

# Key Investor Information

This document provides you with key investor information about this fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this fund. You are advised to read it so you can make an informed decision about whether to invest.

## ES River and Mercantile Dynamic Asset Allocation Fund

Z Acc, ISIN: GB00BLZH7N44  
A sub-fund of the ES River and Mercantile Funds ICVC  
Equity Trustees Fund Services Ltd is the Authorised Corporate Director of the Fund

### Objectives and investment policy

The investment objective of the Fund is to achieve an average return (income and growth in the value of your investment (known as “capital growth”) of 4.125% per year above cash (based on the SONIA interest rate) (the “Benchmark”) over a rolling 3 year period, after the deduction of all fees.

There can be no guarantee that the investment objective of the Fund will be achieved over a 3 year period or any other period and your investment is at risk.

The Fund will seek to achieve its objective by investing in collective investment schemes (including exchange traded funds), which can include those operated and/or managed by the ACD or the Investment Manager, which invest primarily in the following assets: shares of companies, bonds issued or guaranteed by governments, companies or supranational entities (which can be investment grade and sub-investment grade - an investment grade rating conveys the rating agency’s view that there is a lower risk of loss resulting from the issuer defaulting, than would apply to a subinvestment grade bond), hedge funds, commodities, property shares, cash and near cash.

The Fund may also invest directly in shares of companies, bonds (as set out above) and cash, and can invest indirectly in companies using depositary receipts (securities issued by banks that represent company shares).

The Fund may use derivatives for the purposes of reducing risk or cost or for generating extra income or growth (known as “efficient portfolio management”). As an example, the Fund may use forward contracts for currency hedging with the intention of reducing the risk arising from currency exposures in a cost-effective way. The Fund may also invest in derivatives, including forward contracts and other derivatives (including total return swaps, options and futures).

The Fund is actively managed, meaning the Investment Manager uses their expertise to pick investments to achieve the Fund’s objective.

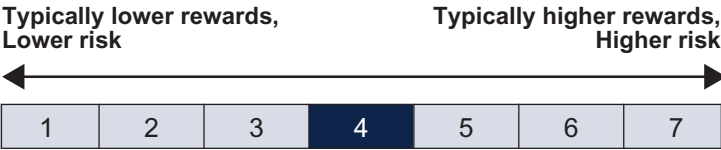
The Investment Manager will use a process called “asset allocation” to determine how much of the Fund will be invested in each asset class from time to time, and how the Fund will invest in each asset class (for example in different geographic regions or by industry sectors such as oil and gas or financial companies). The Investment Manager considers its approach to asset allocation to be dynamic, meaning the asset allocation is likely to change regularly to adapt to the Investment Manager’s expectation or assessment of changes to economic and market conditions to take advantage of perceived investment opportunities they identify.

In determining how much of the Fund will be invested in each asset class from time to time the Investment Manager will be subject to the following limits:

- up to 80% of the Fund can be invested in shares of companies
- up to 50% of the Fund can be invested in non-investment Grade bonds
- at least 60% of the assets must be denominated in Sterling or hedged back to Sterling.

### Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund’s ranking on the Risk and Reward Indicator.



The Fund may not achieve its investment objective and/or you could lose money on your investment in the Fund.

The following risks are materially relevant to the fund but may not be adequately captured by the Risk and Reward Indicator, and may cause additional loss:

- Liquidity risk: securities in the fund may be sold below their valuation due to insufficient liquidity in the market.
- Foreign exchange risk: the fund invests in international securities which are denominated in foreign currencies whose fluctuations may increase the funds volatility and losses.
- Collective Investment Schemes risk: the Fund may invest in collective investment schemes and ETFs. It may be difficult for the Fund in extreme market conditions to redeem its shares from the collective investment schemes or ETFs at short notice without suffering a loss. Investing in a collective investment scheme or ETF may lead to payment by the Fund of additional fees and expenses in relation to those collective investment schemes or ETFs.
- Derivative risk: Derivatives give rise to an investment in assets which is greater than the Fund’s actual investment in those assets. This may increase the opportunity for gains but may magnify the effect of losses. Losses may exceed the value of the Fund’s investment in derivatives. Use of derivatives may cause the price of shares to vary more widely or in a more pronounced way. Derivatives may also be used to reduce risk to the Fund. However, this may not always be effective and the Fund may still suffer a loss. Use of derivatives in this way may reduce the potential for gains. The ACD will ensure that the use of derivatives does not materially alter the risk profile of the Fund.

