

Amendments to the JSE Debt Listings Requirements

The JSE intends to amend the 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 being proposed to the Debt Requirements are the following:

- The JSE aims to introduce 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 further aims to introduce Transition Debt Securities whereby the applicant issuers can raise funds for climate 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 instruments under the Sustainability Segment will be renamed to Sustainability Use of Proceeds Debt Securities to align with its sustainability use of proceeds objectives.
- The JSE will introduce 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 marked-up amendments along with an explanatory memorandum will be available on the JSE’s website (*Route: Companies & Issuer Regulation/Issuer Regulation – Announcements regarding Listings Requirements*).

We invite comments on the amendments to the Debt Listings Requirements by close of business, Friday, 16 July 2021, and comments can be sent directly to alwynf@jse.co.za.

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