STANLIB Multi-Manager Global Bond Fund

Minimum Disclosure Document

As at 31.10.2020

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 fixed income markets across a range of durations, credit ratings, countries and currencies, as well as sectors.

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

The Fund's objective is to outperform the global bond benchmark, the Bloomberg Barclays Multiverse Total Return Index, over the long term.

Risk profile

Income assets   Growth assets

What are the investment guidelines?

The STANLIB Multi-Manager Global Bond Fund is a multi-managed fund that blends skilled and experienced global bond managers from around the world. The portfolio is constructed in a barbell fashion with a Alternative Beta core mandate as well as aggressive and defensive managers. Each manager makes independent country, currency and duration calls to effect the optimal outcome in their particular segment. STANLIB Multi-Manager actively manages the allocations to the different managers in the Fund.

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

How do we select managers?

STANLIB Multi-Manager follows a rigorous and disciplined offshore manager research and selection process that starts by analyzing 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
Amundi Asset Management	Team based (Lead: Myles Bradshaw)	25%
Brandywine Global Investment Management	Team based (Lead: Steve Smith)	25%
PIMCO Investment Management	Team based (Lead: Andrew Balls and Sachin Gupta)	25%
BlackRock (Alternative Beta)		25%

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 Bond 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. 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.

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

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.

The investments of this portfolio are managed, on behalf of the Manager, by STANLIB Multi-Manager a division of STANLIB Asset Management (Pty) Ltd, an authorised financial servicescprovider (FSP), FSP No. 719, under the Financial Advisory and Intermediary Services Act (FAIS), Act No. 37 of 2002.

This document is not advice, as defined under FAIS. Please be advised that there may be representatives acting under supervision.

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 Bond Fund

The Fund is a class fund of STANLIB Offshore Unit Trusts, which
invests exclusively in the STANLIB Funds Limited - STANLIB Multi-Manager Global Bond Fund
As at 31.10.2020

Investment Description

This is a global-only portfolio and invests in fixed income markets across a range of durations, credit ratings, countries and currencies as well as sectors.
The STANLIB Multi Manager Global Bond Fund invests as a feeder fund into a class fund of STANLIB Funds Limited.

Suitable Investors

- Diversified fixed income exposure, including government bonds, corporate bonds, inflation linked bonds, high yield as well as various currencies
- Who understand that the exposure to riskier assets within the fixed income universe as well as the 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 three to five years

Risk Rating

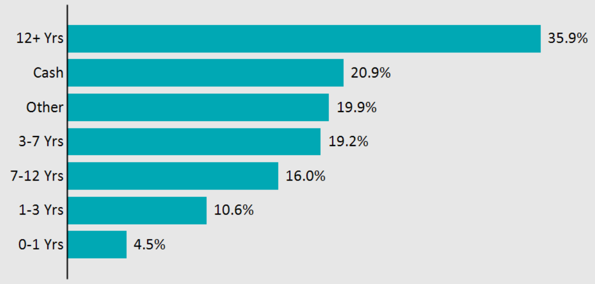
Annualised Performance (%)

	1 Year	3 Years	5 Years	10 Years
Class A	3.20	2.56	-	-
Class B1	3.20	2.57	-	-
Benchmark	5.34	4.15	4.02	2.37
Sector Average	4.81	2.75	2.72	1.40
Highest Return A	7.41	8.84	-	-
Lowest Return A	-2.44	-4.67	-	-
Highest Return B1	7.41	8.98	-	-
Lowest Return B1	-2.44	-4.65	-	-

