



# Our Commitment to Net Zero 2025

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JSE

# NET- ZERO COMMITMENTS | REPORTING OVERVIEW

Sphere of Influence	Focus Area	Overview of JSE Response
<b>Category 1:</b> Lead by example Exchange-focused targets	<b>1.1 Governance</b>	
	1.1.1 Implement appropriate governance structures to ensure accountability for and oversight of the development and execution of the NZFSPA commitments	<p>The Board of JSE Limited is responsible for overseeing the Group’s long-term sustainability and the responsibilities and actions by management to generate value for shareholders while considering the interests of other key stakeholders in the ecosystem. The Board is supported in its oversight role by the Group Sustainability Committee, a statutory committee appointed annually by shareholders at the JSE’s annual general meeting to oversee all climate-related matters, which include climate-related risks and opportunities.</p> <p>Our Group Sustainability Committee (GSC) is specifically responsible for approving the JSE’s net zero commitments and actions to achieve net zero. The GSC also approves a formal annual Sustainability Report, which reports to stakeholders on the JSE’s sustainability initiatives and progress towards net zero. An internal Net-Zero Working Group is responsible for coordinating the implementation of the JSE’s Net-Zero initiatives at management level.</p> <p>The Chief Sustainability Officer is responsible for developing and monitoring the execution of the Group’s sustainability strategy, objectives and associated initiatives (including climate-related matters). The CSO reports three times per year to GSC on management progress on climate related matters. The Chief Risk Officer monitors all risks across the Group including climate-related risks and provides risk updates to GSC and to the Group Risk Management Committee.</p> <p>The JSE Board, working through the Group Remuneration Committee, approves an annual corporate balanced scorecard to focus management actions on key strategic deliverables for the financial year, and a set of metrics and targets to assess long-term corporate performance.</p> <p>Net-Zero targets form part of our corporate scorecard under “Sustainability” which carries a 5% weighting. In 2025, the JSE is required to meet on-target performance levels in the implementation of committed Net-Zero targets for year 2 (about 2.5% in terms of calculation of the contribution). Outcomes achieved against the annual corporate scorecard impact the annual discretionary bonus pool for the organisation and long-term incentives for executives.</p>
	1.1.2 Develop relevant policies, procedures and training to support exchange climate action	<p>Policy: The current environmental policy has been updated into a Sustainability Policy which incorporates the JSE’s commitment to net- zero. This policy has been approved by EXCO and will be submitted to GSC at the July meeting for approval.</p> <p>Training: Training on sustainability- related content included climate change will be rolled out in H2 2025 to EXCO and the Board. In February 2025, staff attended a session that introduced sustainability. Follow-on training has been identified, which will be rolled out later this year to all staff.</p>

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Category 1: Lead by example Exchange-focused targets	1.2 Emissions Reduction & Disclosure	
	1.2.1 Make annual public disclosure of climate actions as part of a transition plan	<p>In the past two to three years, we have embarked on a journey to set emission targets to eventually construct our transition plan. This has allowed us to explore various options of an achievable pathway to reduce our emissions and become a net zero organisation by 2050.</p> <p>A consultant has been engaged to undertake a cross-divisional scenario analysis, as part of broader management of our climate risks and emissions reduction target-setting. This work is articulating our potential pathways to decarbonise, which will be presented to the GSC at the July meeting for deliberation.</p>
	1.2.2 Measure and disclose Scope 1, 2 and (where material) 3 emissions annually	<p>We continue to report on our scope 1, 2, and 3 emissions annually as disclosed on our annual Sustainability report.</p> <p>The JSE has an ongoing process of constantly refining our carbon footprint approach.</p>
	1.2.3 Commit to Scope 1, 2 and (where material) 3 emission reductions for exchange's own operations	<p>Noting context first, South Africa's reliance on coal for energy generation, coupled with high unemployment and inequality, makes its path to net zero both urgent and complex. The transition must also be managed in a way that ensures that it is economically and socially feasible.</p> <p>Reducing our Scope 1 and 2 emissions will influence the setting of short- to medium-term science-based targets and the transition plan. Over the last 18-to-24-month period, we have explored several emissions reduction options, which included two engineering studies on installing solar panels on our building's roof. However, these options were deemed not feasible for safety, cost, performance and power availability reasons. In addition, we decided not to explore using carbon credits and renewable energy certificates.</p> <p>Originally, we aimed to reduce our Scope 2 emissions by 1 413 tCO<sub>2</sub>e by 2033 (with a base year of 2019). Our current commitment is a 4.2% annual reduction for ten years (to 2033) commencing from 2023 and, after that, an annual reduction of 193 tCO<sub>2</sub>e (2034 to 2050). However, we will update this based on the scenario analysis and stress testing work that is being completed.</p>

