

## S&P South Africa Indices Consultation on Float Factors

**AMSTERDAM, SEPTEMBER 18, 2024:** S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with market participants on float factors used in the S&P South Africa Indices.

S&P DJI currently reflects two different Investable Weight Factor (IWF) sets for varying investor perspectives within the S&P South Africa indices. In order to better align with the local South African market perspective, S&P DJI is proposing two changes: A) updating the IWF set for the S&P South Africa family, including the S&P South Africa Composite and S&P South Africa 50, to IWFs reflecting the percentage of a company’s total shares outstanding that are owned by South African investors, regardless of South African Reserve Bank (“SARB”) status, and B) decommissioning the S&P South Africa Domestic Shareholder Weighted (DSW) indices.

Proposed Change	Current	Methodology	Proposed
Investable Weight Factor (IWF)	Any share classified as an Inward Foreign Listing (IFL) by the National Treasury of South Africa that is considered foreign, for use of indices, by the South African Reserve Bank (SARB) will have its weight reduced to exclude non-South African shareholders. The selection process should consider the FMC as calculated by S&P Dow Jones Indices. A listing must have a minimum of 1% of shares held by South Africans in order to be eligible for inclusion.	The Investable Weight Factor (IWF) for each dual-listed company adjusts to reflect the percentage of a company’s total shares outstanding owned by South African investors. DSW float is defined as the portion of listed shares in dematerialized form on the South African share register. DSW float data is obtained from a commercially available database. In cases where domestic shareholder data is not available, the index uses the average level of ownership held by South African shareholders in dual-listed (i.e., foreign-domiciled company) shares as a proxy.	

### INDEX FAMILIES INCLUDED IN SCOPE OF PROPOSED CHANGE

Index Name	Index Code
S&P South Africa 50	SPA50UP
S&P South Africa Composite	SPSAUP
S&P South Africa Composite Capped	SPACUP
S&P South Africa Completion Index	SPSACUP
S&P South Africa Composite Shariah	SPSASUP

For additional information about the indices, please refer to the [S&P South Africa Composite Indices Methodology](#).

### IMPACT ANALYSIS

For additional information on the historical impact of the proposed changes, please refer to the file available [here](#).

Additional data and analysis may be made available in the Client Resource Center [www.spglobal.com/spdji/en/client-services/](http://www.spglobal.com/spdji/en/client-services/), which may be updated from time to time throughout the consultation without notice. Additional data and analysis may also be made available upon request.

## DECOMMISSION OF THE DOMESTIC SHAREHOLDER WEIGHTED (DSW) INDICES WITH NOTICE PERIOD

S&P Dow Jones Indices will decommission the following index families with extended notice:

Index Name	Index Code
S&P South Africa Domestic Shareholder Weighted (DSW) Index	SASUP
S&P South Africa Domestic Shareholder Weighted (DSW) 50	SAS50UP
S&P South Africa Domestic Shareholder Weighted (DSW) 100 Index (ZAR) (Custom)	SAS10ZP
S&P South Africa Domestic Shareholder Weighted (DSW) Capped ESG Index	SPSAECUP
S&P South Africa Domestic Shareholder Weighted (DSW) Capped Index	SASCUP
S&P South Africa Domestic Shareholder Weighted (DSW) Carbon Efficient Capped Index	SPACECUP
S&P South Africa Domestic Shareholder Weighted (DSW) Carbon Efficient Index	SPSPACEUP

For a complete list, please refer to the file [here](#).

## IMPLEMENTATION TIMING

S&P DJI proposes implementing the IWF changes to the S&P South Africa Indices described, if adopted, prior to the market open on **Monday, December 23, 2024**. If adopted, these changes will first be visible to clients in proforma files beginning on **Friday, December 6, 2024**.

S&P DJI proposes decommission of the indicated Domestic Shareholder Weighted Indices on **Tuesday, September 30, 2025**.

## QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

1. Do you agree with the proposal to change the IWFs to reflect the percentage of a company's total shares outstanding that are owned by South African investors, regardless of South African Reserve Bank (SARB) status?
2. If the proposed methodology change is adopted, do you agree with the proposed implementation date?
3. Do you agree with the notice period for decommissioning of the S&P South Africa Domestic Shareholder Weighted (DSW) indices (Tuesday, September 30, 2025)?
4. Do you have any other comments or feedback regarding the proposed changes outlined above?

Participation in this consultation is important as S&P DJI gathers information from various market participants to properly evaluate the market participants' views and preferences. Please respond to this survey by **Friday, October 18, 2024**, as S&P DJI does not accept responses post the survey closure date. Prior to the Index Committee's final review, S&P DJI may request clarifications from respondents as part of that review.

To participate in this consultation, please visit the online survey available [here](#).

## CONSULTATION

*Please be advised that S&P DJI reviews and considers all feedback before a final decision is made. However, S&P DJI makes no guarantees and is under no obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, the change(s) will be announced to clients and posted on the S&P DJI website with prior notice ahead of the effective date.*

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit [www.spglobal.com/spdji](http://www.spglobal.com/spdji).

## ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit [www.spglobal.com/spdji](http://www.spglobal.com/spdji).

### **FOR MORE INFORMATION:**

**S&P Dow Jones Indices**

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