Just Share 2021 AGM Roundup 1: 21 May – 9 June

Note: square brackets have been used to indicate those parts of company responses which were unclear and/or inaudible

INED = independent non-executive director / NED = non-executive director

OLD MUTUAL LIMITED ANNUAL GENERAL MEETING
21 MAY 2021

JUST SHARE QUESTION	OLD MUTUAL RESPONSE
Topic: ESG approach of Old Mutual investee fund Capitalworks Private Equity, in the context of the murder of environmental justice activist Fikile Ntshangase I am sure that the Board will have heard about the shocking murder of Fikile Ntshangase, an environmental justice activist who was gunned down in her home near Mtubatuba in KZN, where she lived with her 11-year old grandson, last year. Ms Ntshangase was a member of an environmental justice organisation which has been challenging the further expansion of a large coal mine at Somkhele in KZN by Tendele Coal Mining (Pty) Ltd (a subsidiary of Petmin). The mine has long been mired in social and environmental controversy, as well as reports about attempts by its management to bring undue pressure to bear on those who have been resisting the expansion of the mine, and refusing to move out of their homes. Petmin’s majority shareholder is Capitalworks Private Equity. Old Mutual Private Equity invests in the Capitalworks fund that holds Petmin. We asked Old Mutual Alternative Investments, in October last year, to explain how investors in Capitalworks have engaged with the fund on the multiple ESG risks associated with Petmin, as Capitalworks has no publicly available information on its ESG approach. It took four months to get a response to this	**Respondent: Trevor Manuel, Chairperson & INED** “In respect to the tragedy you refer to in respect to Mama Ntshangase, I empathise entirely with the issue on various parts to this. The one part, the one that we announced now is to undertake a detailed analysis of our entire portfolio to ensure that we understand exactly what the carbon intensity of our investment footprint is – that is ongoing work and I sincerely hope that the board will continue to pressure the executive to complete the report in calendar 2021 but it depends on a whole series of factors. The second part of your question is actually unrelated to coal and that relates to the conduct of an investee company and that requires a separate method of attending to, but let me hand over to Sizeka please.” **Respondent: Sizeka Magwentshu-Rensburg, INED** “Thank you, Chairman, and thank you Tracey for your question. In respect of our efforts around the environment, a key element of the group’s responsible business efforts is minimising our environmental impact. This has been supported by our responsible investing approach and the improvement of the green footprint of our own operations. During the year under review, a

question, and the response was simply that Old Mutual Private Equity is "*comfortable that the ESG Policy and environmental and social management system meets market standards in terms of its commitments to local regulations and international standards*". How does this approach square with Old Mutual's claim that "*the core focus of our alternative investments is to deliver attractive and sustainable returns to investors, while making positive and lasting impacts on people's lives and/ or the environment*"?	decision was taken by management, supported by the board, that the group will perform a detailed fossil fuel analysis of the group's assets by portfolio, over the medium-term, to provide a baseline view of exposure in carbon-intensity of the group's investments. It will enable the setting of targets against appropriate benchmarks, providing necessary direction on required revisions on our investment mandates. The focus will ultimately shift to investing in renewable energy alternatives through our alternative investment boutique. I now invite Khaya Gobodo who is the MD of OMIG to respond to the specific question around the tragedy. Thanks." **Respondent: Khaya Gobodo, managing director, Old Mutual Investment Group** "Thank you Sizeka and thank you for your question Tracey. I mean we take these issues very, very seriously, and it's always tragic when this kind of thing happens. If you could give us the opportunity to revert in writing with the appropriate detail, I say that only because, I mean if I look at our overall alternatives business, we've got 71 individual underlying investments where we're deeply engaged and it's not possible for me to provide the level of detail I think required to the question that you pose. So if you allow us to revert in writing shortly after this meeting. If I could hand back to you Chair." **Respondent: Trevor Manuel, Chairperson and INED** "Thank you very much Sizeka and Khaya. Tracey, we will ensure that Khaya is as good as his word and that there will be reversion in writing very soon. Thank you very much for that." Old Mutual's written response to the question, dated 9 June and provided to Just Share on 10 June 2021.
Topic: wage inequality and wage gap disclosure In a recent sponsored article in the Daily Maverick, Old Mutual Investment Group wrote about the extent to which income inequality contributes to social instability, and highlighted three crucial areas of disclosure which investors can demand from listed companies to support progress on closing the ever-widening income gap in South Africa. These include calling for disclosure of single-figure total remuneration data of executives, disclosure of the total remuneration of the lowest-paid permanent employee and temporary worker,	**Respondent: Trevor Manuel, Chairperson and INED** "In respect of income inequality, apart from the fact that the Minister of Trade, Industry and Competition is now seeking legislation to regulate it, is a matter that has been in the works in Old Mutual for some time. Much of this was actually disrupted in the course of the work-from-home policies in 2020. But it is something that is back on and I hope that we will be able to respond to your request to publish the differentials in the next set of results. Itumeleng, would you like to get into the details of the long-term incentives?"