## Charges

The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

### One-off charges taken before or after you invest

Entry charge	5.25%*
Exit charge	0.00%

These are the maximum charges that we might take out of your money before it is invested and before we pay out the sale proceeds of your investment.

\* The current entry charge is 0% and if we wish to increase this charge then 60 days' notice will be provided.

### Charges taken from the fund over a year

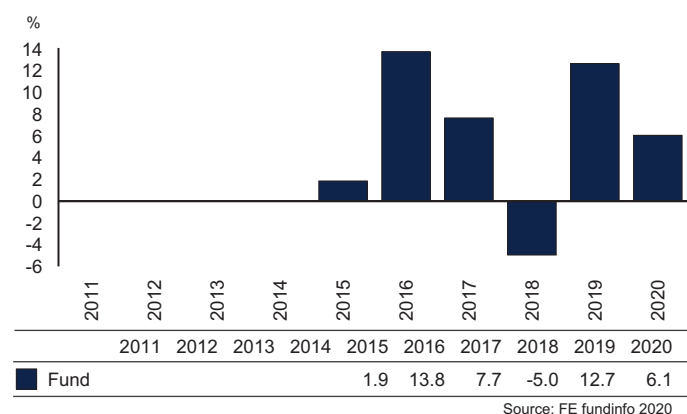
Ongoing charge	0.17%
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### Charges taken from the fund under certain specific conditions

Performance fee	None
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- The ongoing charges figure is based on the last year's expenses and may vary from year to year. It excludes the costs of buying or selling assets for the Fund (unless these assets are shares of another fund).
- The on-going charges figure is from audited Report & Accounts dated 31/03/2021.
- For more information about charges please see pages 57 to 60 of the Fund's Principal Prospectus.

## Past Performance



- You should be aware that past performance is not a guide to future performance.
- Fund launch date: 02/09/2014.
- Share/unit class launch date: 02/09/2014.
- Performance is calculated in GBP.
- The graph shows full calendar year performance in GBP. Performance shown takes into account ongoing charges, but not entry fees, and is calculated in pounds sterling on a Net Asset Value basis with net dividends reinvested.
- Δ Before this date the Fund had different characteristics.
- On 30 September 2020 the Fund changed its investment objective. Performance prior to this date was achieved under an investment objective that no longer apply.
- \* Benchmark changed from 3 month sterling LIBOR +4% to SONIA +4.125% as at 30 September 2020. Historic Performance shown is for the previous benchmark.

## Practical information

- Depositary: Bank of New York Mellon (International) Limited is the depositary for this Fund.
- Further Information: Detailed information on this Fund, including how to buy, sell and switch shares and other share classes available can be found within the Principal Prospectus and the annual and semi-annual reports which are available free of charge. These documents are only available in English and can be downloaded from our website ([www.equitytrustees.com](http://www.equitytrustees.com)). Daily prices are also available from our website.
- Practical Information: This document contains information on the Z class Accumulation shares only. The Fund is a sub-fund of the ES River and Mercantile Funds ICVC and regulated and authorised by the Financial Conduct Authority in the UK FRN 457692. The assets of the ES River and Mercantile Dynamic Asset Allocation Fund belong exclusively to it and are not available to meet the liabilities of any other sub-fund of ES River and Mercantile Funds ICVC.
- Tax Legislation: The tax laws of the UK, in addition to the tax laws of your country of residence, may impact how your investment in the Fund is taxed. You are advised to seek professional tax advice.
- Liability Statement: Equity Trustees Fund Services Ltd may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for the fund.
- Fund information: The Fund is part of ES River and Mercantile Funds ICVC. You may switch between other funds of ES River and Mercantile Funds ICVC. An entry charge may apply. Details on switching are provided in the Principal Prospectus. The assets of the Fund belong exclusively to it and are not available to meet the liabilities of any other Fund of ES River and Mercantile Funds ICVC. Equity Trustees Fund Services Ltd (the "ACD" for ES River and Mercantile Funds ICVC) has put in place a remuneration policy in accordance with the requirements of SYSC 19E of the FCA Handbook. The remuneration policy ensures that the ACD's remuneration practices are consistent with and promote sound and effective risk management, and do not encourage risk taking which is inconsistent with the risk profile of the Fund. A description of how remuneration and benefits are calculated, the identity of the persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, is available from the ACD's website: [www.equitytrustees.com](http://www.equitytrustees.com) or a paper copy is available upon request free of charge.
- Your investment will fall and rise in value and you could get back less than you invest.
- This Fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority.
- This Key Investor Information is accurate as at 12 July 2021.