

What is the fund's objective?

The fund aims to maximise total returns (i.e. both income and capital returns) over the long term.

What does the fund invest in?

The fund invests in participatory interests of the STANLIB Global Property Fund. This in turn invests predominantly in listed property shares, mainly through real estate investment trusts, which offer investors exposure to global real estate properties and mortgages through a JSE-listed instrument. The fund's intention is to remain fully invested in property. Cash and money market investments are limited to a maximum of 5% of the fund if considered necessary. The fund can have 100% exposure to foreign markets.

What possible risks are associated with this fund?

Possible risks associated with this fund include general market and economic risks such as fluctuations in interest rates, exchange rates, and bond yields, and geographical risk because it includes funds held globally. Where exposure to foreign investments is included in the fund, 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.

Risk rating

| | | | | |
|--------------|-------------------------|----------|-----------------------|------------|
| Conservative | Moderately conservative | Moderate | Moderately aggressive | Aggressive |
|--------------|-------------------------|----------|-----------------------|------------|

What is the suggested investment period for this fund?

Minimum period

| | | | | | |
|---------|----------|--------|---------|---------|---------|
| 1 Month | 6 Months | 1 Year | 3 Years | 5 Years | 7 Years |
|---------|----------|--------|---------|---------|---------|

Who should consider investing in this fund?

Investors will be attracted to this fund because of its prudent approach to achieving a total return of capital, its strong bias to income growth over the longer term, and the diversification of away from equities, and cash that is provided by this fund.

Income

Distribution Net income is calculated and accrued daily and is declared and distributed semi-annually.

Due to the nature of this portfolio it is unlikely that any net income will be available for distribution.

Declaration 30 June, 31 December

General fund information

Investment managers -

Feeder STANLIB Asset Management (Pty) Ltd
Underlying STANLIB Asset Management (Pty) Ltd

Size (NAV) R 2.05 billion

Classification Global - Real Estate - General

Benchmark FTSE EPRA/NAREIT Developed Rental Index Net Total Return

Regulation 28 Does not apply

| | Class B1 | Class A |
|---------------|------------------|------------------|
| Launch | 24 December 2004 | 24 December 2004 |

| | | |
|--------------------|--------------|--------------|
| ISIN number | ZAE000060620 | ZAE000060612 |
|--------------------|--------------|--------------|

| | | |
|-----------------|------|------|
| JSE code | SIPB | SIPF |
|-----------------|------|------|

Minimum investment requirements -

| | | |
|----------|---------|---------|
| Lump sum | R 5,000 | R 5,000 |
| Monthly | R 500 | R 500 |

What are the costs to invest in this fund?

Maximum charges including VAT

| | Class B1 | Class A |
|------------------------------|----------|---------|
| Initial fee (manager) | 0.000% | 0.000% |
| Initial fee (adviser) | 0.000% | 0.000% |
| Annual fee (manager) | 0.690% | 1.035% |
| Annual fee (adviser) | 0.000% | 0.000% |
| Performance fee | N/A | N/A |

Annual fee (manager) – this is a service charge (% based) applicable to each class of a fund, that is levied on the value of your portfolio and includes the **Annual fee (adviser)** fee (where applicable). Annual fees are calculated and accrued daily and recovered monthly from the income awaiting distribution in the fund.

Cost ratios (annual) including VAT as at 31 December 2019

| | Class B1 | Class A |
|--------------------------------|------------|------------|
| Based on period from: | 01/01/2017 | 01/01/2017 |
| Total Expense | 1.36% | 1.79% |
| Transaction Costs | 0.07% | 0.07% |
| Total Investment Charge | 1.43% | 1.86% |
| 1 Year Total Expense | 1.35% | 1.76% |

Total Expense (TER): This ratio shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over the period shown and annualised to the most recently completed quarter. A higher 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 TERs.

Transaction Costs (TC): This ratio shows the percentage of the value of the fund incurred as costs relating to the buying and selling of the fund's underlying assets. TC are a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, investment decisions of the investment manager and the TER.

Total Investment Charges (TIC): This ratio is simply the sum of the TER and TC, showing the percentage of the value of the fund incurred as costs relating to the investment of the fund. It should be noted that performance figures account for all costs included in the TIC ratio, so you should not deduct the TIC from performance figures, the performance is already net of the TIC.