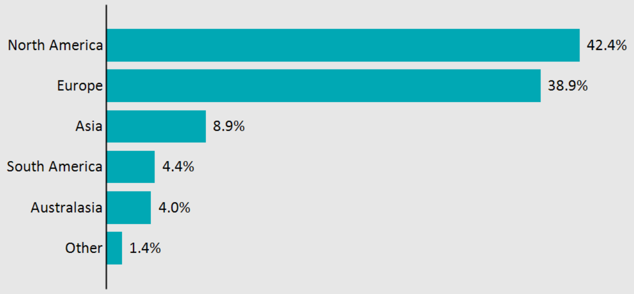
Underlying Fund Managers

Amundi Asset Management
Brandywine Global Investment Management
BlackRock
PIMCO

Maturity/Duration



Geographic Allocation



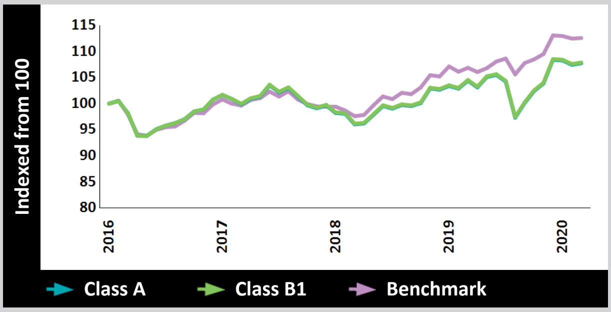
Portfolio Facts

Portfolio Manager(s)	Kent Grobbelaar (STANLIB Multi-Manager)	
Portfolio Size (NAV)	$ 178,089.62	
Benchmark	Bloomberg Barclays Multiverse Total Return Index	
Sector	Morningstar Global Bond - Average	
	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.	JE00BZ96XP97	JE00BZ96XQ05
SEDOL	BZ96XP9	BZ96XQ0
Bloomberg Code	STMMGBC:JY	SMMGBB1:JY

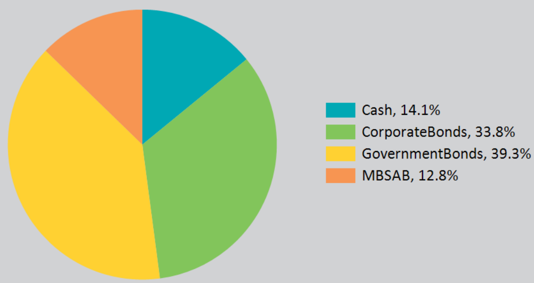
	Class A		Class B1	
	1 Year	3 Year	1 Year	3 Year
Advisor Fee	0.25	0.25	0.00	0.00
Investment Management Fee	0.40	0.40	0.40	0.40
Underlying Fund Fees	0.70	0.69	0.70	0.69
Other[1]	0.12	0.12	0.12	0.12
Total Expense Ratio (TER)[2]	**1.47**	**1.46**	**1.22**	**1.21**
Transactional Costs[3]	**0.00**	**0.00**	**0.00**	**0.00**
Total Investment Charges	**1.47**	**1.46**	**1.22**	**1.21**

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 31 October 2020*
3 *Transaction Costs include: brokerage, Securities Transfer Tax [STT], STRATE, Levies and VAT.*

Cumulative Returns - Since Inception



Physical See Through Asset Allocation %



Statutory Disclosure and General Terms and Conditions

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STANLIB Multi-Manager Global Bond Fund
Commentary: 30 September 2020

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Market overview

Market sentiment improved over the quarter as a result of the unconditional support from monetary and fiscal authorities. Sentiment also improved as data rebounded, but was balanced against uncertain economic conditions, increasing Covid-19 cases and various other sources of risk – Brexit and difficulties securing an agreement between Republicans and Democrats on a fiscal stimulus program in the US.

The Covid-19 numbers have been brutal with massive declines in economic output. Annualized GDP in the US saw the steepest decline on record as it fell 31% the second quarter, many firms have closed permanently and thousands of jobs have been lost, dampening hopes of a speedy global economic recovery.

Given the scale of ongoing stimulus, developed market government bond yields remained incredibly low over the quarter. UK Gilts now provide a negative nominal yield out to seven years and Euro government bonds are providing a negative nominal yield out to over 30 years. This lack of yield served to increase the attractiveness of riskier parts of global fixed interest markets and yields for corporate bonds and high yield continued to tighten for the quarter as a whole. Similarly, emerging market (EM) sovereign bonds performed well with hard currency debt returning 2.3% over the quarter, followed by local currency bonds at 0.61%.

On the currency front, the most notable story of the third quarter was the appreciation of the euro, having strengthened 4.3% against the greenback. Sterling strengthened by a similar amount but weakened in September against the backdrop of heightened tensions with the EU and the publication of the UK's Internal Market Bill. Nordic currencies performed well, as did most EM currencies.

