

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.

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 were 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)	15.0%
Hosking Partners	Multi-councillor (Mandate manager: Jeremy Hosking)	15.0%
Sands Capital Management	Team-based (Head: Sunil Thakor)	15.0%
Sanders Capital	Team-based (Head: Lew Sanders)	15.0%
Veritas Asset Management	Andrew Headley	15.0%
Alliance Bernstein	Josh Lisser	25.0%

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.

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 14h00 (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 average net asset value of the portfolio incurred as charges, levies and fees in the management of the portfolio. The TER is a measure of the actual expenses incurred by the fund over a one and three-year period (annualised).

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 – expenses vary and the performance fee component can fluctuate over time.

Transaction costs are disclosed separately.

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 the TER and Transaction Costs is shown as the Total Investment Charge (TIC).

The annual management fee is accrued daily and paid on a monthly basis.

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

The Fund is a class fund of STANLIB Offshore Unit Trusts, which invests exclusively in the STANLIB Funds Limited - STANLIB Multi-Manager Global Equity Fund

As at 30.06.2020

STANLIB

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 which invests in equities across various geographies, sectors and capitalisation sizes.

The STANLIB Multi Manager Global Equity Fund invests as a feeder fund into a class fund of STANLIB Funds Limited.

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



Income assets Growth assets

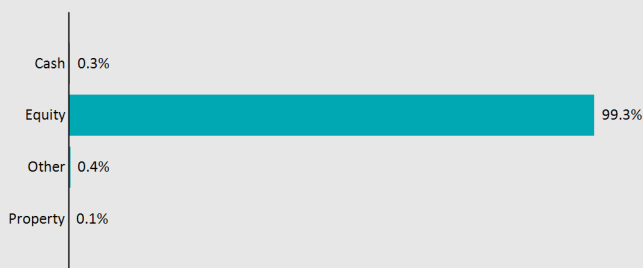
Annualised Performance (%)

	1 Year	3 Years	5 Years	10 Years
Class A	-0.31	3.36	-	-
Class B1	0.20	3.79	-	-
Benchmark	1.17	5.54	6.10	9.09
Sector Average	-0.14	3.54	4.01	6.25
Highest Return A	25.05	25.05	-	-
Lowest Return A	-13.11	-13.11	-	-
Highest Return B1	25.68	25.68	-	-
Lowest Return B1	-12.67	-12.67	-	-

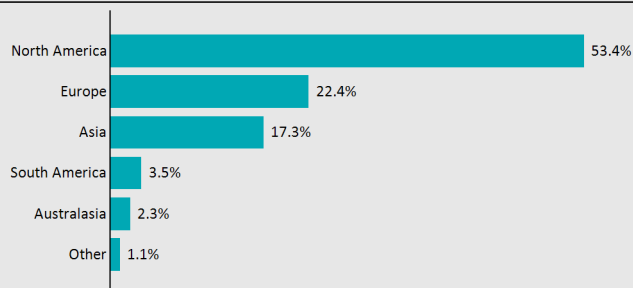
Underlying Fund Managers

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

Physical See Through Asset Allocation %



Geographic Allocation



Statutory Disclosure and General Terms and Conditions

Collective investment schemes in securities are generally medium to long-term investments. The value of participatory interests may go down as well as up and investors may get back less cash than originally invested. Past performance is not necessarily a guide to the future. An investment in the participations of a collective investment scheme in securities is not the same as a deposit with a banking institution. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Participatory interest prices are calculated on a net asset value basis, which is the total value of all assets less liabilities in the Class Funds including any provisions made for any purchase, fiscal or other charges that would have been incurred had all the assets of the relevant class fund been bought or sold at that time, divided by the number of participatory interests in issue. Please refer to the prospectus for more details on the charges and expenses that may be recovered from the Class Funds. Participatory interests are priced daily using the forward pricing method. The Class Funds may borrow of the market value of the Class Funds to bridge insufficient liquidity as a result of the redemption of participatory interests. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from STANLIB Fund Managers Jersey Limited, ("the Manager"). The Class Funds of the STANLIB Offshore Unit Trusts scheme, are Feeder Funds which only invest in the participatory interests of a single Class Fund of a collective investment scheme. In addition to the annual management charge, other fees are incurred by the trust (trustee, custodian and general expenses). There is no sales tax applicable in Jersey. Commission and incentives may be paid and if so, are included in the overall costs. The Class Funds of STANLIB Offshore Unit Trusts scheme are accumulation Class Funds and do not distribute income. Please refer to the prospectus of this scheme for more details, a copy of which is available on request from STANLIB Collective Investments (RF) Pty. Limited, ("STANLIB"), the address of which is 17 Melrose Boulevard, Melrose Arch, 2196, South Africa. The registered office of the Manager is Standard Bank House, 47-49 La Motte Street, St Helier, Jersey, Channel Islands. The Trustee is Apex Financial Services (Corporate) Limited. The representative agreement exists between STANLIB Collective Investment (RF) Pty. Limited and STANLIB Fund Managers Jersey Limited. The Manager and Trustee are approved by the Jersey Financial Services Commission to conduct Fund services business. The Trust is regulated as a Collective Investment Fund by the Jersey Financial Services Commission. Figures quoted are from Morningstar for the period ending 30/06/2020 for a lump sum investment using NAV-NAV prices. Liberty is a member of the Association of Savings and Investment of South Africa. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The Manager has a right to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate.

