



STANLIB Multi-Manager Global Equity Fund

STANLIB
MULTI-MANAGER

Underlying manager insights...the power of collective thinking

The STANLIB Multi-Manager Global Equity Fund adopts a multi-managed approach to investing, blending different skilled and experienced equity managers and strategies. The Fund is designed to deliver superior investment returns more consistently than through a single asset manager. The proposition allows advisers – and their clients – to partner with us. The research, screening, selection and ongoing due diligence of asset managers, day-to-day monitoring; and risk management, are all key value-added services that we bring to the partnership.

The Fund comprises six underlying managers, each with an unconstrained global mandate:

- Experienced investment teams
- Different investment philosophies
- Established track records
- Each manager has been managing assets for the Fund for more than five years

Manager	Mandate	Strategic weight
Arrowstreet Capital	Global multi-factor quantitative manager	15%
Hosking Partners	Aggressive (capital cycle approach) manager	15%
Sands Capital Management	Concentrated growth manager	15%
Sanders Capital	New-age pragmatic value manager	15%
Veritas Asset Management	Defensive quality manager	15%
AB	Value-weighted beta	25%

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Arrowstreet Capital



Investment style

Global multi-factor quantitative manager.

Investment philosophy and role within the Fund

Arrowstreet Capital manages a multi-factor quantitative portfolio, benchmarked to the MSCI ACWI IMI. As a quantitative house, the statement that they are research-led could not be truer. All investment ideas are thoroughly researched and tested extensively prior to inclusion. Some are tested for more than 18 months before being included in the portfolio.

Arrowstreet processes extensive data in order to understand the links between companies, currency markets and how changes in the industry and regulation can provide (or close out) alpha opportunities. They are very conscious of the risk they take and are therefore focused on the risk-adjusted outcome for us as their client.

About Arrowstreet Capital

Founded in 1999, Arrowstreet Capital is a private partnership that serves as a discretionary global asset manager for institutional clients around the world. Headquartered in Boston, with an additional office in London, they are a stable, research-led organization.

The team of professionals consists of complementary skills and knowledge. They have developed and utilise a broad array of quantitative tools and proprietary research to build competitive solutions.

Key characteristics

- An entrepreneurial and collaborative culture
- Excellence in producing sustainable risk-adjusted alpha
- Focused set of broad-based strategies that leverage their comparative advantage
- Globally diverse and sophisticated institutional client base.

At a glance



Investment style

Aggressive manager.

Investment philosophy and role within the Fund

Hosking Partners is contracted to manage an aggressive global equity portfolio. Hosking is an aggressive capital cycle manager that employs a behavioural approach to seek latent alpha. This results in a long-term investment horizon and a portfolio that is highly diversified by stock, yet powerfully concentrated in ideas. They consequently hold a large number of securities but this does not imply they are benchmark huggers. In fact, their regional, sector and sub industry exposures are often materially different to the index. Hosking benchmarks their solution to the MSCI ACWI, however, they invest extensively in small caps and as such, are a good diversifier in our Fund, where we require small cap exposure.

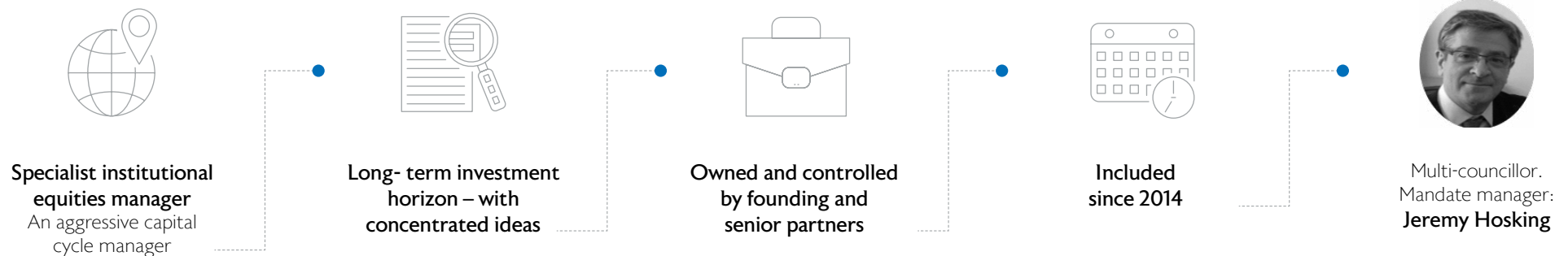
About Hosking Partners

The business was established in 2013 to offer a single global equity proposition. The lead portfolio manager and company founder is Jeremy Hosking, who broke away from Marathon Asset Management. To this end, we had a mandate with Marathon since 2003 before being one of the seed clients in Hosking Partners. Hosking do not believe in specialisation or product proliferation – rather, all of their best ideas are fed into one strategy, managed by a team of generalist portfolio managers.