STANLIB Global Property Feeder Fund

STANLIB

Monthly update at 31 January 2020

Holdings

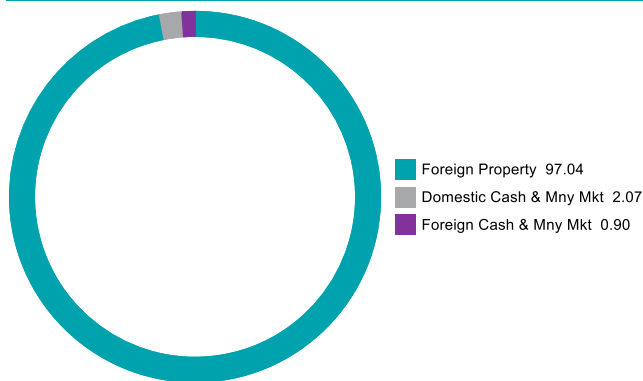
Holdings (%)

| | |
|--------------------------------------|-------|
| SFL - STANLIB Global Property Fund B | 97.93 |
| Domestic Cash | 2.07 |

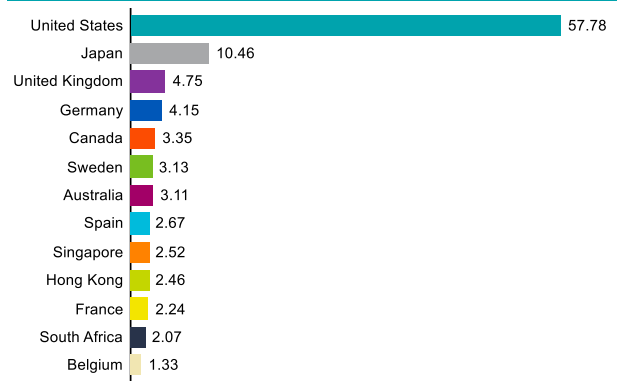
Top Equity holdings (look through) (%)

| | |
|---------------------------|------|
| Prologis | 7.23 |
| Public Storage | 3.46 |
| AvalonBay Communities Inc | 3.35 |
| Welltower Inc | 3.29 |
| Essex Property Trust | 3.21 |
| Equity Residential | 3.19 |
| Vonovia Se | 3.09 |
| Boston Properties Inc | 2.98 |
| Extra Space Storage Inc | 2.98 |
| Digital Realty Trust Inc | 2.82 |

Asset allocation (look through) (%)



Country allocation (look through) (%)



Performance and Income

Class B1 Launch: 24 December 2004

Class A Launch: 24 December 2004

Benchmark: FTSE EPRA/NAREIT Developed Rental Index Net Total Return from 01/10/2018; S&P Developed REIT TR NET from 31/12/2004; UBS Global Real Estate Investors Index from 01/10/2010; EPRA/NAREIT Global Real Estate Index from launch.

| Returns (%) | 1yr | 3yrs | 5yrs | 7yrs | 10yrs |
|-----------------|-------|-------|-------|-------|-------|
| Class B1 | | | | | |
| Class | 24.57 | 10.84 | 7.85 | 12.22 | 15.50 |
| Rank/Out of | 11/17 | 11/14 | 4/7 | 4/6 | 2/5 |
| Sector Average | 25.20 | 11.40 | 7.72 | 12.16 | 14.40 |
| Benchmark | 26.84 | 11.93 | 10.24 | 15.35 | 18.24 |
| Class A | | | | | |
| Class | 24.07 | 10.37 | 7.36 | 11.71 | 14.97 |

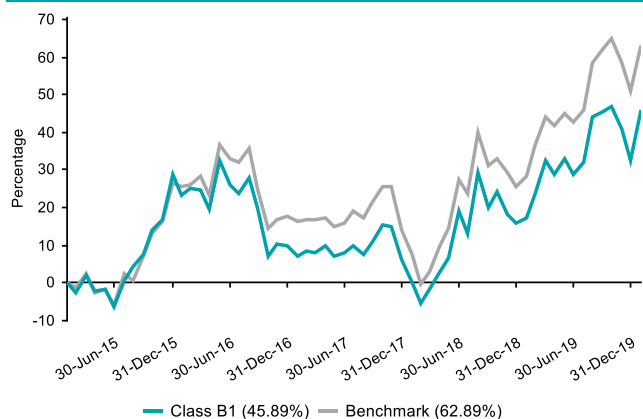
Returns (%) shown are cumulative for all periods shorter than or equal to 1 year and annualised for all periods greater than 1 year.

| Statistics (%) | 1yr | 3yrs | 5yrs | 7yrs | 10yrs |
|-----------------|-------|--------|--------|--------|--------|
| Class B1 | | | | | |
| Positive Months | 8 | 21 | 33 | 50 | 72 |
| Max Gain | 25.35 | 55.14 | 56.76 | 125.79 | 325.09 |
| Max Drawdown | -9.72 | -17.89 | -28.68 | -28.68 | -28.68 |
| Highest | 35.11 | 35.11 | 36.95 | 43.48 | 46.24 |
| Lowest | 8.45 | -19.27 | -19.27 | -19.27 | -19.27 |
| Class A | | | | | |
| Highest | 34.57 | 34.57 | 36.30 | 42.82 | 45.71 |
| Lowest | 8.02 | -19.67 | -19.67 | -19.67 | -19.67 |

Highest - this reflects the highest 12 month return during the period.

