STANLIB Multi-Manager Global Equity Fund

Minimum Disclosure Document

As at 31.01.2019

STANLIB

STANLIB Multi-Manager

STANLIB Multi-Manager was established in 1999 and is the centre of excellence for multi-managed solutions within STANLIB. The investment team, led by Chief Investment Officer Joao Frasco, consists of an experienced team with a diverse set of investment skills. We have offices in Johannesburg and London, and currently have mandates in excess of R150 billion under stewardship.

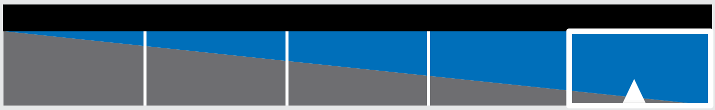
What is the Fund's objective?

This is a global-only portfolio and invests in equities across various geographies, sectors and capitalisation sizes.

The Fund provides investors with access to opportunities in global equity markets.

The Fund's objective is to outperform the global equity benchmark, the MSCI ACWI IMI, over the long term.

Risk profile



Income assets   Growth assets

What are the investment guidelines?

This is a global-only portfolio and invests in equities across various geographies, sectors and capitalisation sizes.

Maximum foreign exposure: 100% of the portfolio.

The Fund complies with provisions of the Collective Investment Schemes Control Act, No. 45 of 2002 (CISCA) and the Regulations thereto, as amended from time to time.

The returns quoted are based on the US dollar investment.

How is the Fund managed?

The Fund is designed to deliver superior investment returns more consistently than through a single asset manager or mandate. Our approach allows investors to outsource the fund / manager selection decision, which includes the ongoing due diligence of managers and construction of portfolios, to meet pre-defined objectives over time.

The Portfolio Managers dedicated to the Fund

Kent Grobbelaar
Head of Portfolio Management (UK)
BCom(Hons), ICMQ, FAUT, IMC

Renate Potgieter
Portfolio Manager
BSc(Hons), CFA

How do we select managers?

STANLIB Multi-Manager follows a rigorous and disciplined offshore manager research and selection process that starts by analysing the asset class for which the portfolio is being built, and determining the key drivers of outperformance.

The manager research team conducts thorough quantitative and qualitative analyses, culminating in an extensive investment due diligence to identify those managers that have the skill and ability to outperform. This results in the production of high conviction buy/hold/sell lists, as well as mandate performance expectations under different environments, defining events and sell triggers/disciplines.

The portfolio management team then constructs a framework for blending managers into the portfolio that targets the key areas of outperformance and promotes diversification. We only entrust our client's assets to the highest quality managers, who are then selected into this framework to provide the portfolio with exposure to these sources of market outperformance over the long term.

Passive and Alternative Beta alternatives are considered in the process and where used, these help to lower portfolio costs.

On a regular basis the portfolio is reviewed to ensure it is delivering on its long term objectives. From time to time changes are made to improve the structure and/or risk return profile of the portfolio.

Who are the underlying managers/funds?

The portfolio construction currently includes the following managers/funds:

Underlying managers	Portfolio managers	Strategic allocation
Arrowstreet Capital	Team-based (CIO: Peter Rathjens)	13.0%
Hosking Partners	Multi-councillor (Mandate manager: Jeremy Hosking)	13.0%
Sands Capital Management	Team-based (Head: Sunil Thakor)	13.0%
Sanders Capital	Team-based (Head: Lew Sanders)	13.0%
Veritas Asset Management	Andrew Headley	13.0%
Alliance Bernstein	Josh Lisser	35.0%

How do we approach risk management in the Fund?

Risk management is a fundamental component of our investment philosophy and process and is therefore approached holistically. It permeates every part of our investment process, requiring participation and accountability from all individuals involved in the process.

As a multi-manager, our risk management process begins at the time of portfolio specification and design, because by the time securities are included in the portfolio by the underlying managers, one has already accepted the risks and has limited ability to mitigate them. Our process then moves to manager research and portfolio construction, where we seek to know the managers intimately and construct a portfolio to behave in line with our broader investment objectives.