and disclosure of the remuneration multiple between the top and bottom decile of earners in listed companies. Will Old Mutual, as a leading proponent of responsible investment in South Africa, commit to leading the way in making these crucial disclosures in its next set of annual reports? And, given South Africa's staggering levels of income inequality, which have been made even worse in the wake of the Covid-19 lockdowns, how does Old Mutual justify the payment of one off LTI awards to senior executives "*following the reduced lock in value of inflight awards due to COVID-19 impacts on vesting outcomes*", including a payment of approximately R10m to the CEO?	**Respondent: Itumeleng Kgaboesele, INED** "Thank you Mr Chairman, and thank you Tracey for your question. Tracey, our policy with respect to long-term incentive awards is that we use these awards to make sure that we can align the outcomes for our shareholders with the outcomes for our executives. So the awards are there to make sure executives only get paid if they deliver long-term sustainable performance for our shareholders. As you would have correctly noted in your question, the LTI awards that are currently in-flight are virtually worthless. So given the performance of the business, given the performance of the share price and the impact that those two have had on the outcomes for our shareholders, we have decided as a remuneration committee, that we will not be adjusting the terms and conditions attached to those awards. Now let me deal with the top-up awards which you have identified as an issue. I would like to stress that these top-up awards have not been paid, but we have put in place is the opportunity for executives to earn those awards if they deliver for our shareholders. We have set our executives' targets and those targets are disclosed in our remuneration report. So they will only be paid those awards if they deliver for shareholders in the next three years." **Respondent: Trevor Manuel, Chairperson & INED** "I think that there will be an issue that the discourse that was opened up certainly by the Minister's statements in his Budget Speech earlier this week Tracey, would focus on as well, and that is how we retain executive talent. It's pretty difficult when one loses talent that had been cultivated and honed within Old Mutual because there is competition elsewhere. So our push on remuneration would be sector-wide and we're happy to provide leadership to both the necessary discussions and also the actions."

Topic: climate change, fossil gas, and the IEA's "Net Zero by 2050" scenario Old Mutual's public position appears to be that "*gas is an excellent transition fuel from coal-heavy generation to renewables*." And among the "many benefits" of natural gas; is that it is *"environmentally friendly"*. A few days ago, the world's most influential energy modelling agency, the International Energy Agency (IEA) published, for the first time, a "Net Zero by 2050" roadmap, aligned with the urgent Paris Agreement goal of limiting global warming to 1.5 degrees Celsius (°C) - for which Old Mutual has expressed support. The IEA roadmap is very clear that "*there is no need for investment in new fossil fuel supply in our net zero pathway*". Gas is a fossil fuel, the main component of which is methane, a greenhouse gas more than 84 times more potent than carbon dioxide. The IEA pathway demonstrates that there is no carbon budget for new gas projects, and no time for a 'gas bridge' in the power sector, either in advanced or emerging economies. Will Old Mutual now update its position on fossil gas, given the best available climate science and the IEA's confirmation that "*beyond projects already committed as of 2021, there are no new oil and gas fields approved for development in [IEA's Paris-aligned] pathway*"?	**Respondent: Trevor Manuel, Chairperson & INED** "Let me just repeat Robyn, that one of the issues that is important to Old Mutual, is to retain that position we hold in respect of ESG in general. And we've prepared to commit ourselves to the FTSE Russell Index to ensure we are amongst the world's leading companies in dealing with ESG. I indicated earlier that we are undertaking a detailed report of our portfolio. And I am hoping that we will be able to publish by the next AGM, that the work would be completed and that we can publish as part of the annual results suite where we are, what our footprint looks like and how to deal with it. I should point out that a lot of work is being done in preparation for COP26, while this is being done at a governmental level, all companies are also trying to deal with it and we as an investor company clearly have a very keen interest in the development of the zero emissions future. But of course, South Africa is lagging as a country, big commitments were made in Copenhagen, but nothing or very little has happened in South Africa over the past period. And even as we speak, there is an ongoing challenge about the security of energy supply. I mean, I speak as one who was victimised this morning with my WiFi having gone down as part of the power outage. So South Africa is still very dependent on thermal coal and relative to that, I think that natural gas seems a slightly better option, but we're not in a position to declare zero emissions yet. I think that it's what we will do as a company working as part of a national effort. I know the president has appointed a large commission to work on this, setting the Glasgow COP26 as an important benchmark for later this year and we will be a part of that. It is very much a work in progress, and we do take these issues as seriously as people who are concerned about the future everywhere."
Topic: climate change / TCFD reporting Old Mutual's reports encouragingly say that the "*management of the business for the long term, ensuring sustainability instead of short-term benefits, will be the most important priority*" for the board this year, and that "*mitigating and adapting to climate change remains a priority and was a key focus area in 2020*". However, Old Mutual has not committed to any firm targets or deadlines for climate-related reporting; including reporting in terms of the recommendations of the Task Force on Climate-Related Financial	**Respondent: Iain Williamson, chief executive officer** "We have been working towards having TCFD-compliant reporting available. We should be in a position to publish those reports by the next cycle of shareholder reporting at the end of this year."