Key characteristics

- Hosking Partners is an independent partnership
- They do not value orthodoxy
- Hosking builds their portfolio to generate exceptional long-term returns, not to tick other people's boxes
- They have autonomous decision-making within the multi-counsellor approach. Each counsellor is allocated a portion of the overall portfolio and is measured individually.

At a glance



Sands Capital Management



Investment style

Concentrated growth manager.

Investment philosophy and role within the Fund

STANLIB Multi-Manager has contracted with Sands Capital to manage a Global Leaders portfolio, benchmarked against the MSCI ACWI. Sands Capital is a distinguished growth manager whom we have kept an eye on for many years. As a result of them launching the Global Leaders strategy, which is better suited to our requirements, we were able to include them from December 2017. Sands is a boutique growth manager, managing a high conviction concentrated portfolio.

“As long-term investors, we buy leading growth businesses... we do not trade stocks.” - Frank M. Sands, Sr., Founder

Sands Capital maintains a single growth-oriented philosophy that is applied across all strategies. This philosophy is rooted in the belief that, over time, common stock prices will reflect the earnings power and growth of the underlying businesses.

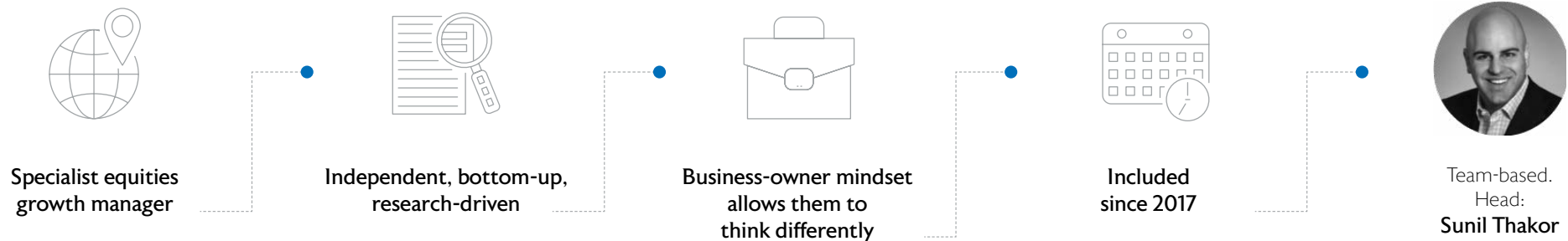
About Sands Capital Management

The business was founded in 1992, is 100% staff owned and is headquartered in Washington DC. “We are staff-owned, committed to our independence; and we do only one thing – growth investing.”

Key characteristics

- Striving to identify high quality, wealth-creating growth businesses using a fundamental, business-focused approach
- Constructing concentrated and conviction-weighted portfolios
- Sands Capital Management is not short term focused. As investors in business enterprises, they are willing to accept short-term stock price volatility in exchange for the potential to create wealth over the long term.

At a glance



Sanders Capital



Investment style

New age pragmatic value manager.

Investment philosophy and role within the Fund

STANLIB Multi-Manager has contracted with Sanders Capital to manage a Global Value Equities mandate. The mandate is benchmarked against the MSCI All Country World Index. The manager is not a typical value manager, but rather shows pragmatism in their approach to value. As a result, they do not invest only in low P/E stocks, but rather assess the value potential of a company in order to understand whether it is considered cheap relative to their target price. Sanders has a highly concentrated portfolio and a typical tracking error in the 3% to 6% band.

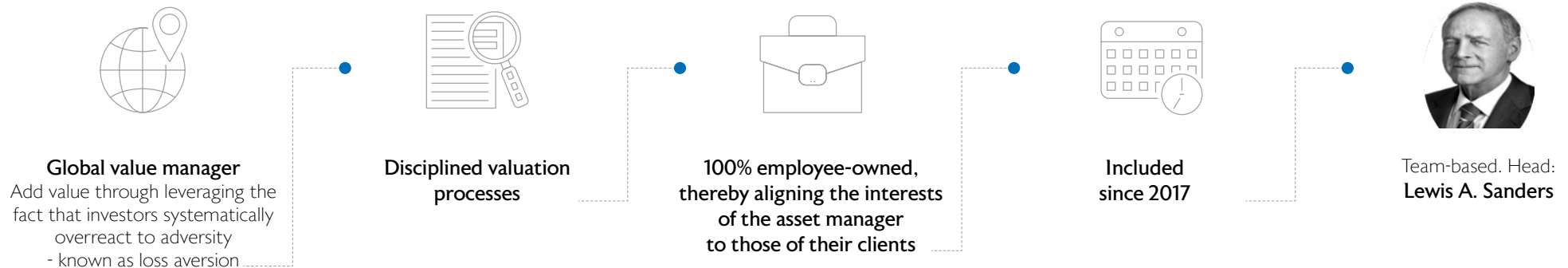
About Sanders Capital

Sanders Capital was founded in 2009, following Lew Sanders' departure from AllianceBernstein now AB. Lew himself, is also the lead Portfolio Manager for the STANLIB Multi-Manager mandate. The business is led by individuals with decades of experience in investment research and value-oriented portfolio management disciplines.

