

[PREVIOUSLY SUSTAINABILITY INSTRUMENTS]

Sustainability Use of Proceeds Debt Securities Sustainability Segment

1.1 Definitions

"ICMA"	in respect of the sustainability segment <u>and transition segment</u> , the International Capital Market Association;
"independent <u>external reviewersustainability advisor</u> "	means an entity, removed and independent of the issuer, its directors, senior management and advisers, who has been appointed by the <u>applicant issuer in accordance with the Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews, as may be amended or issued and governed by ICMA;</u> as may be amended from time to time confirming the sustainability or framework status pursuant to paragraph 6.14;
"sustainability segment"	means the segment of the JSE's Interest Rate Market where sustainability debt securities are listed;
" <u>sustainability use of proceeds sustainability instrumentdebt securities</u> "	<u>means a sustainability use of proceeds debt security listed on the sustainability segment</u> that finances one or more green, sustainable and social projects and confirmed by an independent <u>external reviewersustainability advisor</u> the sustainability status pursuant to the use of proceedsustainability standards; and
" <u>use of proceeds sustainability standards</u> "	means the Green Bond Principles , the Social Bond Principles and Sustainability Bond Guidelines, as may be amended <u>or</u> issued, and governed by ICMA or any other standard acceptable to the JSE, in its discretion in relation to the classification of <u>sustainability use of proceedsustainability</u> debt securities.

Placing document

- 1.2 Applicant issuers must appoint an independent external reviewersustainability advisor ~~confirming to the JSE that the instrument or use of proceeds framework is classified as sustainable~~ pursuant to paragraph 1.5 and the details of the independent external reviewer must be included in the placing document;the sustainability standards.
- 1.3 ~~For sustainability debt securities~~ Sustainability use of proceeds debt securities must that comply with the use of proceeds sustainability standards; ~~the~~ The placing document published in connection with the issue of these debt securities must, over and above the information required as per Section 4, include the following additional information in order to qualify for the sustainability segment:
 - (a) a statement as to the use of proceeds which explains how such proceeds will be managed and allocated to, and how the applicant issuer will report impact from eligible sustainable, green or social projects pursuant to the use of proceeds sustainability standards;
 - (b) a report from an independent external reviewersustainability advisor. The report must confirm that the debt securities are classified as sustainable, green or social pursuant to the use of proceeds sustainability standards; and
 - (c) the information required pursuant to paragraph 1.5 in relation to the independent external reviewersustainability advisor.

This information can also be incorporated by reference and must then be made available on the applicant issuer's website. The information must be available on the website of the applicant issuer

at least five business days before the issue date.

Continuing obligations

1.4 Applicant issuers with debt securities listed on the sustainability segment must:

(a) comply with the Debt Listings Requirements and Sections 6 and 7 in relation to continuing obligations;

(b) confirm to the JSE that the sustainability use of proceeds debt securities and the applicant issuer is classified as complies with the use of proceeds standards sustainability instrument pursuant to the sustainability standards, as supported by a verification report from the independent external reviewer in its annual compliance certificate pursuant to Section 1;

~~(c) confirm that the independent sustainability advisor is and has remained independent pursuant to paragraph 6.14;~~

~~(d)~~(c) publish any updates since the listing date, in relation to the disclosures made in the listingplacing documentation in respect of the independent external reviewer'sustainability advisor's report; and

~~(e)~~(d) comply with the use of proceeds-sustainability standards on an ongoing basis. Applicant issuers who fail to comply with the use of proceeds-sustainability standards on an ongoing basis, must report such non-compliance to the JSE in writing and must remedy the non-compliance within a period of 25 business days. Should the issuer fail to remedy the non-compliance, the sustainability use of proceeds-sustainability instrumentdebt securities will either need to be redeemed and removed in accordance with Section 1, or reclassified and transferred to a more appropriate sector should the instrumentdebt securities remain listed.

Criteria for the independent external reviewer-sustainability advisor

1.5 The independent external reviewer must -sustainability advisor responsible for issuing the report confirming that the instrument or framework is classified as sustainable pursuant to the use of proceeds-sustainability standards must adhere to the below criteria and the applicant issuer must include this information in the placing document:

~~a statement by the applicant issuer confirming that an independent external revsustainability advisor has been appointed pursuant to paragraph 1.6;~~

be an entity specialising in assessing the framework of the debt securities' sustainability objectives, with sufficient financial and market-specific expertise to perform a comprehensive assessment of the use of proceeds. Such expertise is demonstrated by:

(i) affiliation with relevant and widely recognised industry body/ies; and

(ii) significant and appropriate previous experience in providing external reviews on sustainability use of proceeds-sustainability debt securities.

[NEW DEBT SECURITIES]

Sustainability-Linked Debt Securities

1.1 Definitions

“ESG”	means environmental, social and governance;
“independent external reviewer”	means an entity, removed and independent of the issuer, its directors, senior management and advisers, who has been appointed by the applicant issuer in accordance with the Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews, as may be amended or issued and governed by ICMA;
“sustainability-linked debt securities”	means a forward-looking performance based debt security listed on the sustainability segment 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; and
“sustainability-linked standards”	means the Sustainability-Linked Bond Principles, as may be amended or issued, and governed by ICMA or any other standard acceptable to the JSE, in its discretion in relation to the classification of sustainability-linked debt securities.

