

Satrix Inclusion and Diversity ETF

New listing

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

WOOLWORTHS HOLDINGS	76,50
NEDBANK GROUP	75,75
BRITISH AMERICAN TOBACCO	74,50
ADCOCK INGRAM HOLDINGS	72,50
FOSCHINI GROUP	71,25
MEDICLINIC INTERNATIONAL	70,25
DISCOVERY	68,50
LIBERTY HOLDINGS	67,00
VODACOM GROUP	66,50
MONDI	66,00



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
ABSA GROUP	10%	56,75
SASOL	10%	63,75
BRITISH AMERICAN TOBACCO	8.9%	74,5
VODACOM GROUP	7.2%	66,5
NEDBANK GROUP	7.1%	75,75
SANLAM	6.9%	64,5
MONDI	6.7%	66
WOOLWORTHS HOLDINGS	5.7%	76,5
DISCOVERY	5.7%	68,5
GROWTHPOINT PROPERTIES	4.9%	59

Source: Satrix & Refinitiv | 31 May 2021

Sector Breakdown

FINANCIALS	35%
BASIC MATERIALS	12.7%
CONSUMER STAPLES	11.7%
TELECOMMUNICATIONS	10.9%
INDUSTRIALS	9.6%
CONSUMER DISCRETIONARY	9.4%
REAL ESTATE	4.9%
ENERGY	3.9%
HEALTHCARE	2.0%

Source: Satrix & Refinitiv | 31 May 2021

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.

FOR MORE INFORMATION >

Satrix Managers (RF) (Pty) Ltd (Satrix) a registered and approved Manager in Collective Investment Schemes in Securities and an authorised financial services provider in terms of the FAIS. 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 upon request from the Manager. Maximum fund charges include (incl. VAT): Manager initial fee (max.): 0.00%; Manager annual fee (max.): 0.46 %. 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.

Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Performance is calculated for the portfolio and the individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax. The manager has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate. The total return to the investor is made up of interest received and any gain or loss made on any particular instrument and in most cases the return will merely have the effect of increasing or decreasing the daily yield, but that in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures and in such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed.