Key characteristics

- Sustained success in the business is about character. As fiduciaries of clients assets, their clients' interests must precede all else. They believe that great, enduring firms are run by people who live this principle every day
- Sanders limited their number of clients to 50. They only run three products, thus avoiding product proliferation and achieving full focus
- Sanders recognise that exceptional operational staff are required to run a successful business (compliance, legal etc.).

At a glance



Veritas Asset Management



Investment style

Defensive quality manager.

Investment philosophy and role within the Fund

STANLIB Multi-Manager has contracted with Veritas Asset Management to manage a defensive quality portfolio. The mandate complements some of our higher beta mandates as they focus on downside protection. This often results in larger than usual cash allocations at times, as well as more defensive/less cyclical exposure. Their focus on real returns through full economic cycles requires a long-term time horizon and results in a significantly different portfolio relative to the benchmark.

About Veritas Asset Management

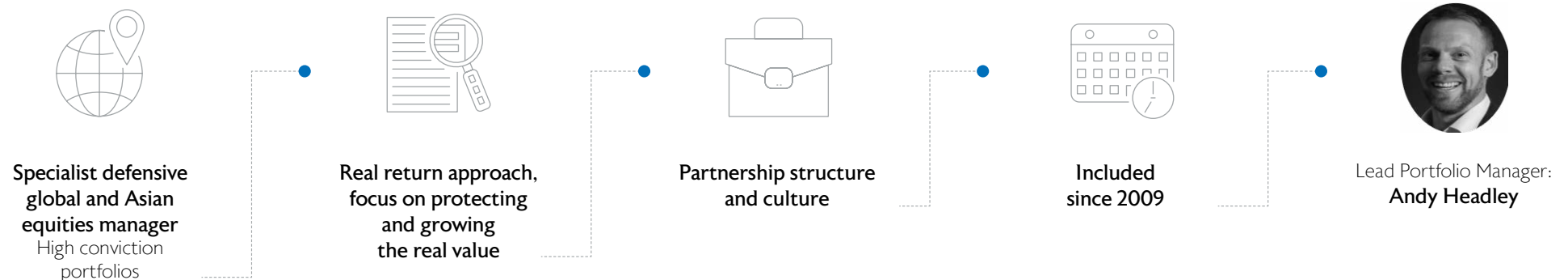
Veritas is a London-based investment boutique that is one of the Affiliated Managers Group's asset management companies. With offices in London and Hong Kong, Veritas is a leading global and Asian equities manager. While the company was established in 2003, we knew the lead manager, Andy Headley, from his days at Newton. Once he had run money in a co-mingled fund for five years, STANLIB Multi-Manager became their first segregated account while Veritas were still a relatively small boutique.

Like many of our partners, the portfolio manager has a significant portion of his personal wealth invested alongside us. Veritas is owner managed, which ensures further alignment of interests as they do not have shareholders placing pressure on the team to sell product i.e. they are investment led.

Key characteristics

- The manager focuses on absolute returns, rather than returns relative to any benchmark or index
- The firm's approach combines top-down (thematic) and bottom-up disciplines, seeking companies with strong and consistent cash-flow generation, solid balance sheets and reasonable valuations.
- Genuine long-term perspective. Investments made with a 5-year plus time horizon.

At a glance



AB (formerly Alliance Bernstein)



Investment style

Value-weighted beta manager.

Investment philosophy and role within the Fund

STANLIB Multi-Manager has contracted with AB Index Strategies to manage an alternative beta equity portfolio. AB tracks the MSCI ACWI IMI Value Weighted Index. We have permitted the manager some tracking error around their index, which results in two benefits:

- The portfolio is able to track the index with fewer stocks, thus reducing trading costs
- AB can tactically trade around the rebalancing dates for the index, creating an opportunity for them to add alpha.

About AB

AB traces its origins back more than 50 years. One of their predecessor firms, Sanford C. Bernstein & Co. Inc., was founded in 1967. The other, Alliance Capital Management Corporation, was registered as an investment adviser in 1971.

In October 2000, Alliance Capital acquired Sanford C. Bernstein to form AllianceBernstein. In 2015, AllianceBernstein became known as AB. Josh Lisser is the lead Portfolio Manager for the STANLIB Multi-Manager mandate.

Key characteristics

- Expertise that spans all markets and asset classes
- Investment teams share research perspectives within and across asset classes
- Delivering for clients through a range of strategies
- Diverse client needs allow for customized solutions.

At a glance



STANLIB Multi-Manager Global Equity Fund

Portfolio Manager



Portfolio Manager:
Kent Grobbelaar

The benefits of partnering with us

- More than one manager provides additional diversification
- Extra layer of governance
- Daily monitoring and risk management
- Regularly reviewed to ensure delivery of long-term objectives.

A 25-year track record, that has consistently outperformed the benchmark over various time periods.

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