Performance information on monthly factsheet

Performance is calculated by STANLIB Multi-Manager (Pty) Ltd 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 and distribution 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. Note that individual investor performance may differ as a result of actual investment date, the date of reinvestment of distributions and dividend withholding tax, where applicable. 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.

Statutory Disclosure and General Terms and Conditions

Trustee/Custodian Apex Financial Services (Corporate) Limited, 12 Castle Street, St. Helier, Jersey, Channel Islands

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Compliance number - L7991N

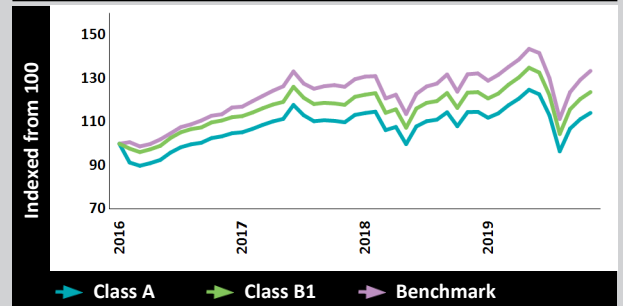
Portfolio Facts

Portfolio Manager(s)	Kent Grobbelaar and Renate Potgieter (STANLIB Multi-Manager)	
Portfolio Size (NAV)	\$ 1.5 million	
Benchmark	MSCI ACWI IMI Total Return Index	
Sector	Global Large-Cap Blend Equity	
	Class A	Class B1
Denominated in	USD	USD
Launch Date	18 Feb 2016	18 Feb 2016
Minimum Investment		
Initial	\$2,500	\$2,500
Subsequent	\$1,000	\$1,000
ISIN No.	JE00BZ96XM66	JE00BZ96XM73
SEDOL	BZ96XM6	BZ96XM7
Bloomberg Code	STMMGEA:JY	SMMGEB1:JY

	Class A		Class B1	
	1 Year	3 Year	1 Year	3 Year
Advisor Fee	0.50	0.50	0.00	0.00
Investment Management Fee	0.40	0.40	0.40	0.40
Underlying Fund Fees	0.86	0.86	0.86	0.86
Other ¹	0.29	0.12	0.28	0.12
Total Expense Ratio (TER)²	2.05	1.88	1.54	1.38
Transactional Costs³	0.04	0.04	0.04	0.04
Total Investment Charges	2.09	1.92	1.58	1.42

- 1 Other includes: bank charges, custody fees, sundry income, audit & trustee fees
- 2 The TER is a measure of the actual expenses incurred by the Fund over a 1 and 3-year period (annualised) ending 30 June 2020
- 3 Transaction Costs include: brokerage, Securities Transfer Tax [STT], STRATE, Levies and VAT.

Cumulative Returns - Since Inception



Top 10 Equity Holdings

Microsoft Corp	2.78%
Apple	1.82%
UtdHealth Group Inc	1.73%
Taiwan Semiconductor	1.73%
FACEBOOK INC-A	1.67%
Charter Communications Inc	1.64%
Samsung Electronics Co LTD	1.50%
ALIBABA GROUP HOLDING-SP ADR	1.19%
ALPHABET INC-CL C USD0.001	1.18%
CIGNA CORP USD0.01	1.17%

STANLIB Multi-Manager Global Equity Fund

Commentary: 30 June 2020

STANLIB

Market overview

Many of the major benchmarks bounced back strongly in the second quarter from the multi-year lows reached in March. The unprecedented downturn in global economic data has largely been shrugged off by stock markets as investors look towards a post COVID-19 world.

The MSCI World rallied 18.5% during the quarter but remains 7.7% down for 2020 to the end of June. With investors now discounting recovery, the sectors that are performing well are those that are leveraged to economic growth. Technology, consumer discretionary and materials were the three best performing sectors during the second quarter. The rebound was led by North America which gained more than 20% for the quarter. The S&P 500 Index has erased nearly all of its March losses and is now down only 3.1% for the year-to-date. The resilience of mega cap technology stocks such as Microsoft, Apple, Amazon, Alphabet and Facebook have emphatically propelled the rebound in the S&P 500. Volatility also subsided as the positive signs emerged.

