

Fund Fact Sheet

Mergence SRI Fund

31 March 2022 - Issued: 24 April 2022



OVERVIEW

Equity Risk Profile	<div style="display: flex; justify-content: space-between; width: 100%;"> Low Moderate High </div> <div style="background-color: #ccc; height: 10px; width: 100%; position: relative;"> <div style="background-color: #333; width: 30%; position: absolute; left: 0;"></div> <div style="background-color: #666; width: 10%; position: absolute; left: 30%;"></div> <div style="background-color: #999; width: 60%; position: absolute; left: 60%;"></div> </div>
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	141
Fund Size	R 31,15 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:

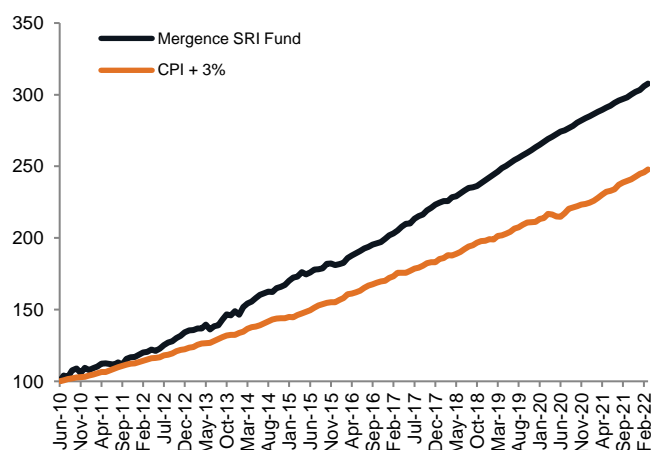
Mergence High Impact Debt Fund

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%	0,85%
3 Months	1,93%	2,11%
6 Months	3,59%	3,85%
1 Year	6,84%	8,65%
2 Years (p.a.)	6,96%	7,25%
3 Years (p.a.)	7,69%	7,38%
5 Years (p.a.)	8,44%	7,24%
Since Inception (p.a.)	10,04%	8,00%

**Returns are quoted gross of fees.

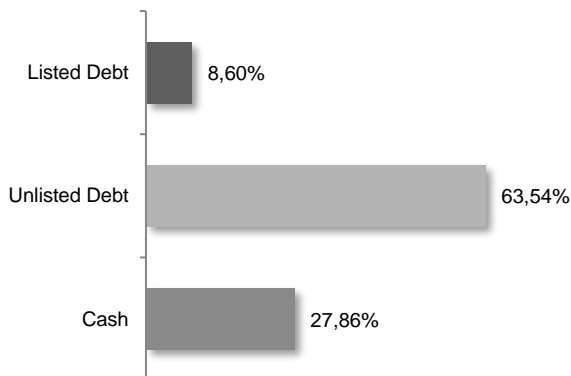
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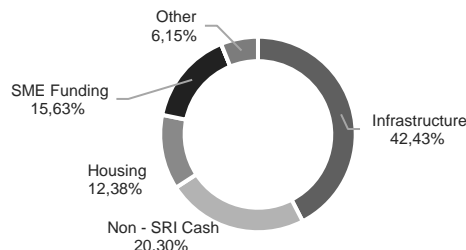
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ASSET ALLOCATION



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

With over 17 years of experience in the financial services industry, Kasief joined Mergence in 2015. As Senior Investment Principal he has a specific focus on energy, infrastructure and impact within SA and SADC. He leads the Private Markets investment team which has built up a stellar performance record over the past decade. Before joining Mergence, Kasief led PwC's renewable energy practice and has advised developers and investors from SA, Spain, Italy, Germany, China and the US on SA's renewable energy market including participation in the REIPPP programme, project acquisitions, private PPAs and BEE structuring and funding. Kasief is a qualified CA and has a BCom Honours from the University of the Western Cape. He is an experienced conference speaker and media commentator.



Mohamed Ismail,

MBA (Finance), BSc Hons (Advanced Mathematics of Finance), BSc (Actuarial Science, Mathematical Statistics), CFA

Head: Fixed Income

Mohamed joined Mergence Investment Manager in March 2021 as Head of Fixed Income within the Multi-Asset team. He is responsible for driving the expansion of a stand-alone fixed income product offering as well as integrating a fixed income investment process into the overall multi-asset strategy. Mohamed is the primary portfolio manager for the Mergence Composite Bond Fund and will soon lead investment management for Money Market and Multi-Asset Income portfolios. Prior to Mergence, Mohamed was a senior portfolio manager in fixed income at both Ashburton and Momentum Investments. Whilst at Momentum, he was responsible for the management and development of the long-only fixed income business and provided guidance on quantitative research in emerging fixed income. Before joining the asset management industry, Mohamed was the Head of Fixed Income at Sanlam Capital Markets

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