Lowest - this reflects the lowest 12 month return during the period.

Cumulative performance (%) over 5 Years



Amount declared (cents per unit)

| | Class B1 | Class A |
|-------------------|----------|---------|
| 28 June 2019 | 0.00 | 0.00 |
| 31 December 2019 | 0.00 | 0.00 |
| In last 12 months | 0.00 | 0.00 |
| In 2019 | 0.00 | 0.00 |

Who are the investment managers?

Feeder - STANLIB Asset Management (Pty) Ltd, FSP 719, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act 2002, manage the investments of the fund.

Underlying - STANLIB Asset Management Limited is the portfolio manager of the STANLIB Global Property Fund, a sub-fund of the Threadneedle (Lux) SICAV.



Keillen Ndlovu

BCom (Hons), CAIB (SA), Property Development Programme
Head of Listed Property

Keillen manages the largest listed property fund in South Africa, the STANLIB Property Income Fund. After beginning his property career with Standard Bank Properties in 2004, Keillen transferred to STANLIB in 2005 as a listed property analyst. After becoming a full-time fund manager in 2008, he successfully assumed increased responsibilities and fund management exposure, and was appointed head of STANLIB's Listed Property team in 2010. The Listed Property team has won numerous awards over the years and under his tenure has expanded its listed property offering to global property markets. Keillen is a regular commentator in the media on listed and commercial property issues.



Nesi Chetty

BCom (Hons) Finance Cum Laude, CFA
Senior Portfolio Manager

Nesi started his investments career with RMB in 2002 where he was a member of the consumer industrial team and also assumed non-consumer research responsibilities. Nesi was previous head of Financials at RMB Asset Managers, responsible for banks and life assurance. He also managed the award winning RMB Financials Fund. In 2010, He was appointed as a fund manager and Head of property for Momentum. He managed the flagship Momentum Property Fund for over a decade and was responsible for asset allocation, research, strategy, and fund management within the property investments business. Nesi is a regular commentator on property, equities and the broader financial market. Nesi joined STANLIB in June 2019 to co manage local and global listed property.

Fund review

The fund's return was -8.22% for Q4 2019 compared with the rand benchmark return of -6.26%. The negative return was virtually entirely due to rand strength in the quarter, as the rand appreciated almost 8% against the US dollar. The fund's overweight positions in US residential (such as Equity Residential and Essex Property), US healthcare majors (Welltower and Ventas) and underweight UK (Land Securities and British Land) were the principal detractors from performance. The fund's overweight positions in global industrial REITs (Prologis, Segro) and German residential companies contributed to gains. The UK was the best-performing (significant) territory, followed by safe-haven countries such as Switzerland and the Nordic countries.

Market overview

Global REIT markets were broadly flat as the yield on US 10-year bonds rose about 25 bps, ending the year at 1.9%, offset by improved sentiment following an anticipated agreement between the US and China on trade. Q3 results were mixed (with some disappointment about 2020 growth guidance by US healthcare and US self-storage REITs), however share price performance was dominated by positive sentiment towards the UK and European REITs. We consider Brexit will be negative for UK economic growth in the medium term, so the fund will continue to be underweight UK REIT majors.

North American property markets continue to be supported by relatively healthy economic conditions, supporting demand across all property subsectors (except retail and lodgings/resorts) while supply remains at or below historic average levels (with a temporary supply excess in certain senior housing and self-storage markets). As a result, REITs continued to report and guide steady earnings growth, with cautious optimism about the rest of the year and 2020.

European property market prospects continue to diverge. The structural demand for industrial assets continues unabated across all regions, reflecting the relentless rise of online shopping. The demand/supply imbalance driving rental growth is also marked in various residential markets such as Germany, Sweden, Finland and the Netherlands. UK and European retail property continue to see a structural reduction in the demand for space. Continental office markets (particularly Paris, Madrid, Berlin and Warsaw) continue to benefit from strong demand/supply imbalances while niche property markets such as healthcare and student housing are showing growing rental values due to structural growth factors

In Asia, Hong Kong's turmoil continued as the city continued to suffer from protest action over the city's autonomy. However, risk appetite bounced back as investors bought up shares in listed (property) developers. Singapore's underlying property markets continue to benefit from robust occupier demand and weak growth in supply, putting developers in the spotlight for growth. In Japan, positive momentum continues in the country's main city office, retail and industrial markets. Australia's consumer spending rate continues to moderate, which is continuing to weigh on the retail and residential markets, while the main cities' industrial markets continue to grow in line with the global trend of growth in online retail.

