

Fund Fact Sheet

Mergence SRI Fund

31 December 2021 - Issued: 24 January 2022



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	138		
Fund Size	R 30,54 million		
Minimum Investment	none		
Management Fee	Subject to mandate		
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:

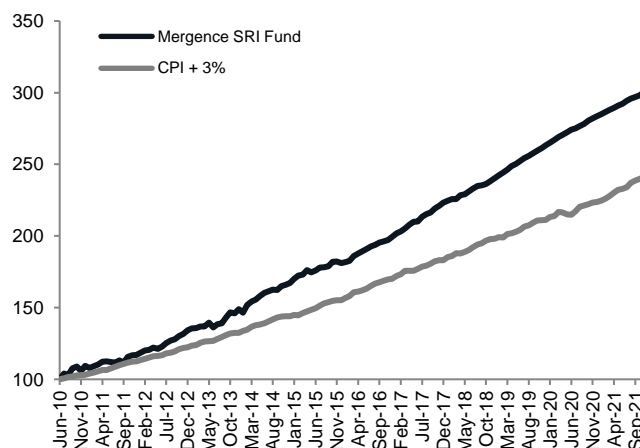
Mergence High Impact Debt Fund

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	0,61%	0,73%
3 Months	1,62%	1,72%
6 Months	3,26%	4,23%
1 Year	6,48%	8,47%
2 Years (p.a.)	7,09%	7,31%
3 Years (p.a.)	7,90%	7,06%
5 Years (p.a.)	8,64%	7,40%
Since Inception (p.a.)	10,08%	7,99%

**Returns are quoted gross of fees.

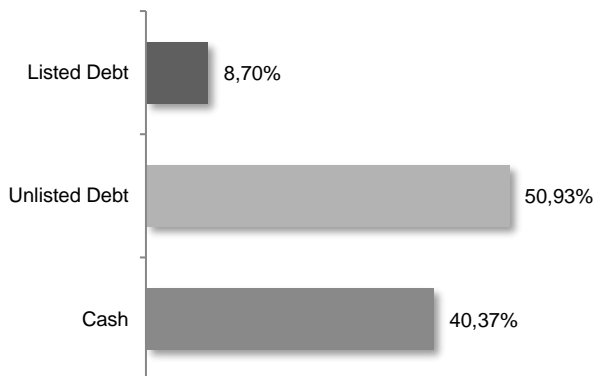
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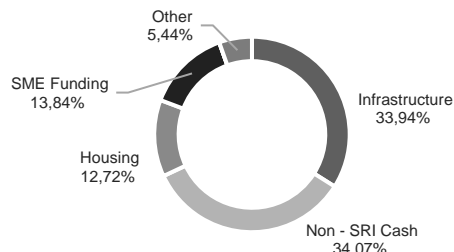
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ASSET ALLOCATION



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, BCom (Hons), CA (SA)

Senior Investment Principal

Kasief joined Mergence in February 2015 to bolster the private equity capabilities of the Private markets Investments team. He has a BCom (Hons) from the University of the Western Cape. He helped develop the Mergence Infrastructure & Development | Equity Fund where, as senior investment principal his focus is on infrastructure within the region. With over 17 years of experience, Kasief is a qualified CA with a specific focus on energy, infrastructure and impact. Before joining Mergence, Kasief led PwC's South African Renewable Energy practice and has advised developers and investors 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.



Mohamed Ismail, MBA (Finance), FRM; FAIS Rep

Head: Fixed Income

Mohamed joined Mergence Investment Manager on 1 March 2021 as Head of Fixed Income. Based in Johannesburg, Mohamed has joined the Multi Asset Team in leading the fixed income investment process within MIM's multi asset funds. This team is also responsible for the expansion of MIM's standalone Fixed Income product offering, building forth on its current base of the Composite Bond Fund and Money market fund. Prior to joining MIM, Mohamed was with Ashburton Investments where he served as Portfolio Manager across a range of fixed income products. Before then, he ran the Momentum Bond Fund, as well as other income funds for Momentum Investments. He also served as the Head of Fixed Income whilst at Sanlam Capital Markets. In addition to his academic and professional qualifications, Mohamed is currently studying towards his second Master's degree in Quantum Computing.

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