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 UK Dynamic Equity Fund

S Acc, ISIN: GB00BG0S3396
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 grow the value of your investment (known as "capital growth") in excess of the MSCI United Kingdom Investable Market Index (IMI) Net Total Return (the "Benchmark") over a rolling 5 year period, after the deduction of all fees.

The Fund seeks to achieve its investment objective by investing at least 60% of its value in shares of UK companies (companies which are domiciled, incorporated, or have significant operations in the UK). Investment can be direct, or indirect, in shares (including common and preference shares), rights for shares, warrants, depositary receipts (securities issued by banks that represent company shares), investment trusts (including REITS) and collective investment schemes.

In addition, up to 20% of the Fund may be invested in shares of companies which are not UK companies but which, at the time of investment, are listed in the UK. Investment can be direct or indirect as noted above. It is expected that at least 80% of the Fund will be invested in UK companies and companies which are listed in the UK.

Up to 20% of the Fund may be invested in shares of overseas companies (companies which are not UK companies and which are not listed in the UK), excluding emerging markets, collective investment schemes and cash. Investment can be direct or indirect as noted above.

Investment in collective investment schemes (which includes exchange traded funds) can include those operated and/or managed by the ACD or the Investment Manager.

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 is actively managed, meaning the Investment Manager will use their expertise to pick investments to achieve the Fund's objectives.

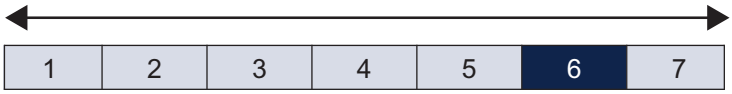
The Investment Manager will select shares for the Fund that fit the River and Mercantile PVT (Potential, Valuation and Timing) Investment Philosophy. This approach to investing has been in place since the PVT Team was launched in 2006 and looks for companies that are considered by the Investment Manager to have attractive "Potential" (the ability to grow shareholder value through increases in profits and cash), "Valuation" (the price of shares on the stock market is lower than the value the Investment Manager gives to the shares) and "Timing" (the extent to which analytical indicators are supportive of investing at the time of analysis).

The Fund will invest in a range of companies by industry sector and size. Although its investments are not restricted by reference to a benchmark the Fund will invest in a limited number of companies which means that at times the Fund may be concentrated. This absence of any benchmark constraints gives the Investment Manager wider scope to be dynamic in its investment decisions (for example by allowing the Investment Manager to change investments when they believe necessary in line with market circumstances to achieve the Fund's objective) than if they were required to invest within such controls.

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.

Typically lower rewards, Lower risk — **Typically higher rewards, Higher risk**



1	2	3	4	5	**6**	7

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.
- Concentration risk: the fund invests in a limited number of securities and hence experience higher levels of volatility than more diverse funds.
- Derivative risk: Derivatives may be used to reduce the risk of the Fund, but may not always be effective and the Fund may still suffer a loss.

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%

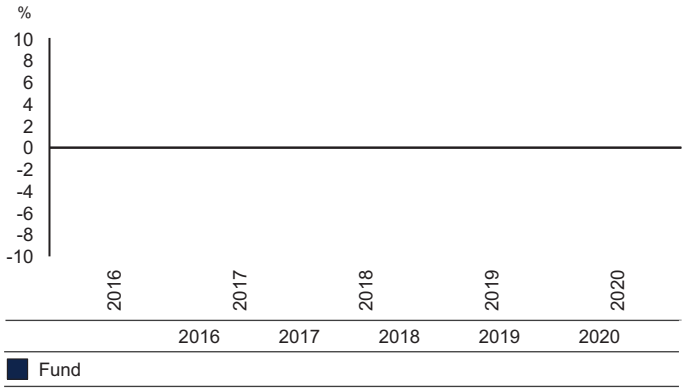
These are the maximum charges that we might take out of your money before it is invested and before we pay out the sale proceeds of your investment. In some cases, you might pay less and you should speak to your financial adviser about this.

Charges taken from the fund over a year	
Ongoing charge	0.68%

Charges taken from the fund under certain specific conditions	
Performance fee	None

- The ongoing charges figure is estimated because the share/unit class is relatively new and has insufficient track record for us to calculate it exactly. The ongoing charges figure may vary from year to year and will exclude 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 30/09/2020. This figure may vary year on year. It excludes transaction costs charged to the fund such as broker's commission and local taxes of buying and selling securities in the underlying Fund.
- For more information about charges please see pages 48 to 53 of the Fund's Principal Prospectus.

Past Performance



- There is insufficient data to provide a useful indication of past performance to investors.
- Fund launch date: 22/03/2007.
- Share/unit class launch date: 06/01/2020.
- 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.
- MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indexes or any securities or financial products. This document is not approved, endorsed, reviewed or produced by MSCI. None of the MSCI data is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such.
- * MSCI United Kingdom IMI

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). Daily prices are also available from our website.
- Practical Information: This document contains information on the S 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 UK Dynamic Equity 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: Any income generated from this share class will be distributed to investors, but investors may elect to have their income distributions re-invested into the Fund. 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 or a paper copy is available upon request free of charge.
- This Fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority.
- This Key Investor Information is accurate as at 16 February 2021.