

## Fund fact sheet

# Mergence ESG Equity Fund

30 September 2019 - Issued: 11 October 2019



### OVERVIEW

	Low                      Moderate                      High
<b>Equity Risk Profile</b>	
	Generate capital growth over the long term and promote companies with better than average ESG performance
<b>Investment Style</b>	Relative Return
<b>Benchmark</b>	FTSE/JSE Shareholder Weighted Index [SWIX]
<b>Investment Vehicle</b>	Segregated / Pooled
<b>Inception date</b>	17 June 2010
<b>Number of Months</b>	111
<b>Fund Size</b>	R 406.726 million
<b>Minimum Investment</b>	R 50 million / none for pooled
<b>Management Fee</b>	Subject to mandate (usually between 0.55% and 0.70% per annum, excl VAT)
<b>Performance fees</b>	Negotiable

### INVESTMENT OBJECTIVE

The objective of the Mergence ESG Equity Fund is to outperform the JSE Shareholder Weighted Index [SWIX] while investing in companies with better than average Environmental, Social and Governance performance.

The fund is constructed relative to a SWIX benchmark with overweight positions in those stocks that practice good governance, have a low environmental impact and conduct their business in a socially responsible manner.

The ESG performance of the holdings of the fund are monitored through objective measures and management interaction and the overall ESG performance of the fund is monitored versus benchmark to ensure that the fund is delivering on both its financial and ESG objectives.

### INVESTOR PROFILE

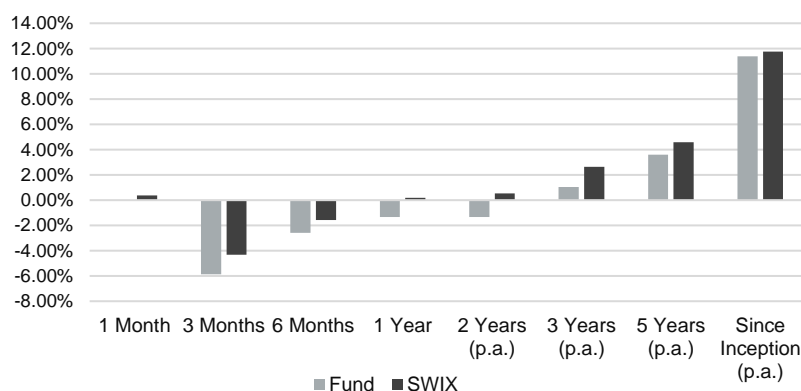
#### The Fund is suitable for investors who:

- seek financial return whilst supporting responsible investing that promotes positive ESG practices by listed companies;
- believe long term equity exposure adds value;
- know the nature of equity exposure, in that there is entry risk and the potential of capital loss.

### PERFORMANCE\*\* SUMMARY

Period	Fund	SWIX
Tracking Error	1.95%	
1 Month	-0.03%	0.37%
3 Months	-5.85%	-4.31%
6 Months	-2.60%	-1.57%
1 Year	-1.32%	0.19%
2 Years (p.a.)	-1.32%	0.52%
3 Years (p.a.)	1.05%	2.64%
5 Years (p.a.)	3.60%	4.57%
Since Inception (p.a.)	11.40%	11.75%

\*\* Returns are quoted gross of fees.



### CARBON FOOTPRINT

The Mergence ESG Fund is conscious of its carbon footprint and is actively encouraging improved disclosure and carbon management across all JSE listed companies. The Mergence ESG Fund's Carbon Footprint is available on request.

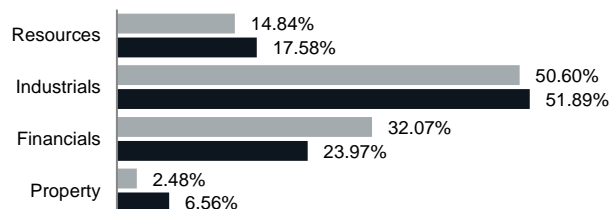
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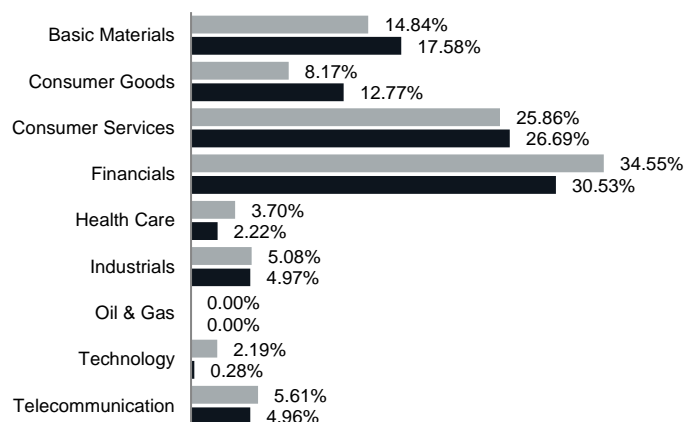


## BROAD SECTOR EXPOSURE



■ Mergence ESG Equity Fund ■ FTSE/JSE SWIX

## SECTOR EXPOSURE



## PORTFOLIO MANAGEMENT



### Bradley Preston, BSc Hons, MSc (Financial Mathematics)

Head: Listed Investments

Brad has 13 years' experience in the asset management industry. He is a regular commentator in the media and well known for his views on responsible investing. In 2004 Brad received an MSc in Financial Mathematics from UCT with distinction for his thesis on derivative pricing. He joined Mergence Investment Managers in 2005 as part of the absolute return team. Brad is currently Head: Listed Investments. He heads up the equity investment product offering and is also Portfolio Manager of the Mergence ESG Equity Fund. Brad is a member of the Executive Committee of Mergence Investment Managers.



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

Head: Unlisted Investments, Portfolio Manager

As a leader in institutional impact and infrastructure investments, Mark has nearly 20 years of experience in the capital and investment markets. Based largely in Cape Town, he has worked at Sanlam Properties, PwC and Mettle where he specialised in corporate finance, structured finance, specialist income funds and private equity transactions. Mark joined Mergence in 2010 where as Head: Unlisted Investments, he oversees the unlisted credit and unlisted equity asset portfolios.

Mark is a sought-after commentator and a guest lecturer at the UCT Graduate School of Business. He serves on the ASISA Responsible Investments Committee and has won ABSIP awards for Alternative Asset Manager in 2014 and 2016. He is a qualified CA and has a BCom (Hons) from the University of Natal.

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