Mid- and small-cap stocks performed well, comfortably outperforming large-caps for the quarter. Their strong rebound, however, has not compensated for the performance in the first quarter and large caps remain ahead YTD. The value style continues to struggle, underperforming growth by more than 10% for the quarter. The growth style has gained 4% YTD, while value has lost 18%.

Global asset class performance and risk statistics in USD

Asset class	Q2 2020	1 year	3 years p.a.	5 years p.a.	Fund risk statistics since launch	
MSCI AC World Index	19.83%	1.17%	5.55%	6.11%	Lowest rolling 12-month return	-52.0% (12 months ended February 2009)
JP Morgan Global Bond Index	1.46%	5.24%	4.19%	3.81%	Highest rolling 12-month return	57.3% (12 months ended March 2010)
Barclays Global Multiverse Ind	3.68%	3.84%	3.72%	3.63%		
7-day US LIBID	0.00%	1.24%	1.59%	1.10%		
Rand/dollar	-2.80%	23.08%	9.93%	7.40%		

Source: STANLIB Multi-Manager. This Fund has a track record that is less than three years.

Portfolio facts

Bloomberg Code	Class A: STMMGEA:JY Class B: SMMGEB1:JY	Administrative Agent	BNY Mellon Fund Services (Ireland) Designated Activity Co	
Structure	Open-ended investment unit trust	Year End	31 December	
Trustee/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 7 business days	
Manager	STANLIB Fund Managers Jersey Limited	Publication of NAV	STANLIB Fund Managers Jersey Limited	
Investment Manager	STANLIB Asset Management Pty Limited			

Portfolio review

The STANLIB Multi-Manager Global Equity Fund rose 18.5% for the quarter, driven by the strong absolute returns in equity markets. This brings the year-to-date performance to -8.3%, lagging the benchmark return of -7.1%.

Underperformance was driven by overweight positions in emerging markets and health care, as well as the marginal underweight to technology. Stock selection in health care and technology detracted, which was partially abated by positive stock selection in most other sectors. Given the large rebound in markets over the quarter, the allocation to cash detracted.

Looking to our underlying managers, Sands sustained good performance as the growth style continued to outperform. Stock selection was once again their largest contributor, adding almost 3% alpha in the quarter alone. Their positioning in industrials and communication services were particularly additive, bringing their outperformance for 2020 close to 9%.

Arrowstreet also performed well, with an overweight to technology and underweight financials contributing to performance. In addition, their equity stock selection in developed markets was very strong for the quarter. Arrowstreet are 3.8% ahead of the benchmark for the year.

On the contrary, Veritas struggled for the quarter, lagging our benchmark by 6%. Both sector allocation and stock selection detracted. The bulk of the underperformance came in June. High quality, cash generative companies with strong and durable competitive advantages are not typically the types of companies leveraged to the recovery of stock markets. Positioning in the United States was the largest detractor, with BAE Systems detracting 1.4% alone. Albeit a disappointing quarter, the manager's one-year returns remain 1.6% ahead of the benchmark.

Veritas struggled for the quarter, lagging the benchmark by 6% as both sector allocation and stock selection detracted. The bulk of the underperformance came in June. High quality, cash generative companies with strong and durable competitive advantages are not typically the types of companies leveraged to the recovery of stock markets. Albeit a disappointing quarter, their one-year returns remain 1.6% ahead of the benchmark.

AB, our alternative beta manager, lagged as the value style continued to disappoint. The underperformance of value is at unprecedented levels, with more than 9% underperformance in 2020 alone.

Hosking performed broadly in line with the benchmark. Outperformance from emerging market stock selection and selection in general, was offset by being underweight the US, overweight the UK and holding cash as markets bounced. This is pleasingly given the current value bias which would have been a headwind, as well as the underperformance of emerging markets relative to their developed counterparts. Unfortunately, the tough first quarter leaves them 9% behind benchmark for the year.

Sanders marginally lagged the benchmark, a pleasing outcome given how much the value style struggled. The largest theme in the Sanders portfolio is investments positioned to benefit from the digitalisation of economic activity. Although this fared well during the quarter, this outperformance was offset by exposure to financials and health care. Their pragmatic approach to value stands out amongst their value peers and the 1% underperformance for 2020 is an exceptional result in this environment.

Portfolio positioning and outlook

COVID-19 has fundamentally changed our world and we worry about many things including our investment savings. Markets have been very volatile, which is to be expected as markets do not like uncertainty – nobody knows how long the pandemic will last and there is no vaccine to prevent the coronavirus disease. Our managers generally have a positive outlook for markets and cash allocations are low with the overall fund at 1.2%.