"Risks Inherent in our Funds" is a document that classifies the sources of risk associated with the management of our Funds. It can be obtained from the website www.stanlibmultimanager.com.

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Information to be considered before investing

The STANLIB Multi-Manager Global Equity Fund should be considered a medium to long-term investment. The value of units (participatory interests) may go down as well as up and past performance is not necessarily a guide to future performance. General market risks include a change in interest rates and economic conditions, share price volatility and a decline in property values. Where exposure to foreign investments is included in the portfolio, there may be additional risks, such as possible constraints on liquidity and the return of funds to South Africa, macroeconomic risks, political risks, tax risks, settlement risks and possible limitations on the availability of market information. The Fund only invests in foreign securities, and fluctuations or movements in exchange rates may therefore cause the value of underlying investments to go up or down. The Fund is also exposed to macroeconomic, political, tax, settlement and illiquidity risks that may be different to similar investments in the South African market. The Fund is traded at ruling prices using forward pricing, and can engage in borrowing of up to 5% of the market value of the portfolio to bridge insufficient liquidity as a result of the redemption of units.

Unit price – how it works

Collective Investment Schemes (i.e. “Unit Trusts”) are traded at ruling prices set on every trading day and can engage in borrowing and scrip lending. Forward pricing is used which means Fund valuations are calculated and released at 12h30 (UK time) each business day using the prior day close of market prices. Your instructions are therefore processed at prices that are not yet determined when your instructions are received. Instructions must reach the Management Company before 14h30 (UK time) to ensure next day value. The individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax

The payment of withdrawals may be delayed in extraordinary circumstances, when the Manco with the consent of the Fund trustees deems this to be in the interest of all Fund investors. These circumstances may include periods when significant underlying markets suspend trading which will prevent accurate valuation of the instruments held in the Fund. When the suspension of trading relates to only certain assets held by the Fund, these assets may be side-pocketed. This process allows normal liquidity on the assets that can be valued, but will delay liquidity on the affected portion of the Fund. If the Fund is faced with excessive withdrawals, the affected withdrawals may be ring-fenced, which is the separation and delayed sale of the assets reflecting the interest of the liquidity seeking investors. It ensures that the sale of a large number of units will not force the Manco to sell the underlying investments in a manner that may have a negative impact on remaining investors of the Fund.

Performance information on the monthly factsheet

Performance is calculated by STANLIB Multi-Manager as at month end for a lump sum investment using net asset value (NAV) prices with income reinvestments done on the ex-dividend date. All underlying price data is sourced from Morningstar. Performance figures are quoted after the deduction of all costs including manager fees, and trading costs incurred within the Fund. Annualised performance figures represent the weighted average compound growth rate over the performance period measured. Past investment returns are not indicative of future returns and no guarantee is provided with respect to capital or return of the Fund.

Total Expense Ratio (TER) and Transaction Costs (TC) = Total Investment Charge (TIC)

The TER is calculated as a percentage of the averagenet asset value of the portfolio incurred as charges, levies and fees in the management of the portfolio for a rolling 36-month period to the previous quarter end (December, March, June and September). This includes the TER charged by any underlying fund(s) held as part of this Fund. A high TER does not necessarily imply a poor return nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TER’s.

Transaction costs are a necessary cost in managing a fund and impacts the fund’s return. They should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER. The sum of theTER and Transaction Costs is shown as the Total Investment Charge (TIC).

Management fee

The Fund charges a fixed annual management fee (i.e. fee class) as a percentage of the assets under management, to ensure a simple and understandable fee structure. The Fund invests primarily in segregated mandates but may also invest in other unit trusts i.e. “Underlying Fund Fees”, which are included in the Total Expense Ratio (TER).

Underlying performance fees

STANLIB Multi-Manager and its underlying managers do not earn any performance fees.

The annual management fee is accrued daily and performance fees are accrued monthly – both paid on a monthly basis (with the exception of some performance fees which are paid annually).

