Modification to the Methodology of the S&P South Africa Preference Share Index


In order to better align the methodology with the index’s objective, S&P DJI will exclude Special Purpose Vehicles from the index. The table below summarizes the change.

<table>
<thead>
<tr>
<th>Change</th>
<th>Previous Methodology</th>
<th>Updated Methodology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Issuance</td>
<td>Preference stocks issued by a company to meet its capital or financing requirements are eligible. These include floating rate preferences, cumulative and non-cumulative preferences, and preference stocks with a callable or conversion feature. However, the following are ineligible for index inclusion: • Structured products and brand name products issued by financial institutions that are packaged securities linked to indices, baskets of stocks, or another company’s stock. • Preference-like securities from special ventures such as toll roads or dam operators. • Trust preference issues.</td>
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</tr>
</tbody>
</table>

This change will be implemented in conjunction with the upcoming index rebalancing, which takes effect prior to the market open on Monday, October 19, 2020.

Please note the S&P South Africa Preference Share Index Methodology on S&P DJI’s website is being updated to reflect this change.

For more information about S&P DJI, please visit www.spdji.com.
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