Disclosures (TCFD) - which a number of other listed South African companies are already doing. When will Old Mutual publish its first TCFD-aligned report? There are multiple references in your 2020 reports, to a detailed fossil fuel analysis of the Group's assets, by portfolio, including the fossil fuel exposure and carbon intensity of the Group's investments. If this is not included in your TCFD report, when will it be published?	
STANDARD BANK GROUP LIMITED ANNUAL GENERAL MEETING 27 MAY 2021	
JUST SHARE QUESTION	**STANDARD BANK RESPONSE**
Topic: wage inequality and Covid-19-related incentives While it is encouraging that the Remco has accepted that the March 2019 Long-term Incentive Plan, i.e. the Performance Reward Plan, is unlikely to vest due to Covid-19 impacts, Remco has nevertheless chosen to exercise its discretion "in the best interest of the group", and has adjusted the previously-set performance conditions of the March 2020 Performance Reward Plan. In terms of that adjustment, vesting of the plan will be "at the sole discretion" of the Remco. How long will this discretion prevail, or in what circumstances will the situation revert to pre-2020 policy?	**Respondent: Gesina (Trix) Kennealy, lead independent director, SBG and INED, SBSA** "Thank you Mr Chair and thank you to Ms Chironga. The 2020 discretions - full discretion - will last for the tenure of their award which is ending in 2023, and the pre-2020 exact mirroring wouldn't happen if you look at the Remco report in 2021, there is a partial reversion to a pre-2020 policy, in that 60% of the award will be based on financial outcomes, and 40% of the reward will be based on non-financial outcomes."
Topic: climate change, fossil gas, and the IEA's "Net Zero by 2050" scenario Standard Bank has indicated that it is committed to continuing to fund the development of new oil and gas in Africa. This is evident from the bank's fossil fuel financing policies, TCFD report, and statements on your website such as "*oil and gas will continue to play a pivotal role in the South African energy matrix, with Government pushing for the growth of the gas economy*." You will be aware that the International Energy Agency last week released its first ever energy scenario aligned with the urgent goal of limiting global warming to 1.5º Celsius. The scenario holds that "*there is no need for investment in new fossil fuel supply*" and, more specifically, that "*beyond*	**Respondent: Sim Tshabalala, group chief executive officer, executive director, SBG and SBSA** "Mr Chairman, I will ask Mr Hodnett and Mr Fihla to follow up on my answer, but the general proposition is that we believe that we should firstly follow the science. Secondly, understand the economics of the decisions to be taken in this context. Definitely committing ourselves, as we have, to the Paris Agreement pathways, particularly having regard to a just transition, given where Africa finds itself in the global processes and principles applicable to climate change. But perhaps Mr Hodnett or Mr Fihla could fill in, starting with Mr Hodnett."