STANLIB Multi-Manager does not provide financial advice

STANLIB Multi-Manager (Pty) Ltd is an authorised Financial Services Provider licenced under the Financial Advisory and Intermediary Services Act, 37 of 2002. FSP licence No.26/10/763. This information does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Independent financial advice should always be sought before making an investment decision.

If you appoint an adviser, advice fees are contracted directly between you and the adviser. We will facilitate the collection of advice fees (including initial advice fees up to a maximum of 3.00%) only upon receiving your instruction. You may cancel the instruction to facilitate the payment of advice fees at any time.

Where can I find additional information?

Additional information such as brochures, application forms and annual or quarterly reports, can be obtained from the websites: www.stanlib.com / www.stanlibmultimanager.com.

The prices of Funds are calculated and published on each working day. These prices are also available on the websites and in South African printed news media.

STANLIB Multi-Manager Global Equity Fund

STANLIB

As at 31.01.2019

Investment Description

The Fund adopts a multi-managed approach to investing and blends different skilled and experienced active equity managers and strategies (with some passive and risk-premium strategies).
This is a global-only US dollar denominated portfolio and invests in equities across various geographies, sectors and capitalisation sizes. The Fund provides investors with access to opportunities in global equity markets while aiming to deliver investors with high capital growth over the long term.

The Fund's objective is to outperform the global equity benchmark over the long-term.

Suitable Investors

- Who are looking to add exposure to global equity markets
- Who understand that the high exposure to growth assets and foreign currency exposure comes with higher volatility
- Who understand that the Fund may underperform the market significantly in the short term in pursuit of long-term gains
- Who typically have an investment horizon of at least seven years

Risk Rating

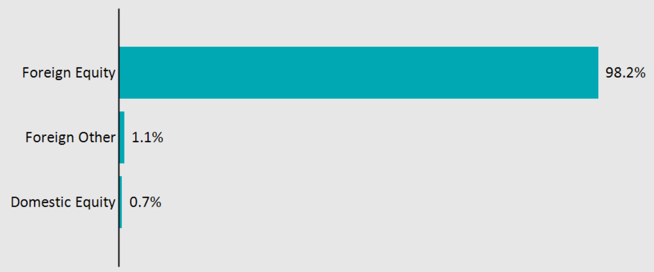
Annualised Performance (%)

	1 Year	3 Years	5 Years	10 Years
Class A	-7.54	12.03	5.92	11.01
Benchmark	-7.74	11.68	6.62	11.28
Sector Average	-9.06	10.17	5.64	10.48

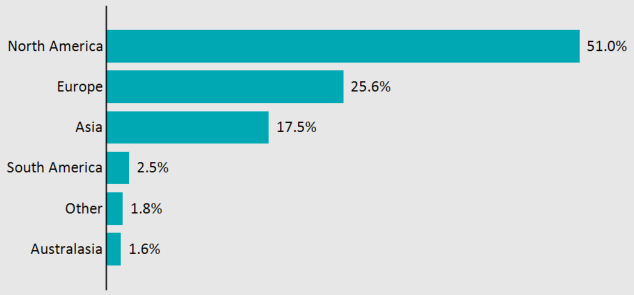
Underlying Fund Managers

AB
Arrowstreet Capital
Hosking Partners
Sanders Capital
Sands Capital Management
Veritas Asset Management

Physical See Through Asset Allocation %



Geographic allocation



Portfolio Facts

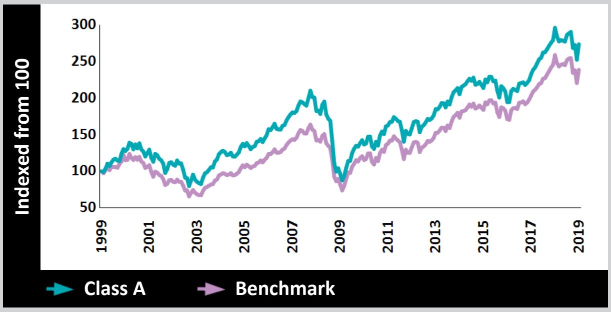
Portfolio Manager(s)	Kent Grobbelaar & Renate Potgieter (STANLIB Multi-Manager)
Portfolio Size (NAV)	$ 1117.3 million
Benchmark	MSCI All Country World Investible Markets Index
Sector	Morningstar Global Large-Cap Blend

