over the near term. Some or all data processing may be outsourced to third party data providers. The proportion of data which is estimated will vary by metric and through time.

h) Limitations to methodologies and data

In evaluating a security, issuer or index based on sustainability-related characteristics, the Investment Manager (or its delegate) is dependent on information and data which may be incomplete, inaccurate or unavailable. The Investment Manager (or its delegate) may rely upon data sourced from third-party ESG research and market data providers who may similarly rely on information which is incomplete, inaccurate or unavailable. The wide variety of types, sources and uses of ESG data can produce very different results and the models used by third-party ESG research providers can result in conflicting and subjective assessments. Third-party ESG research and market data providers typically limit or exclude any responsibility or liability with respect to the accuracy, reasonableness or completeness of any sustainability related assessments.

The environmental and social characteristics promoted by the Sub-Fund are based on metrics which are widely used and standardised across providers, or exclusions based on revenue caps, which are derived from investee companies direct financial reporting. This helps reduce any potential impact that limitations on ESG data may have in achieving the Sub-Fund's sustainability characteristics.

i) Due diligence

The Investment Manager does not typically select investments directly; instead has appointed a specialist Sub-Investment Manager to manage the Sub-Fund.

The Investment Manager oversees the activities of the Sub-Investment Manager(s) to ensure that the investment process is implemented on a continuous basis and monitors the Sub-Fund using the ongoing monitoring of sustainability indicators.

The Investment Manager evaluates the sustainability policies, capabilities and practices for potential and appointed Sub-Investment Manager, where relevant, as part of the manager selection and monitoring process by drawing on Mercer's ESG Ratings and associated commentary from the Mercer Manager Research team. This is used by the Investment Manager to assess the strengths and weaknesses of a strategy's incorporation of sustainability considerations, as a part of the broader decision process when appointing a Sub-Investment Manager. ESG Ratings of Sub-Investment Manager are reviewed periodically, with reviews seeking evidence of positive momentum on ESG integration and consideration of sustainability risks.

As part of its monitoring and oversight process, the Investment Manager uses third party data to evaluate the quality of Sub-Investment Manager's portfolios using a sustainability lens, by assessing aggregate security exposure to and the management of certain ESG factors including evaluating the impact of investment decisions on sustainability factors.

j) Engagement policies

The Investment Manager believes stewardship plays an important role in managing sustainability risks and other ESG factors, and helps the realisation of long-term value by providing investors with an opportunity to enhance the value of companies and markets consistent with long-term investor timeframes. The Stewardship Policy can be found here:
https://investment-solutions.mercer.com/europe/ie/en/our-funds/responsible-investment.html

The Investment Manager believes its appointed Sub-Investment Manager are typically best placed to prioritise particular engagement topics by security, given they are expected to have detailed knowledge of both the governance and the operations of the companies and issuers they invest in and are therefore best placed to engage on topics that are most material to each security. However, the Investment Manager recognises the pivotal role it has in monitoring their stewardship activities and promoting more effective stewardship practices, including ensuring attention is given to more strategic themes and topics. Sub-Investment Manager are expected to engage with portfolio holdings, where relevant, on material sustainability risks, adverse sustainability impacts and other ESG issues with the aim of improving long-term risk adjusted returns and the stability of financial markets.

A core component of the Investment Manager's stewardship approach centres on engagements with Sub-Investment Manager. Where relevant, portfolio managers engage with Sub-Investment Manager on their overall approach to ESG integration and stewardship, including their policy commitments, integration of ESG considerations across their investment processes and voting and engagement activities related to portfolio holdings. Mercer's ESG Ratings and the annual Mercer Manager Engagement Survey provide useful insights into Sub-Investment Manager's approaches to stewardship, with Manager Engagement Dashboards and Trackers used to identify goal-orientated engagement priorities and monitor engagement activities and outcomes and where escalations may be required. Please refer to the Investment Manager's Stewardship Policy for more detail.

k) Designated reference benchmark

N/A

Glossary Terms

Words and terms defined in the Prospectus have the same meaning in this disclosure document unless otherwise stated herein. For your convenience we have noted below some of the common terms related to SFDR disclosures, however, please note some of the below terms may not be applicable to this Sub-Fund:

Article 8: means Article 8 of the SFDR in respect of the transparency of the promotion of environmental or social characteristics in precontractual disclosures.

Direct Investments: means any securities, instruments or obligations of whatsoever nature in which a Sub-Fund may invest.

ESG: means environmental, social and governance.

Financial Product: means the Sub-Fund as outlined on Page 1.

Investment Manager: means Mercer Global Investments Europe Limited.

Manager: means Mercer Global Investments Management Limited

PAI Indicators: Principal Adverse Impact Indicators.

SFDR: means 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.

SFDR RTS: means Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022 containing regulatory technical standards supplementing the SFDR.

United Nations Sustainable Development Goals or SDGs: means a collection of 17 interlinked global goals designed to be a blueprint to achieve a better and more sustainable future for all. The SDGs were set in 2015 by the United Nations General Assembly and are intended to be achieved by the year 2030. They address global challenges including poverty, inequality, climate change, environmental degradation, peace and justice

Weighted Average Carbon Intensity ("WACI"): is a measure of the Sub-Fund's exposure to carbon-intensive companies expressed in tonnes CO2e / $m revenue and is a Task Force on Climate-Related Financial Disclosures (TCFD) recommended metric. Carbon intensity measures the carbon efficiency of a portfolio by comparing the volume of Carbon Emissions of portfolio companies (using estimated Scope 1 and 2 greenhouse gas emissions) against portfolio companies' sales (i.e., emissions per $m of revenue). Utilising a weighted average allows a comparison of emissions across companies of different sizes and in different industries. The calculation involves multiplying the Carbon Emissions per $m revenue for each portfolio company and the portfolio weight of the investment. The portfolio-level WACI is then the sum product of all the portfolio companies' weights and their carbon intensities.

Carbon Emissions: means (a) scope 1 Emissions being direct carbon emissions of a company from owned and controlled sources and (b) scope 2 Emissions being indirect carbon emissions of a company from the generation of purchased energy.

Important Notices

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For Prospectus and PRIIPs KID/UCITS KIID (where applicable) materials of the Fund, please refer to the Mercer Investment Solutions website https://investment-solutions.mercer.com/#generalfundinformation

Past performance does not predict future returns. Past experience nor the current situation are necessarily accurate guides to the future growth in value or rate of return. The value of your investments and any income from it may fall as well as rise and you may receive back less than the amount invested. There is also a currency risk involved in investing in assets which are in a foreign currency.

Changes in exchange rates may have an adverse effect on the value price or income of the product. The levels and basis of, and relief from, taxation can change. Where the information refers to a particular tax treatment, such tax treatment depends on the individual circumstances of each client and may be subject to change in the future. Mercer does not provide tax or legal advice. You should contact your tax advisor, accountant and/or attorney before making any decisions with tax or legal implications. For the most recent approved ratings of an investment strategy, and a fuller explanation of their meanings, contact your Mercer representative. Any forecasts made are not a reliable indicator of future performance.

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https://investment-solutions.mercer.com/global/all/en/investment-solutions-home/corporate-policies.html.

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