Placing document

- 1.2 An applicant issuer must appoint an independent external reviewer pursuant to paragraph 1.5 and the details of the independent external reviewer must be included in the placing document.
- 1.3 Sustainability-linked debt securities must comply with the sustainability-linked standards. The placing document published in connection with the issue of these debt securities must, over and above the information required as per Section 4, include the following additional information in order to qualify for the sustainability segment:
- (a) a statement accompanied by the relevant disclosure that the sustainability-linked debt securities incorporates forward-looking ESG outcomes pursuant to the sustainability-linked standards;
 - (b) confirmation of the alignment of the sustainability-linked debt securities with the core components pursuant to the sustainability-linked standards;
 - (c) a report from an independent external reviewer. The report must confirm that the debt securities are classified as sustainability-linked debt securities pursuant to the sustainability-linked standards; and
 - (c) the information required pursuant to paragraph 1.5 in relation to the independent external reviewer.

This information can also be incorporated by reference and must then be made available on the applicant issuer’s website. The information must be available on the website of the applicant issuer at least five business days before the issue date.

Continuing obligations

- 1.4 Applicant issuers with debt securities listed on the sustainability segment must:
- (a) comply with the Debt Listings Requirements and Sections 6 and 7 in relation to continuing obligations;
 - (b) confirm to the JSE that the sustainability-linked debt securities and applicant issuer complies with the sustainability-linked standards, as supported by a verification report from the independent external reviewer in its annual compliance certificate pursuant to Section 1;
 - (c) publish through SENS at the time of submitting its annual compliance certificate pursuant to Section 1, the applicant issuer's progress against baseline/benchmark targets as prepared by the independent external reviewer; and
 - (d) comply with the sustainability-linked standards on an ongoing basis. Applicant issuers who fail to comply with the sustainability-linked standards on an ongoing basis, must report such non-compliance to the JSE in writing and must remedy the non-compliance within a period of 25 business days. Should the issuer fail to remedy the non-compliance, the sustainability-linked debt securities will either need to be redeemed and removed in accordance with Section 1, or reclassified and transferred to a more appropriate sector should the debt securities remain listed.

Criteria for the independent external reviewer

- 1.5 The independent external reviewer must be an entity specialising in assessing the core components of sustainability-linked debt securities, with sufficient financial and market-specific expertise. Such expertise is demonstrated by:
- (i) affiliation with relevant and widely recognised industry body/ies; and
 - (ii) significant and appropriate previous experience in providing external reviews on sustainability-linked debt securities.
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[NEW DEBT SECURITIES]

Transition Debt Securities

1.2 Definitions

"Climate Transition Finance Handbook"	means Climate Transition Finance Handbook as may be amended or issued, and governed by ICMA or any other standard acceptable to the JSE, in its discretion in relation to the classification of transition debt securities;
"effective disclosure practises"	means the effective disclosure practises aligned with the principles outlined by Task Force on Climate-Related Financial Disclosures as may be amended or any other framework acceptable to the JSE, in its discretion in relation to disclosure practises;
"independent external reviewer"	means an entity, removed and independent of the applicant issuer, its directors, senior management and advisers, who has been appointed by the applicant issuer to review the applicant issuer's proposed quantified decarbonisation trajectory noted in Elements 1 and 3 of the Climate Transition Finance Handbook, deemed necessary to limit climate change to safe levels;
"Paris Agreement"	means the Paris Agreement, as defined by the United Nations Climate Change, a legally binding international treaty on climate change adopted by 196 parties at COP 21 in Paris, on 12 December 2015 and entered into force on 4 November 2016;
"transition debt securities"	means debt securities listed on the transition segment whereby the applicant issuer is raising funds for climate transition-related purposes. The transition debt securities can take the following forms: <ul style="list-style-type: none">• sustainability use of proceeds debt securities or• sustainability-linked debt securities.
"transition segment"	means the segment of the JSE's Interest Rate Market where transition debt securities are listed;

Placing document

- 1.2 An applicant issuer must appoint an independent external reviewer pursuant to paragraph 1.5 and the details of the independent external reviewer must be included in the placing document.
- 1.3 Transition debt securities must comply with the Climate Transition Finance Handbook as accompanied by a report from the independent external reviewer. The placing document published in connection with the issue of these debt securities must, over and above the information required as per Section 4, include the following additional information in order to qualify for the transition segment:
- (a) confirmation whether the transition debt securities are created under the framework of -
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- (i) sustainability use of proceeds debt securities; or
- (ii) sustainability-linked debt securities;
- (b) depending on the framework confirmation in (a) above, compliance with the Debt Listings Requirements in respect of that debt securities;
- (c) compliance with the effective disclosure practises; and
- (d) confirmation of public commitments to Paris Agreement goals.

This information can also be incorporated by reference and must then be made available on the applicant issuer's website. The information must be available on the website of the applicant issuer at least five business days before the issue date.

Continuing obligations

1.4 Applicant issuers with debt securities listed on the transition segment must:

- (a) comply with the Debt Listings Requirements and specifically Sections 6 and 7 in relation to continuing obligations;
- (b) confirm to the JSE that the transition debt securities and the applicant issuer complies with the recommendations of the Climate Transition Finance Handbook, as supported by a verification report from the independent external reviewer in its annual compliance certificate pursuant to Section 1; and
- (c) comply with the recommendations of the Climate Transition Finance Handbook on an ongoing basis. Applicant issuers who fail to comply with the recommendations of the Climate Transition Finance Handbook on an ongoing basis, must report such non-compliance to the JSE in writing and must remedy the non-compliance within a period of 25 business days. Should the applicant issuer fail to remedy the non-compliance, the transition debt securities will either need to be redeemed and removed in accordance with Section 1, or reclassified and transferred to a more appropriate sector should the debt securities remain listed.

Criteria for the independent external reviewer

1.5 The independent external reviewer be an entity specialising in assessing transition debt securities, with sufficient financial and market-specific expertise. Such expertise is demonstrated by:

- (i) affiliation with relevant and widely recognised industry body/ies; and
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- (ii) significant and appropriate previous experience in providing external reviews on transition debt securities.