

## Mergence Infrastructure &amp; Development | Debt

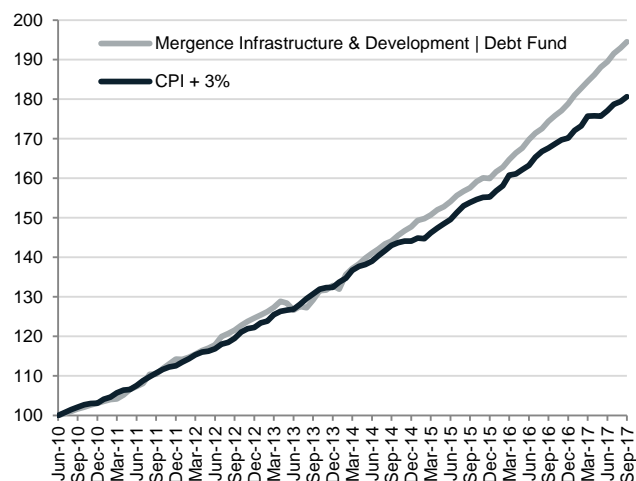
30 September 2017 - Issued: 16 October 2017



## OVERVIEW

	Low	Moderate	High
<b>Equity Risk Profile</b>			
<b>Fund Purpose</b>	Generate long-term capital growth, while promoting socially responsible investing and development		
<b>Benchmark</b>	Headline Consumer Price Index (CPI) +3% per annum over rolling 3-years		
<b>Investment Vehicle</b>	Segregated / Pooled		
<b>Inception date</b>	16 June 2010		
<b>Number of Months</b>	87		
<b>Fund Size</b>	R208.38 m		
<b>Minimum Investment</b>	R 100 million / none for pooled		
<b>Investment Period</b>	3-year lock-in period		
<b>Management Fee</b>	Subject to mandate (usually between 1.00% and 1.50% per annum, excl VAT)		
<b>Performance fees</b>	Negotiable		

## LONG TERM TRACK RECORD



## INVESTOR PROFILE

## The Fund is suitable for institutional investors:

- who seek exposure through supporting high impact developmental investing in terms of social, environmental and governance criteria;
- who are comfortable with the inherent volatility of the financial markets, and who acknowledge that the effects of impact investing occur over medium to long term time horizons;
- who seek long term capital growth whilst promoting impact and socially responsible investing.

## INVESTMENT OBJECTIVE

The Mergence Infrastructure & Development | Debt Fund has a long-term performance target of inflation +3% per annum over the medium to long term by investing in opportunities that create both a positive and measurable social developmental and/or environmental impact.

## PERFORMANCE\*\* DETAILS

Period	Fund	CPI + 3%
1 Month	0,83%	0,34%
3 Months	2,66%	1,33%
6 Months	5,44%	3,06%
Year to date	8,75%	5,96%
1 Year	11,52%	7,73%
2 Years (p.a.)	11,11%	8,33%
3 Years (p.a.)	10,52%	8,09%
5 Years (p.a.)	9,86%	8,62%
Since Inception (p.a.)	9,61%	8,40%

\*\* Returns are quoted gross of fees.

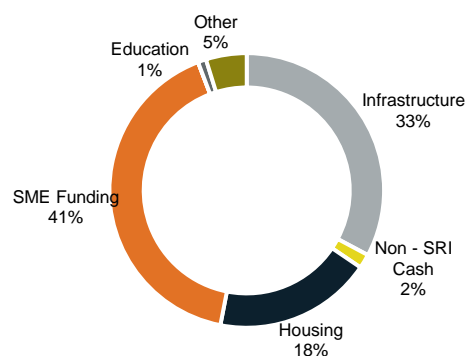
## INVESTMENT MANDATE

The Mergence Infrastructure & Development | Debt Fund is a socially responsible fund that invests in projects, businesses, organisations and funds that encourage and enhance growth and development in South Africa. This Fund aims to invest in debt investments issued to create positive and sustainable social and/or economic impact beyond the financial return.

## IMPACT REPORTING

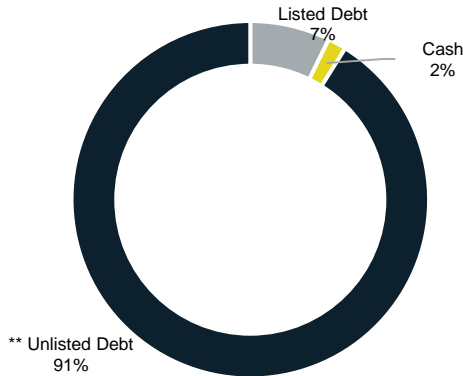
The Fund utilises a detailed process to evaluate and verify the social and environmental impact of each investment. Approved investments will be expected to achieve the Fund's financial return objectives, whilst also satisfying social impact, environmental and governance criteria.

## Impact Analysis



## FUND STRUCTURE

### Asset Allocation



\*\* Target asset allocation for Unlisted Debt of 80%

## PORTFOLIO MANAGEMENT TEAM



### Mark van Wyk, B Com (Hons), CA (SA)

Head: Unlisted Investments, Portfolio Manager

Mark has over 12 years of investment experience and his career includes development finance, structured finance, external auditing and property management experience. Prior to joining Mergence Investment Managers in 2011, Mark was responsible for establishing new wholesale debt funding relationships, performing due diligences, drafting business plans, financial modelling, liaison with funding partners and oversight of proprietary private equity investments at Mettle, a company within the financial services sector. As Mergence, Mark is currently head of impact investments and heads up the first South African Impact Investment Pioneer Fund using the USAID funded Global Impact Investing Rating System (GIIRS). He has significant experience of incorporating impact measurement systems based on the Impact Reporting & Investment Standards (IRIS) into the investment process and is one of the leaders in providing institutional investment offerings in high impact investments in South Africa.

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