Looking ahead

2020 should be a year of polarisation, as slowing GDP growth globally impacts certain markets disproportionately, with niche property sectors likely to continue to outperform more mainstream sectors of retail and office. As a growth-oriented fund, we expect further polarisation of prospects interspersed by an occasional short term shift in value. More defensive subsectors and countries are likely to continue to outperform in this context. Valuation yields, while cyclically high, are reasonable in relative terms and therefore are likely to continue to be supported by the risk premium vs reference bonds and lower re-financing costs from lower interest rates.

We continue to tilt the fund gradually to reflect our view that the best offence is defence, substituting more cyclical exposure with secular growth. Following a 1.75% total return in US dollars in Q4, on average global listed property was trading broadly in line with reported net asset values and now offers a one-year forward average dividend yield of approximately 4%, taking into account a forecast 5% growth in earnings.

The commentary gives the views of the portfolio manager at the time of writing. Any forecasts or commentary included in this document are not guaranteed to occur.

Change in allocation of the fund over the quarter

| Asset type (look through) | Q4 2019 | Q3 2019 | Change |
|---------------------------|---------|---------|--------|
| Domestic Cash & Mny Mkt | 2.47 | 0.93 | 1.53 |
| Foreign Cash & Mny Mkt | 3.15 | 2.85 | 0.30 |
| Foreign Property | 94.38 | 96.21 | -1.83 |

The portfolio adhered to its portfolio objective over the quarter.

Fund classes

| Class | Type | Price (cpu) | Units | NAV (Rand) |
|-------|--------|-------------|---------------|----------------|
| A | Retail | 407.46 | 79,576,931.06 | 324,240,290.04 |
| B1 | Retail | 426.71 | 56,792,100.39 | 242,340,268.87 |

All data as at 31 December 2019.

Units – amount of participatory interests (units) in issue in relevant class.

Disclosures

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending.

The STANLIB Global Property Feeder Fund is a portfolio of the STANLIB Collective Investment Scheme (the Scheme).

The manager of the Scheme is STANLIB Collective Investments (RF) (Pty) Limited (the Manager). The Manager is authorised in terms of the Collective Investment Schemes Control Act, No. 45 of 2002 (CISCA) to administer Collective Investment Schemes (CIS) in Securities. Liberty is a full member of the Association for Savings and Investments of South Africa (ASISA). The Manager is a member of the Liberty Group of Companies. The manager has a right to close a portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate. The Manager does not provide any guarantee either with respect to the capital or the return of a CIS portfolio. A schedule of fees and charges and maximum commissions is available on request from the Manager.

The trustee of the Scheme is Standard Chartered Bank.

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

Prices are calculated and published on each working day, these prices are available on the Manager's website (www.stanlib.com) and in South African printed news media. This portfolio is valued at 15h00. Forward pricing is used. Investments and repurchases will receive the price of the same day if received prior to 15h00.

This portfolio is permitted to invest in foreign securities. Should the portfolio include any foreign securities these could expose the portfolio to any of the following risks: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information.

This portfolio is a Feeder Fund portfolio. A Feeder Fund portfolio is a portfolio that invests in a single portfolio of a collective investment scheme, that levies its own charges, which could result in a higher fee structure for the Feeder Fund.

All performance returns and ranking figures quoted are shown in ZAR and are based on data sourced from Morningstar or Statpro and are as at 31 January 2020.

Annualised return figures are the compound annualised growth rate (CAGR) calculated from the cumulative return for the period being measured. These annualised returns provide an indication of the annual return achieved over the period had an investment been held for the entire period. Actual annual figures are available on request from the Manager.

Portfolio performance figures are calculated for the relevant class of the portfolio, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, date of reinvestment of income and dividend withholding tax. Portfolio performance accounts for all costs that contribute to the calculation of the cost ratios quoted, all returns quoted are after these costs have been accounted for.

Statistics - Positive Months: the number of individual 1 month periods during the specified time period where the return was not negative; Max Gain: the maximum gain in a trough-to-peak incline before a new trough is attained, quoted as the percentage between the trough and the peak. It is an indicator of upside risk over a specified time period (quoted for all periods of 1 year or longer); Max Drawdown: the maximum loss in a peak-to-trough decline before a new peak is attained, quoted as the percentage between the peak and the trough. It is an indicator of downside risk over a specified time period (quoted for periods of 1 year or longer, where no value is shown no loss was experienced); Highest and Lowest: the highest and the lowest 1 year return (%) that occurred during the specified time period (quoted for all relevant classes launched 1 year or more prior to current month end date).

Additional information about this product including, but not limited to, brochures, application forms and annual or quarterly reports, can be obtained free of charge, from the Manager and from the Manager's website (www.stanlib.com).

Contact details

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