

Fund Fact Sheet

Mergence SRI Fund

30 November 2020 - Issued: 20 December 2020



OVERVIEW

	Low	Moderate	High
Equity Risk Profile			
Fund Purpose	Generate capital growth over long term while promoting socially responsible investment		
Benchmark	CPI +3% pa over rolling 3-year period		
Investment Vehicle	Pooled		
Inception date	14 June 2010		
Number of Months	125		
Fund Size	R 26,95 million		
Minimum Investment	none		
Management Fee	Subject to mandate (usually between 0.65% and 0.95% per annum, excl VAT)		
Performance fees	Negotiable		

INVESTMENT OBJECTIVE

The Mergence SRI Fund has a long-term performance target of inflation +3% per annum. The Fund is a blend of the Mergence ESG Equity Fund and the Mergence Infrastructure & Development | Debt Fund. It invests in assets that are socially responsible and incorporates the following factors:

Environmental

Reducing carbon footprint, positively impacting biodiversity, promoting green building and sustainability.

Social

Job creation, SMME & entrepreneurship development, CSI, community interaction, better customer services and lower prices.

Governance

Transparency, ethics and corporate governance.

FUND COMPOSITION

The Mergence SRI Fund is a blend of the following funds:

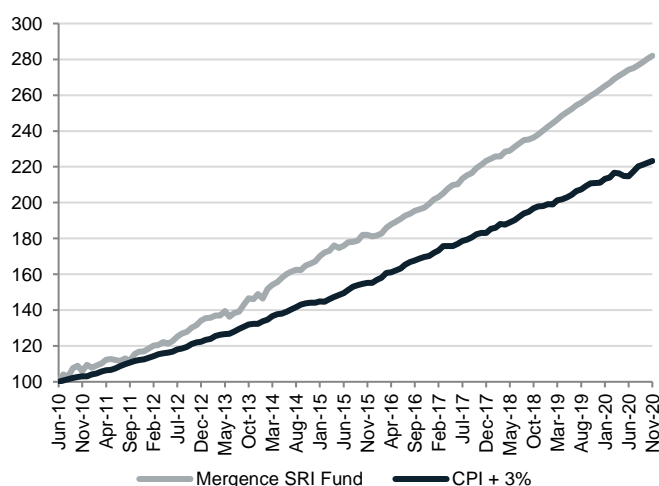
Mergence High Impact Debt Fund

The Mergence High Impact 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. The Fund invests in senior debt investments with the objective of creating positive and sustainable social and/or economic impact beyond financial return. Targeted impact objectives include incremental housing, SMME's, job creation, education, agricultural development, BBBEE and Infrastructure.

Mergence ESG Equity Fund

This Fund invests in South African listed equity that are viable, sustainable and have a clear commitment to sound environmental practices. The objective of this Fund is to produce a level of return similar to that of the FTSE/JSE Shareholder Weighted Index [SWIX] while investing in companies with a lower level of CO₂ emissions intensity on average than that of the SWIX Index.

LONG TERM PERFORMANCE



PERFORMANCE** SUMMARY

Period	Fund	CPI + 3%
1 Month	0,57%	0,50%
3 Months	1,89%	1,34%
6 Months	3,50%	3,32%
1 Year	7,93%	6,26%
2 Years (p.a.)	8,81%	6,46%
3 Years (p.a.)	8,45%	7,00%
5 Years (p.a.)	9,14%	7,64%
Since Inception (p.a.)	10,46%	7,98%

**Returns are quoted gross of fees.

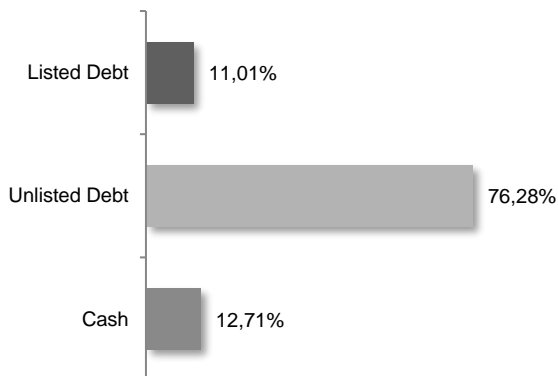
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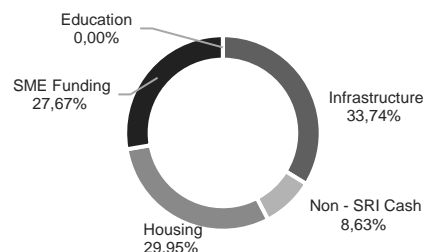
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ASSET ALLOCATION



IMPACT ANALYSIS [MERGENCE HIGH IMPACT DEBT FUND]



CARBON FOOTPRINT [MERGENCE ESG EQUITY FUND]

The Fund has an estimated average emissions intensity of 40.4 tons of CO2 emissions per million Rand of revenue compared to an average intensity of 52.9 tons for the benchmark. This translates to a 24% reduction in CO2 emissions relative to the SWIX.

PORTFOLIO MANAGEMENT



Kasief Isaacs, B Com (Hons), CA (SA)

Head: Private markets

Kasief joined Mergence in February 2015 to bolster the private equity capabilities of the Private markets (unlisted) investments team. He has a BCom (Hons) from the University of the Western Cape. He helped develop the Mergence Infrastructure & Development | Equity Fund whereas portfolio manager his focus is on infrastructure within SADC. With over 26 years of experience in the financial services industry, Kasief is a qualified CA with a specific focus on energy, technology, and infrastructure. Before joining Mergence, Kasief led PwC's South African Renewable Energy practice and has advised developers, investors, and EPC contractors from South Africa, Spain, Italy, Germany, China and as well as the United States on the SA renewable energy market including participation in the REIPPP programme, project acquisitions, private PPAs, and BEE structuring and funding. Kasief is a sought-after conference speaker and media commentator.



Peter Takaendesa, BCom (Economics), MCom (Economics), MCom (Finance and Economics)

Head: Equities

Peter joined Mergence in 2014 as a senior equity investment analyst specialising in the technology, media, and telecoms (TMT) sector. He has over 12 years' financial services industry experience during which time he worked for Credit Suisse Standard Securities and RMB Morgan Stanley. Peter also received top ratings in the Financial Mail annual analyst rankings and winning the ABSIP South Africa equity analyst of the year in 2011 are some of Peter's achievements. In November 2019, Peter was promoted to Head of Equities for Mergence Investment Managers. He obtained an MCom at Rhodes University majoring in Finance and Economics, followed by several professional industry certifications. Before joining the financial services industry, Peter was a university lecturer in Economics and published several papers in leading academic journals. He is a regular commentator in the media.

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