projects already committed as of 2021, there are no new oil and gas fields approved for development in [this] pathway, and no new coal mines or mine extensions are required." How will this new scenario impact Standard Bank's plans to finance new oil and gas in Africa?	**Respondent: David Hodnett, chief risk and corporate affairs officer** "Thanks Sim. I think all I'd add to your comment is clearly what we've stated is the complexity of operating across a number of countries in the continent and the specific requirements of those countries must be taken into account. So we are aware of this report, but in our commitments that the chair made earlier, clearly we are looking specifically at the requirements in individual countries and their trajectory. Thanks Chair."
Topic: governance / directors' climate change skills Standard Bank's board recognises the systemic risk that climate change poses, and asserts that it is committed to sustainable development. However, despite having a large board, Standard Bank's board members do not have a broad range of experience and expertise in climate risk and other sustainability-related matters. Does the bank have a strategy in place to appoint board members with the qualifications, skills and experience required to ensure that the bank is well positioned to execute its commitments on sustainable development?	**Respondent: Thulani Gcabashe, Chairperson, INED, SBG and SBSA** "Thank you for that question. I can respond in the affirmative, but add that, at all times, we review the balance of skills on the board, and at this point, we do recognise that we need to add more skills, who are competent in the general area of ESG, and we will be doing so in due course."
Topic: transformation, publication of policies Standard Bank refers, in its 2020 Annual Integrated report, to its "Promotion of Gender and Diversity Policy" and to a Transformation Policy in its 2020 Transformation Report. These two policies are, however, not publicly available, and we have been advised by the bank that they are internal documents and cannot be shared. However, many listed companies make these policies publicly available on their websites. Will Standard Bank commit to doing so, or explain why these policies cannot be seen by shareholders?	**Respondent: Sim Tshabalala, group chief executive officer, executive director, SBG and SBSA** "Targets and our progress against those targets – [which we speak] the essence of our policies on both transformation in South Africa, and gender and diversity in our entire organisation, are published in our Annual Integrated Report, in our Report to Society, and in our South African Transformation Report. Thank you Chairman."

EXXARO RESOURCES LIMITED ANNUAL GENERAL MEETING
27 MAY 2021

JUST SHARE QUESTION	EXXARO RESPONSE
Topic: climate change / Exxaro's "Early Value Strategy" We are glad to see Exxaro's public commitment to the goals of the Paris Agreement and your recognition of the role that coal plays in causing global warming and climate change. Regarding your "Early Value Strategy", which seeks to "*exploit existing coal assets as much as possible to extract early and maximum value*": • Have you calculated the effect this strategy will have on Exxaro's overall, absolute emissions, including scope 3 emissions? • Do you envisage that, under this strategy, emissions connected to Exxaro's coal operations will peak earlier, but also higher, than business-as-usual operations? • How does the Early Value Strategy ensure the urgent reduction of greenhouse gas emissions that is required to meet the goals of the Paris Agreement?	**Respondent: Petrus Snyders, INED** "Just a short comment on the statement is that when we decided on the Early Value Strategy, we absolutely ensured that all pertinent factors that will ensure our licence to operate is taken into account. So I can assure the shareholders that all the alignment with TCFD matrices have been taken into account when we made the decision to go into the Early Value Strategy. And we are absolutely measuring every pertinent factor that influences the climate change or emissions that we facing. And with the Early Value Strategy, it was taken into account, and I think if I remember correctly, the calculations haven't shown that we're going to have an earlier peak or anything; our strategy is in place to manage that emissions in accordance with the different business operations that we are putting into the Early Value Strategy." **Geraldine Fraser-Moleketi, INED** "Building on the response by Piet, just to confirm that the Early Value Strategy priorities, the high-quality product of 6000 kilocalories and not volumes. In line with Exxaro's existing infrastructure, and this is in line with Exxaro's existing infrastructure, low quality coal with more pollutants are left in the ground and this supports low emissions. We'd also just suggest that they refer to our integrated report to see all the other climate interventions we're involved in." **Nombasa Tsengwa, chief executive officer designate, executive head for coal operations** "Just to add to what has been said in as far as our Early Value Strategy and maybe a high-level summary, is that if you look at what we are trying to do, of trying to take out more of the high value 6000 kilocalories coals; by virtue of doing that, you are actually supporting a low emissions production,