Global asset class performance and risk statistics in USD

Asset class	Q3 2020	1 year	3 years p.a.	5 years p.a.
MSCI AC World Index	8.11%	9.57%	6.47%	9.97%
JP Morgan Global Bond Index	2.54%	6.69%	4.49%	3.91%
Barclays Global Multiverse Ind	2.71%	5.99%	4.00%	4.08%
7-day US LIBID	0.00%	0.71%	1.50%	1.10%
Rand/dollar	-3.44%	10.70%	7.34%	3.97%

Fund risk statistics since launch		
Lowest rolling 12-month return	-9.9% (12 months ended February 2009)	
Highest rolling 12-month return	26.5% (12 months ended March 2003)	
	Fund*	Benchmark
Maximum drawdown	-	-
Portfolio volatility	-	-

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

Portfolio facts

Bloomberg Code	Class A: STMMGBC:JY Class B: SMMGBB1:JY
Structure	Open-ended investment unit trust
Trustee/Custodian	Link Corporate Services (Jersey) Limited
Sub Custodian	The Bank of New York Mellon SA/NV London Branch
Auditors	PricewaterhouseCoopers Ireland
Manager	STANLIB Fund Managers Jersey Limited
Investment Manager	STANLIB Asset Management Pty Limited
Administrative Agent	BNY Mellon Fund Services (Ireland) Designated Activity Co
Year End	31 December
Custody Fee	0.035% 0-\$50m; 0.025% \$50m-\$100m; 0.010% \$100m-\$500m; 0.005% \$500m-above
Dealing Valuation	Daily
Redemption Payment	Within 7 business days
Publication of NAV	STANLIB Fund Managers Jersey Limited

Portfolio review

The fund had another good quarter, outperforming the benchmark by 1%. This pulled performance back into positive territory from a relative perspective, with the fund posting a return of 6.1% relative to the index return of 6% over 12 months.

The same factors that drove Brandywine's performance in Q2, were again key in the third quarter. A large allocation to corporate bonds was a major contributor to returns as spreads tightened. Their long position in Italy benefitted from peripheral Europe outperforming in the risk-on environment through June and July. By contrast, currency was a detractor as they did not benefit from the moves in the euro described above.

Amundi outperformed over the quarter and like Brandywine, this was driven by a large overweight in credit assets – 53% relative to 24% of the benchmark – that enjoyed strong returns. On the downside, an overall underweight allocation to duration was a small detractor as yields in markets such as Germany and Japan fell. Similarly, country allocation hurt as a preference for treasuries, which lagged, did not help. Conversely, curve positioning added value given longer-dated paper outperformed in certain countries as did bond selection where an overweight in Spain and Italy benefitted from collapsing yields.

PIMCO continued to rebound as emerging market bonds recovered from the rapid yield spread rises of the first quarter. Allocations to both local and hard currency-denominated EM assets added to returns. In addition, their overweight to mortgage backed securities, which also provided diversification to the portfolio, contributed resulting in them outperforming by 1.3% during the period under review.

Portfolio positioning and outlook

Volatility has generally been falling since the end of the second quarter. This could return rapidly, however, given the notable increase in Covid-19 cases across Europe, which could lead to a new round of strict lockdown measures. We saw hints of this towards the end of September.

Against the weaker economic backdrop, the Fed's amended mandate to target inflation that 'averages 2% over time' appears to indicate US rates are likely to remain near zero for an extended period of time, even if inflation reappears in the system. Following a review of policy, the Fed has openly called on the government for more fiscal support. We therefore expect both Trump and Biden to make huge spending promises in the run up to the US election. The BoE has also warned that the virus and uncertainties surrounding Brexit could threaten the UK economy. As such, negative interest rates remain a potential option.

The main change during the period was Brandywine shortening their duration as they view Treasuries as expensive and susceptible to positive information risk. In the short term, Amundi do not see a material risk of defaults picking up, especially with the extraordinary easing packages that central banks have announced. PIMCO are also constructive on the economic outlook – particularly in the housing market.