

Amendments to the JSE Debt Listings Requirements

The JSE amended the JSE Debt Listings Requirements (the “**Debt Requirements**”) to expand the current Sustainability Segment and introduce the Transition Segment.

The JSE currently has a Sustainability Segment for debt securities based on a use of proceeds sustainability model.

The amendments to the Debt Requirements are the following:

- The JSE introduced Sustainability-Linked Debt Securities which are forward-looking performance-based debt securities for which the financial and/or structural characteristics can vary depending on whether the applicant issuer achieves predefined sustainability / ESG objectives pursuant to the sustainability-linked standards.
- The JSE introduced Transition Debt Securities whereby the applicant issuers can raise funds for climate and/or just transition-related purposes. The Transition Debt Securities can take the forms of either (i) Sustainability Use of Proceeds Debt Securities or (ii) Sustainability-Linked Debt Securities.
- In order to accommodate the above new debt securities, the current debt securities under the Sustainability Segment will be deemed Sustainability Use of Proceeds Debt Securities to align with its sustainability use of proceeds objectives.
- The JSE introduced two new segments to accommodate the above debt securities:
 - Sustainability Segment comprising Sustainability Use of Proceeds Debt Securities and Sustainability-Linked Debt Securities; and
 - Transition Segment comprising Transition Debt Securities.

The Financial Sector Conduct Authority (the “**FSCA**”) published the approval of the amendments to the Debt Requirements in the Government Gazette through Board Notice 220 of 2022 No. 45954, with the effective date as the date of publication. However, after engagements with the FSCA, it was agreed that the effective date will be 11 April 2022.

The JSE will issue a notice to the debt market on the transitional provisions in respect of the new Debt Requirements before the effective date.

The new Debt Requirements are available on the JSE’s website: www.jse.co.za (Route: Companies & Issuer Regulation/Issuer Regulation/Announcements regarding Listings Requirements).

The JSE is working with its publisher to prepare a bulletin to the Debt Requirements, as it relates to the amendments.

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