	Class A
Denominated in	USD
Launch Date	21 Dec 1998
Minimum Investment	
Initial	$100,000
Subsequent	$0
ISIN No.	GB0002127206
SEDOL	0925222
Bloomberg Code	LIBIGEI:JY

	Class A	
	1 Year	3 Year
Advisor Fee[1]	0.00	0.00
Management Fee	0.80	0.80
Underlying Fund Fees	0.00	0.00
Other[2]	0.06	0.06
Total Expense Ratio (TER)[3]	**0.86**	**0.86**
Transactional Costs[4]	**0.08**	**0.08**
Total Investment Charges	**0.94**	**0.94**

1 *The A Class includes an ongoing adviser fee*
2 *Other includes: bank charges, custody fees, sundry income, audit & trustee fees*
3 *The TER is a measure of the actual expenses incurred by the Fund over a 1 and 3-year period (annualised) ending 31 December 2018*
4 *Transaction Costs include: brokerage, Securities Transfer Tax [STT], STRATE, Levies and VAT.*

Cumulative Returns - Since Inception



Top 10 Equity Holdings

Microsoft Corp	1.52%
Samsung Electronics Co LTD	1.39%
Taiwan Semiconductor	1.35%
UtdHealth Group Inc	1.34%
CIGNA CORP USD0.01	1.26%
Charter Communications Inc	1.26%
Safran SA	1.23%
Alphabet Inc	1.08%
FACEBOOK INC-A	1.05%
BANK OF AMERICA CORP USD0.01	1.03%

Custodian Link Corporate Services (Jersey) Limited, 12 Castle Street, St. Helier, Jersey, Channel Islands.

Contact Details - STANLIB COLLECTIVE INVESTMENTS (RF) PTY LIMITED Reg. No. 1969/003468/07 17 Melrose Boulevard, Melrose Arch, 2196, PO Box 203, Melrose Arch, 2076

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COMPLIANCE NO: HX3742

Published on: 6 March 2019

STANLIB Multi-Manager Global Equity Fund
Commentary: 31 December 2018

STANLIB

Market overview

Global equities fell sharply during the quarter, losing 13.1%. The full-year decline of 11.2% was the worst since 2008. Emerging markets (EM) slipped by a little less in the fourth quarter (-7.9%) but still lost 16.6% in 2018. The withdrawal of global liquidity via the Fed, strong dollar and QT, has hampered global macro and profit expectations more than investors believed at the start of the year. According to Deutsche Bank, 2018 was the worst year for broad asset returns since 1901. Of the 70 asset classes monitored – including bonds, commodity and equities – 63 lost money in dollar terms. A similar story holds true in local currency with 61% of assets generating a negative return – the third worst calendar year on record. Not one equity market in the aforementioned sample had a positive dollar return. At a sector level Health Care gained 2% YTD, beating Energy, which lost 13% following the collapse of oil prices and Financials which lost15% as investors hurried towards safety. After another disappointing year, Financials are the cheapest sector, trading on a forward PE of 9 times compared to the broader market of 16. Unsurprisingly, Momentum as a factor underperformed sharply in December given the Tech sell-off and was the worst performing style over the quarter. Value outperformed marginally during the downturn and remained the worst performing style for the calendar year.

Asset class performance and risk statistics in USD

Asset class	Q4 2018	1 year	3 years p.a.	5 years p.a.
MSCI AC World Index	-13.3%	-10.1%	6.5%	4.2%
JP Morgan Global Bond Index	3.6%	15.6%	0.0%	7.7%
Barclays Global Multiverse Ind	1.0%	-1.4%	3.0%	1.2%
7-day US LIBID	2.1%	18.6%	-1.4%	7.2%
Rand/dollar	1.4%	16.0%	-2.4%	6.8%

Fund risk statistics since launch	
Lowest rolling 12-month return	-52.0% (12 months ended February 2009)
Highest rolling 12-month return	57.3% (12 months ended March 2010)