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Category 2: Exercise influence Market-focused targets	2.1 Transparency & Education	
	2.1.1 Promote availability of high-quality climate information by producing guidance for issuers or undertaking initiatives that encourage climate-related disclosure (as may be relevant to the market)	<p>The JSE launched its voluntary Sustainability and Climate Disclosure Guidance in June 2022 in response to growing demands for robust guidance to keep pace with global sustainability disclosures. We embarked on updating the Guidance to include the IFRS/ ISSB S1 &amp; S2 Standards, as the previous Guidance documents were released when these Standards were exposure drafts. Several regulatory bodies have since taken significant steps to enhance climate-related and sustainability disclosures. Based on our deliberations, we are reassured that the current JSE Sustainability &amp; Climate Change Disclosure Guidance continue to serve as valuable tools for companies to navigate the reporting standards landscape without being burdensome and specifically addresses the South African context. The JSE is continuously monitoring its regulatory environment and engaging with stakeholders to ensure that our Disclosure Guidance remains relevant. This ongoing review process is not a one-off event, but a continuous commitment to maintaining the highest standards that support companies' reporting practices.</p>
	2.1.2 Offer climate disclosure training at least annually	<p>The JSE Academy provides training interventions that promote better sustainability and climate practices and improved reporting. This includes once-off and ongoing training offerings across the following topics:</p> <ul style="list-style-type: none"> <li>• JSE Disclosure Guidance: Sustainability and Climate Reporting</li> <li>• Compelling Investor Relations on ESG</li> <li>• Sustainability and impact investment</li> </ul> <p>In 2024, we hosted seven courses attended by 33 delegates. Additional training topics are being considered for the training schedule for delivery in 2025 and 2026.</p> <p>In 2024, we partnered with the UN SSE Initiative and the South African Institute of Chartered Accountants (SAICA) to deliver training on ISSB S1 and S2. This was attended by 701 delegates.</p> <p>To bolster the sustainability segment's listings pipeline, we entered a strategic partnership with the IFC to offer a training programme on sustainable finance. The training leverages JSE's understanding of the local market dynamics and the IFC's global perspectives.</p>

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Category 2: Exercise influence Market-focused targets	2.2 Products & Services	
	2.2.1 Raise visibility for climate-themed products	<p>The JSE's Sustainability Segment provides for the listing and trading of sustainability-related instruments to finance investments that provide environmental and social benefits. This segment broadens the investment options available to investors and allows issuers to increase their participation in impact and sustainability investments. These include:</p> <ul style="list-style-type: none"><li>• Green bonds (including energy, water and waste)</li><li>• Social bonds (including UN SDGs, housing, schooling and health) and</li><li>• Sustainability bonds (a combination of green and social bonds) which are specifically earmarked to raise funds for climate, social and environmental projects</li><li>• Transition Bonds which caters to projects related to the transition to a low-carbon economy</li><li>• Sustainability-linked Bonds (SLBs), which allow for the cost of capital to be directly linked to sustainability outcomes and impact.</li></ul> <p>To advance climate-related products the JSE is running sessions that delve into the intricacies of the Sustainability and Transition Finance universe. These sessions are based on the latest trends, best practices, and the future potential of these financial instruments while offering a roadmap for issuers looking to make a positive environmental and social impact. The JSE and the International Finance Corporation (IFC), part of the World Bank, have joined forces to offer training on sustainable investment practices and to support issuers in their transition to greener economies. Training sessions were held in July and November 2024.</p> <p>In 2025, the JSE partnered with the European Union and the United Nations Development Programme (UNDP) to offer training targeted at potential issuers of green bonds which provided an overview and in-depth analysis on the steps necessary to issue a Green Bond.</p> <p>The JSE launched a Voluntary Carbon Market, JSE Ventures Carbon Market, in partnership with Xpansiv, a US-based infrastructure provider for global environments markets, in November 2023. In 2024, two new projects were listed on the market. These were the Zambian and Namibian electrification solar lights projects. In total, 10 000 tons of COAS eligible credits have traded, and seven clients have been onboarded. We plan to expand the existing offerings to include South African carbon tax offsets and physically settled carbon credit futures contracts.</p> <p>The JSE's marketing team incorporates into their annual plans an approach to raise awareness of these product offerings, which incorporates social media, print media, press releases, etc., and shall continue to do so. As an example of awareness-raising, at the 2024 JSE Sustainability Showcase, we hosted a panel discussion on our sustainability related service offerings (including the carbon spot market and sustainability segment), and the associated trends being experienced in those areas. The Showcase is a free event, that averages 120 delegates that attend in-person and 200 who attend online.</p>

