

Satrix Inclusion & Diversity ETF

#inclusionanddiversity

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Satrix Inclusion and Diversity ETF

A South African first.

Satrix and exchange traded funds

Satrix is the leading provider of index-tracking investment products in South Africa. Over R130 billion in assets under management is invested through a range of exchange traded funds (ETFs), index-tracking unit trusts and segregated portfolios.

We have been tracking market indices for over 20 years. In 2000 we launched the very first exchange traded fund in South Africa, our flagship Satrix 40 ETF. Since then we have developed many innovative index-tracking products across a wide range of asset classes and regions. Our newest ETF, the first of its kind, is the Satrix Inclusion and Diversity ETF. An ETF that invests in the change you want to see on the JSE.

Inclusion and diversity

create the potential for better performance

In the business world, inclusion and diversity refer to a company's policies, strategies and practices that create and support a diverse workplace. Companies can then leverage the benefits of diversity to achieve a competitive business advantage. Studies have shown that diverse and inclusive work environments create teams that are more responsive to changes, creative and innovative.

These teams are better positioned to understand the wide range of forces shaping their business, the economy and the world. The benefits are further obvious as diverse and inclusive top firms go on to attract diverse top talent in the market place, creating an advantageous cycle. As a result, inclusion and diversity have become business imperatives for long-term success in organisations internationally.

Measuring inclusion and diversity

The focus on inclusion and diversity requires measurable data to track changes in companies. Generally, diversity refers to the dynamics of a group of people. These can be from different races, genders, ethnicities, religions, ages, abilities and sexual orientation. It extends further to include personalities, experiences, and backgrounds, as well as the way individuals normally function within a company and what contributions they make. On the other side, inclusion refers to the integration and collaboration between diverse people, further extended to include how people feel appreciated and respected in an organisation. It can be measured by factors such as internal promotion, management training courses, turnover and employee satisfaction.

Diversity is having a seat at the table.

Inclusion is having a voice

and taking part in the conversation.

By measuring and ranking companies on a wide range of inclusion and diversity metrics, investors can identify the companies best performing in these areas. By supporting those companies, we are able to encourage and drive change. As the top companies get more support from investors, other companies will be encouraged to implement similar changes, ultimately creating a strong drive for higher levels of inclusion and diversity throughout South African companies. By owning the market, we can drive that change.



Introducing the Satrrix Inclusion and Diversity ETF

As the people's brand, we want to help facilitate change and drive greater inclusion and diversity across South African companies. Satrrix's new, one-of-a-kind, Inclusion and Diversity ETF is ideal for like-minded 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.

The Satrrix Inclusion and Diversity ETF gives investors exposure to the top 30 JSE-listed companies that best demonstrate and promote the values of inclusion and diversity in the workplace. The ETF uses key metrics such as gender, race, physical ability and background to make up four categories that form the pillars of inclusion and diversity.

More about the Satrrix Inclusion and Diversity ETF

Our ETF tracks the Refinitiv Satrrix South Africa Inclusion & Diversity Index. This index only comprises stocks listed on the Johannesburg Stock Exchange. The index identifies JSE companies that meet a specific set of economic, social and governance criteria. The index then measures those companies against four pillars: diversity; inclusion; people development; and news & controversies. Together the pillars incorporate 25 factors that each support a diverse and inclusive environment.

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

The 30 resultant companies are subsequently weighted 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.

Step 1

JSE UNIVERSE

Step 2

REFINITIV ESG CRITERIA APPLIED

Step 3

INDEX'S INCLUSION
AND DIVERSITY CRITERIA APPLIED

- Companies assigned four pillar scores.
- Companies ranked on score average.
- 30 companies with highest inclusion and diversity scores selected for index.

Step 4

INDEX WEIGHTING

- Companies weighted by free float market capitalisation.
- Companies adjusted for liquidity.
- Company allocation capped at 10%.
- Sectoral allocation capped at 30%.

Invest in change, because inclusion wins.

As part of owning the market, this is an opportunity to drive further change. By supporting companies that are more inclusive and diverse, we encourage other companies to pursue more inclusive and diverse strategies, policies and practices. Now more than ever, a greater spectrum of strong voices is able to contribute to the greater good, catalysing unprecedented success. By choosing to invest in companies based on a combination of inclusion and diversity we are able to drive the change we wish to see in the world.

Satrix Investment team



Helena Conradie

Chief Executive Officer
BSc, MSc (Cum Laude), CFA
Industry experience: 24 years



Yusuf Wadee

Head: Exchange Traded Products
BEconSc (Actuarial, Mathematics)
BSc Hons (Mathematics)
Industry experience: 20 years



Lauren Jacobs

Portfolio Manager
BBusSc (Finance)
Industry experience: 15 years



Nico Katzke

Head of Portfolio Solutions
BHons (Mathematical Stats & Economics)
MComm (Economics, Cum Laude)
Industry experience: 8 years



Henriqueco Visser

Chief Technology Officer
BSc (Mathematical Stats)
Industry experience: 21 years



Duma Mxenge

Business Development Manager
BCom (Hons), FAPM
Industry experience: 16 years



Nonhlanhla Mphelo

Senior Portfolio Manager
BCom (Accounting)
BCom Hons (Finance)
Industry experience: 14 years



Siyabulela Nomoyi

Quantitative Portfolio Manager
BSc Hons (Maths & Maths of Stats)
MPhil (Mathematics of Finance)
Industry experience: 11 years



Kingsley Williams

Chief Investment Officer
BSc Hons (Computer Science)
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Industry experience: 20 years

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 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 manager 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.