

Satrix Inclusion and Diversity ETF

It has been shown that diverse teams perform better, creating the potential for their companies to yield better long-term results. They base their decisions on a wider set of considerations and ideas; they are more creative; and they are more responsive to change. The new Satrix Inclusion and Diversity ETF tracks the Refinitiv Satrix South Africa Inclusion & Diversity Index. Developed with Refinitiv, the fund offers investors exposure to the 30 JSE-listed companies that best demonstrate and promote the values of inclusion and diversity in the workplace, using key metrics that include gender, race, physical ability and background.

ETF Details

Global index provider Refinitiv created an index that includes companies with high levels of diversity, inclusion and people development, and low levels of controversy.

Satrix and Refinitiv worked together to bring you the first South African version of this index, which is tracked by the Satrix Inclusion and Diversity ETF, and includes only stocks listed on the Johannesburg Stock Exchange (JSE).

JSE LISTING DATE	August 2021
JSE LISTING CODE	STXID
ASISA CATEGORY	South African – Equity – General
TARGETED ANNUAL TER	0.46% VAT inclusive
CURRENCY	South African rand
DISTRIBUTION	Quarterly
RISK PROFILE	Aggressive/High
REGULATION 28-COMPLIANT	No. This is an equity fund
INDEX TRACKED	Refinitiv Satrix South Africa Inclusion & Diversity Index
NUMBER OF HOLDINGS	30
ASSET MANAGER	Satrix investment team
MARKET MAKER	Sanlam Private Wealth

About the index

The index uses as its starting point all the listed companies on the JSE that meets Refinitiv's economic, social and governance (ESG) criteria. Then, 25 measures are applied that fit into one of four Inclusion and Diversity (I&D) pillars, namely:

- the four pillars**
- Diversity
 - Inclusion
 - People development
 - News & controversies.

Each company is assigned a score for each of the four pillars.

Companies with a non-zero score on each of the four pillars are assigned an overall score, which is simply the average of the pillar scores. They are then ranked based on their overall score in descending order, and the top 30 are included in the index.

Index top 10 based on I&D score

NEDBANK GROUP LTD	77,00
MTN GROUP LTD	72,25
TRUWORTHS LTD	70,75
MEDICLINIC PLC	70,25
FOSCHINI GROUP LTD	69,00
DISCOVERY LTD	67,50
VODACOM GROUP LTD	66,50
SANLAM LTD	65,00
MONDI PLC	64,50
OMNIA HOLDINGS LTD	64,00



The 30 resultant companies are subsequently weighted and ordered according to their free float market capitalisation and adjusted for liquidity. Following this, they are capped at 10%. A sectoral cap of 30% is also applied. The biggest companies (by weight) in the index are the ones among the 30 with the largest free float market cap.

Resultant Index top 10 holdings

COMPANY	WEIGHT	SCORE
STANDARD BANK GROUP	9,97%	54,25
MTN GROUP LTD	9,92%	72,25
SASOL LTD	9,81%	63,50
ABSA GROUP LIMITED	9,46%	63,50
VODACOM GROUP LTD	6,76%	66,50
MONDI PLC	6,45%	64,50
NEDBANK GROUP LTD	6,03%	77,00
FOSCHINI GROUP LTD	5,01%	69,00
SANLAM LTD	4,71%	65,00
DISCOVERY LTD	4,62%	67,50

Source: Satrix & Refinitiv | 31 March 2022

Sector Breakdown

FINANCIALS	33,32%
TELECOMMUNICATIONS	23,34%
BASIC MATERIALS	16,08%
INDUSTRIALS	9,41%
CONSUMER DISCRETIONARY	8,31%
REAL ESTATE	4,29%
CONSUMER STAPLES	3,05%
HEALTH CARE	1,85%
CASH AND MONEY MARKET	0,35%

Source: Satrix & Refinitiv | 28 February 2022

Why choose this fund?

- This fund is ideal for investors who value companies with high levels of inclusion, diversity and people development, and low levels of controversy.
- It provides an opportunity to select companies with a greater chance at innovation and long-term growth.

How to access this ETF

Investors can access the **Satrix Inclusion and Diversity ETF** via **SatrixNOW.co.za**, which has no minimum investment amount. Simply **login** to your account and select 'Invest Now'. You can invest via your standard or tax-free savings account.

If you don't have an account yet you can **register here**.

The ETF will also be available via other investment platforms and personal stockbroking accounts.

Click **here** to learn more about the fund.

FOR MORE INFORMATION >

Satrix Managers (RF) (Pty) Ltd (Satrix) a registered and approved Manager in Collective Investment Schemes in Securities. Collective investment schemes are generally medium- to long-term investments. Unit Trusts and ETFs the investor essentially owns a "proportionate share" (in proportion to the participatory interest held in the fund) of the underlying investments held by the fund. With Unit Trusts, the investor holds participatory units issued by the fund while in the case of an ETF, the participatory interest, while issued by the fund, comprises a listed security traded on the stock exchange.

ETFs are index tracking funds, registered as a Collective Investment and can be traded by any stockbroker on the stock exchange or via Investment Plans and online trading platforms. ETFs may incur additional costs due to it being listed on the JSE. Past performance is not necessarily a guide to future performance and the value of investments / units may go up or down. A schedule of fees and charges, and maximum commissions are available on the Minimum Disclosure Document or upon request from the Manager. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The index, the applicable tracking error and the portfolio performance relative to the index can be viewed on the ETF Minimum Disclosure Document and or on the <https://satrix.co.za/products>.

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