

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

**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.

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Product name:**  
Aspire Cautious Growth Portfolio

**Legal entity identifier:**  
N/A

**Environmental and/or social characteristics**

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

**Yes**                         **No**

<p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: __%</b></p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: __%</b></p>	<p><input type="checkbox"/> It <b>promotes 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</p> <p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with a social objective</p> <p><input checked="" type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b></p>
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### Sustainability

**indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

### Principal adverse

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

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

This financial product's environmental characteristics are to seek to mitigate the impact of climate change through progressive decarbonisation within the Fund's portfolio. This financial product will seek to reduce carbon emissions with a view to achieving net zero carbon emissions by 2050, and with an expectation of a 6% annualised reduction with a view to achieving at least a 45% reduction from 2019 levels by 2030, calculated relative to the size of the portfolio comprising this financial product.

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

This financial product will use weighted average carbon intensity (“**WACI**”) and absolute carbon emissions (relative to the size of the portfolio) to measure its attainment of the environmental characteristics.

- **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?**

N/A

- **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?**

N/A

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

The "do not significantly 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?

This financial product invests in a diversified mix of collective investment schemes which are managed by Mercer Global Investments Europe Limited (the "Investment Manager"), and which, in turn, further invest in a range of underlying funds and investments using a multi-asset strategy. Mercer (Ireland) Limited ("MIL") is responsible for strategic asset allocation for this financial product and its selection criteria for the mix of underlying funds incorporates consideration as to how and whether the underlying funds positively contribute to attainment of the decarbonisation aims of this financial product.

The Investment Manager does not select investments directly and does not directly invest in investee companies; instead the Investment Manager invests in a collection of underlying funds to achieve the relevant fund objective ("**Underlying Funds**").

The range of eligible Underlying funds include both funds managed by the Investment Manager ("**Mercer Funds**") and third party funds not affiliated with the Investment Manager.

The Investment Manager has an investment process for the initial and ongoing selection of Underlying Funds. This process incorporates considerations as to how and whether an Underlying Fund positively contributes to the achievement of the overall environmental characteristics promoted by the fund. The environmental characteristics of the funds comprising this financial product will also include, in aggregate, the decarbonisation-related aims of this financial product.

While the Investment Manager does not directly invest in investee companies, its investment process and ongoing monitoring involves the review and monitoring of information on the portfolio level holdings of Underlying Funds against decarbonisation related sustainability indicators. While there will be timely and complete access to information in this regard for Mercer Funds, this may not always be the case for third party Underlying Funds.

### ● **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 binding elements of the investment strategy for this financial product is the progressive reduction in carbon intensity over time as described in the section "What environmental and/or social characteristics are promoted by this financial product?"

MIL, based on information provided by the Investment Manager, relies on specific analyses to assess the financial product's current and future potential alignment to the decarbonisation expectations.

MIL also relies on the Investment Manager for climate scenario research and modelling which is used to assess the future impact of certain climate change scenarios. Forward-looking portfolio analytics and bottom-up assessment of holdings held within Underlying Funds are used by the Investment Manager to examine the impact of any proposed investment decisions on the carbon exposure of the Underlying Funds and in turn this financial product.

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

Given that the financial product does not directly invest in the equity securities investee companies, MIL will have a more remote influence on ensuring that investee companies are assessed against good governance standards. MIL in selecting the funds comprising this financial product relies upon the Investment Manager's commitment to ensure good governance

#### **The Investment strategy** guides

investment decisions based on factors such as investment objectives and risk tolerance.

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

standards are adhered to as set out below.

- For Mercer Funds, the Investment Manager will follow good governance standards in the selection of securities for investment. The Mercer Funds will typically use third party data providers to identify companies that are deemed to be in breach of UN Global Compact principles (including companies breaching United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises) and depending on the severity of the breaches or likelihood of remediation within a reasonable timeframe, such companies may be added to the list of excluded securities by the Mercer Fund.
- For the other Underlying Funds, the Investment Manager reviews and assesses whether the relevant investment managers are required to follow good governance standards in the selection of securities for investment. As at the date of this supplement, the Fund does not make any direct investments in investee companies.