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Category 2: Exercise influence Market-focused targets	2.2 Products & Services	
	2.2.2 Incorporate climate-related considerations into the development processes for products and services	<p>The JSE’s New Products Committee (NPC) has formally integrated sustainability considerations into its evaluation process. The considerations are based on the NZFSPA commitments incorporated in the Target Setting Guidance for Exchanges, and the UN Global Compact Principles. This formalisation requires that all submitting teams are now required to assess the environmental and social impact of their product or service proposals, in addition to the commercial viability assessment. This includes considering potential risks such as pollution, inequality or reputational harm, as well as opportunities for positive impact – such as support for our Net-Zero goals, promoting gender equality or enabling the financing for sustainable development.</p>



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Category 2: Exercise influence Market-focused targets	2.3 Policy, Persuasion & Engagement	
	2.3.1 Actively engage with local and global policy makers and standard setters to stay informed of and promote net zero aligned policies	<p>The JSE continues to engage with policymakers on a range of related- topics and these are mainly ad hoc.</p> <p>The JSE has engaged the National Treasury, the Department of Minerals and Energy, and the Department of Forestry, Fishery, and Environment on topics related to the Voluntary Carbon Market, including the legal frameworks relating to carbon assets in South Africa.</p>
	2.3.2 Work towards mandatory climate-related disclosure in the exchange's market	<p>Last year, the JSE reviewed the Sustainability Disclosure Guidance and Climate Change Disclosure Guidance to ensure that these remain relevant in an evolving sustainability reporting ecosystem and continue to support South African companies as useful reporting tools. Our process considered the balance between global best practice alignment, specifically the International ISSB's IFRS S1 and S2 (sustainability and climate related disclosure standards) against a backdrop of possible local regulatory developments. Although we did not release an updated version, we are reassured that the current JSE Sustainability &amp; Climate Change Disclosure Guidance continue to serve as valuable tools for companies to navigate the reporting standards landscape. At the end of December 2024, the guidance has been downloaded 997 times, making the cumulative downloads 4345.</p> <p>The JSE has been engaging with relevant stakeholders over the past year, advocating for sustainability reporting and disclosures within the South African corporate reporting landscape. The JSE is participating in a project with South African Regulators to examine the state of readiness of listed companies to implement mandatory sustainability reporting (specifically the ISSB S1 &amp; S1 standards).</p>
	2.3.3 Proactively engage with market participants, including through market awareness programmes, to promote the adoption of net zero commitments and transition plans among market participants	<p>The JSE demonstrates its commitment to Sustainability by integrating sustainability initiatives into its marketing and communications strategy. The initiatives aim to promote sustainable growth, adoption of net zero commitments and transparency amongst market participants. These include Ring The Bell for Gender Equality, the South Africa Transmission Infrastructure Investment Forum, the annual JSE Sustainability Showcase (attended by 453), the social drive and internal communications for Sustainability month with a reach of 311 597, the IRC Conference with 85 attendees and Sustainability training conducted by our Primary Markets division.</p> <p>Earlier this year, we hosted the South Africa Transmission Infrastructure Investment Forum in partnership with the Department of Mineral Resources and Energy. The event aimed to unite government officials, investors, financiers, developers, and industry leaders to scale up transmission infrastructure for energy (including renewable energy) sources. This is to enhance national energy security and economic prosperity through the expansion of South Africa's electricity transmission grid capacity.</p> <p>We also co-hosted a Sustainability Markets event with Xpansiv and Evident in November 2024 to showcase the potential of the South African carbon market.</p> <p>The 2024 Sustainability Showcase we hosted explored the global south's future, with panel discussions and presentations on sharing various listed companies' sustainability journeys, navigating sustainability data, sustainable markets and instruments, and preparing for double materiality disclosures.</p>