Source: STANLIB Multi-Manager

Portfolio facts

Bloomberg Code	LIBIGEI JY	**Administrative Agent**	BNY Mellon Fund Services (Ireland) Designated Activity Co
Structure	Open-ended investment company	**Year End**	31 December
Custodian	Link Corporate Services (Jersey) Limited	**Custody Fee**	0.035% 0-$50m; 0.025% $50m-$100m; 0.010% $100m-$500m; 0.005% $500m-above
Sub Custodian	The Bank of New York Mellon SA/NV London Branch	**Dealing Valuation**	Daily
Auditors	PricewaterhouseCoopers Ireland	**Redemption Payment**	Within 14 business days
Manager	STANLIB Fund Managers Jersey Limited	**Publication of NAV**	STANLIB Fund Managers Jersey Limited
Investment Manager	STANLIB Asset Management Pty Limited	**Directors**	SM Place, N Deacon, M Mitchell, M Farrow

Portfolio review

A milestone was reached in December with the Fund celebrating 20 years since inception. Over this period we have generated annualised excess returns of 1.7% relative to the MSCI ACWI Index on a gross basis and 1.8% net of fees relative to the peer group average. Our portfolio enjoyed strong relative returns against peers and the benchmark in the final quarter and calendar year, with the Fund outperforming the index by 0.5% and 1.4% respectively. With most competitors struggling to beat their benchmarks, outperformance against peers was even greater at 3% over 12 months.

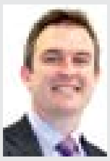
The pleasing results during the period under review were largely due to Sands. They outperformed by 2.2% in the final quarter, extending YTD relative returns to 12.8%. Their 8% overweight to IT, funded from a 9% underweight in Financials, was responsible for half their alpha. Security selection within banks also contributed. Outperformance in the final quarter was a surprise given that Tech stocks led declines. Sanders outperformed 0.5% in the fourth quarter, driven by strong performance of positions in the Healthcare sector. Deliberately de-risking the portfolio through the year proved beneficial in December, but this was partially offset by overweight's in Energy and Financials. Veritas also performed well over the final quarter and 2018 as a whole; outperforming by 0.5% and 4.6% respectively. Having one third of their portfolio in Healthcare, combined with the cautious/absolute return mindset of manager was helpful in a down market. Hosking was the worst performing manager within the Fund. Their significant overweight to Financials was the largest detractor on an individual sector basis and the underweight to defensive areas like Utilities and Staples acted as a drag, resulting in them lagging by 1.2% in the final three months. Over 12 months their small cap bias and double overweight to EMs contributed to their 5.7% underperformance. Arrowstreet was marginally ahead in the final quarter, resulting in them outperforming by almost 3% for the year. Contributing to their and Hosking's mandate, was a big underweight in Apple, which lost 30% in the final three months. We continue to be impressed how their alpha is generated with low tracking error.

Portfolio positioning and outlook

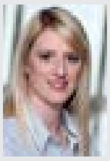
We believe the outlook for 2019 is positive fas wage gains and lower energy prices should sustain consumer spending. However the environment is now more of a synchronised slowdown as central banks remove monetary policy accommodation.

From a contrarian perspective, sentiment could provide a buying opportunity. Valuations have come back to more reasonable levels following the market decline. With the S&P500 as an example, the forward earnings yield of 6.8% is a substantial premium to the 2.6% yield on US 10-year treasuries. The main caveat is that this earnings yield assumes earnings growth of 9% in 2019 after the 26% growth in 2018, of which around half was due to Trump's tax cuts. The risk to equity markets is that the earnings growth does not materialise. This is possible should the US enter a recession in the next year or two. Tighter monetary conditions and trade concerns could restrain multiple expansion prospects, but we believe negative earnings revisions pose the biggest risk going forward.

Portfolio managers



Kent Grobbelaar
Head of Portfolio Management (UK)
BCom(Hons), ICMQ, FAUT, IMC



Renate Potgieter
Portfolio Manager
BSc(Hons), CFA

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