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

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

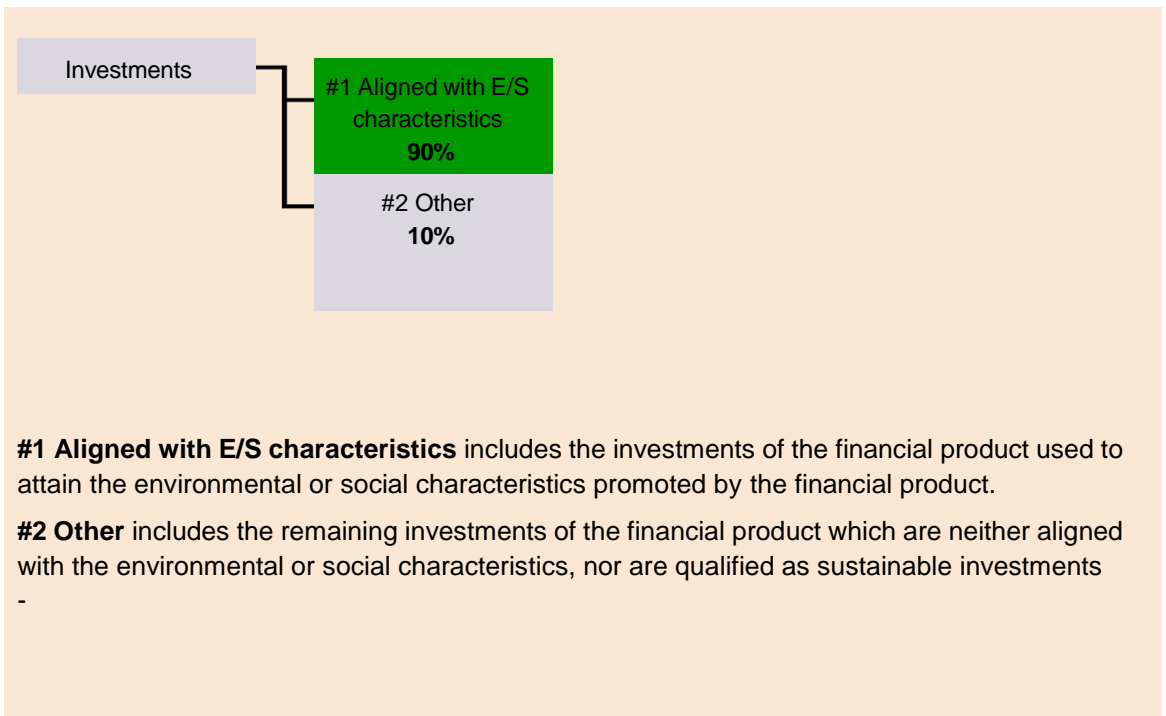
At least 90% of this financial product will be aligned with the environmental characteristics promoted by the financial product. This share is based on the share of Mercer Funds comprising the financial product which have committed to decarbonization related aims and environmental characteristics consistent with those promoted by this financial product.

MIL will review the strategic asset allocation at least annually and as such the share of Mercer Funds aligned with the environmental characteristics of this financial product or the overall mix of underlying funds for this financial product may vary.

The remaining proportion of this financial product may include direct or indirect exposures to ancillary liquid assets and/or derivatives for efficient portfolio management purposes or other underlying funds held for purposes other than the attainment of the environmental characteristics of this financial product.

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?**

N/A

### 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.

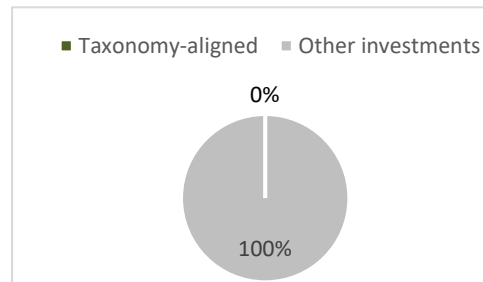


## To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

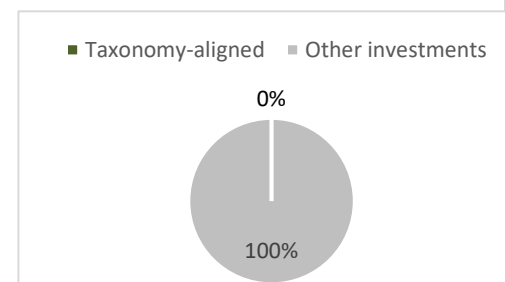
This financial product does not currently commit to investing more than 0% of its assets in investments in environmentally sustainable economic activities within the meaning of the Taxonomy Regulation.

**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.**

1. Taxonomy-alignment of investments including sovereign bonds\*



2. Taxonomy-alignment of investments excluding sovereign bonds\*



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

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

This financial product does not currently commit to investing more than 0% of its assets in transitional and enabling activities.



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



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

This financial product does not currently commit to investing more than 0% of its assets in sustainable investments.



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

This financial product 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?**

Please see "*What is the asset allocation planned for this financial product?*" .

Minimum environmental and social safeguards are not applicable due to the nature of the investments.



**Reference benchmarks** are indexes to measure whether the financial products attain the environmental or social characteristics that they promote.

**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.



**Where can I find more product specific information online?**

More product-specific information can be found on the website:

<https://www.mercer.ie/about-mercero/responsible-investment.html>