	because we leave your low-value coals that have got more pollutants on the ground. And, you know, if you understand the way that works, is that your pollutants from a high-quality coal are less than your low-quality coals. And as we said, I think Geraldine has mentioned, we have got a specific infrastructure that is on the ground, that is meant to take very specific volumes. So the intent had never been to be recapitalise so that we can run high volumes, but the idea is to make sure that, with this advent of climate change where we do not know how long the transition may take in as far as the development of alternative sources of energy, we focus on taking that value for our shareholders so that we are not left with stranded assets on the ground. The last part which will be interesting is to look at what we've done whilst we transition. What we've done as a company to offset our carbon emissions, has been to look at this firstly, determine our baselines - we know very well how much carbon we're emitting. We have got interventions - one of them I'm going to mention first is that of reducing our fleet of trucks so that we use less diesel, and you may also pick up our development of a 85 MW, self-generation solar plant at Grootegeluk to further reduce our carbon footprint. So all of these are going together, so I thought I must just add to that."
Topic: climate change, lack of interim emission reduction targets and plans We welcome Exxaro's commitment to net zero carbon emissions by 2050. However, your Climate Change Response Strategy does not include any interim targets or plans indicating how you intend to achieve this 2050 target. Do you have any such interim targets and plans and, if so, when will you make them public?	**Respondent: Mzila Isaac Mthenjane, executive head of stakeholder affairs** "So the plans are for those interim targets is what we're working on in this 2021 financial year. In the past what we have been doing is setting the context in terms of the strategy as well as, you would have seen we published the TCFD report. And so we are working with our team internally in terms of making sure that when we publish the 2021 internal integrated report in early 2022, we will include all of that information."
Topic: climate lobbying Your CEO, Mr Mxolisi Mgojo, was recently appointed as president of the Minerals Council South Africa. The Minerals Council has consistently and vocally lobbied against climate-related regulation, including against the Carbon Tax Act. It is vital that Exxaro ensures that the activities of its industry bodies are in line with its own public position on climate change. Exxaro now	**Respondent: Jeffery van Rooyen, Chairperson** "I will - would you like to Mr. CEO because you are the representative of the Minerals Council? There seems to be a misalignment in terms of where we stand and where we stand and where the Minerals Council stands. Can you just - are you able to exert sufficient influence on them?"

has an opportunity to ensure that the Minerals Council uses its considerable power to enhance the effectiveness and pace of climate regulation in South Africa. Can the board commit now to using its position to ensure that all actions taken by the Minerals Council are consistent with limiting the rise of temperature to 1.5ºC?	**Respondent: Mxolisi Donald Mbuyisa Mgojo, chief executive officer** *First part of response is inaudible to all participants*. "[inaudible] it is going to look like in terms of the second phase of the carbon tax that is to come in from 2023, where there is no clarity in terms of how that's going to be calculated. And therefore, ours it has been always about understanding so that you can create consistency and you can also create an environment whereby there is transparency and predictability of what the legislation requirements are going to be. So it was not against the tax in itself but to understand how the tax is going to impact us by being very clear about what those commitments are going to be." *The chairperson came back to answer the question after he was alerted that his response was not audible.* "Firstly I just wanted to highlight that I have stepped down as the President of the Mineral Council at yesterday's AGM after having served in that position for four years, and yes this was a big issue, that we were also trying to engage with the government on regarding the carbon tax. And ours was not about being against the carbon tax, but was the clarity with which the financial implications of the carbon tax would mean to us, especially after 2023 when the various instruments in terms of determining what that tax is going to be was not yet communicated to the industry. And therefore, because we're a long-term planning industry in terms of capital, it was going to be critical that when you are putting capital on the ground you have got to understand what your financial implications are going to be in the long-term, and hence why we were really requesting for the government to give that particular clarity, so that we can be able to understand the financial obligations that is going to be at hand at that particular point in time – so that was our issue regarding our voice with regarding the carbon tax. I hope that answers your question"
Topic: wage inequality, Covid-19-related incentives / governance With all due respect to the board, the remuneration implementation report as a whole is extraordinarily hard to understand, and we would encourage the remuneration committee to try to make future implementation reports simpler and clearer. The report states that the remuneration committee approved that,	**Respondent: Erasmus Jacobus Myburgh, INED** "Thank you very much for the question, I think it is a pertinent one. Sometimes I think some of these - the way we report is in fact technical and we will do our best to make that clearer in future. Your question and your point about

"*due to COVID-19, the financial targets originally set for 2020 should be replaced by the 2020 forecasted financial targets*". This apparent ex post facto manipulation of targets is concerning, and the implications of this change unclear. Can the board please explain the difference between the two categories of targets?	the adjustment of the target, you will recall that when the targets are set and the objectives, it was prior to the impact of the pandemic. The Committee and the Executive felt that it's unreasonable for us to focus on these things in a way that could be in fact discouraging to our employees, and within the rules that is required, these specific objectives were then adjusted, taking into account the impact. I can assure you that the same rigour was applied to that [re-setment] of those financial targets as we did in the original ones. I hope that satisfies your question." **Respondent: Jeffery van Rooyen, Chairperson** "The question around the simplification of the rem report, I think that I would say is noted, and we will apply our minds to how we can simplify certainly into the future."

NEDBANK GROUP LIMTED ANNUAL GENERAL MEETING
28 MAY 2021

JUST SHARE QUESTION	NEDBANK GROUP LIMITED RESPONSE
Topic: climate change, the IEA's "Net Zero by 2050" scenario, and updating Energy Policy Just Share would again like to commend Nedbank on the release of its ambitious energy policy, which, as we have said publicly, sets a global leadership standard among large commercial banks. We also commend Nedbank for constituting its Group Climate Resilience Committee (GCRC) – making it SA's first listed entity to constitute a subcommittee focussed on managing the bank's climate risk. As you will be aware, global climate action is accelerating. The International Energy Agency (IEA) last week released its first ever energy scenario aligned with the urgent goal of limiting global warming to 1.5 degrees Celsius. This Net Zero by 2050 scenario holds that "*there is no need for investment in new fossil fuel supply*" and that, "*beyond projects already committed as of 2021,*	**Respondent: Paul Mpho Makwana, acting Chairperson, lead independent director** "We have no intention of finding ourselves [at kilter] with the realities of the market in which we operate. We will remain resilient in terms of our aspirations and looking ahead with our 2050 journey – so it means that we'll pragmatically review our position relative to where we are and where the rest of the world is from time to time. But for a more added response, can I invite Mr Dames to take the question further?" **Respondent: Brian Anthony Dames, INED** "Just to add on what you're saying. I think our energy policy is quite clear around our position for new oil and new gas exploration – that is absolutely clear. And I think our policy provides for how do we make sure that we support this energy transition. The transition is one that entails new technologies and

there are no new oil and gas fields approved for development in [this] pathway". Nedbank has committed to "*successively strengthen all relevant sector policies, guidelines, mandates, incentives, etc, to remain in line with advancing scientific understanding, technological progress and local market conditions*". As a leader in this space, do you envisage updating your Energy Policy to take into account the IEA's new scenario?	how do we support our clients in investing in those new technologies? We will on a continuous basis look at our glide path and make sure that we update our policies with new information."

JSE LIMITED ANNUAL GENERAL MEETING
3 JUNE 2021

JUST SHARE QUESTION	JSE LIMITED RESPONSE
Topic: climate change, ESG reporting guidance My question relates to your integrated annual reporting. But if I may just start by saying that Just Share has attended over 20 virtual AGMs in the past year, and despite asking, on many occasions, for this to happen, today is the first time we have seen an agenda for an AGM, and it is a really wonderful thing to see and makes the whole process so much easier to manage. So thank you very much for that. I move to my question now. The JSE is a founding member of the Sustainable Stock Exchanges (SSE) Initiative, which has as one of its main goals "*for all stock exchanges to provide listed companies with guidance on sustainability reporting*." In July 2020, the Global Investors for Sustainable Development Alliance – which Ms Fourie co-chairs - recommended mandatory sustainability reporting requirements and disclosures, including the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This was part of the Alliance's report on "Urgent Actions to Harmonise and Scale Sustainable Finance". Of the 107 stock exchanges tracked by the SSE, the JSE is currently one of the 59 that does **not** provide written ESG guidance. It also does not require TCFD disclosure as part of its very limited mandatory sustainability reporting requirements. It is concerning that the JSE makes so much of its membership of these initiatives, and yet appears not to have implemented some of their most basic recommendations.	**Respondent: Nonkululeko Nyembezi, independent non-executive Chairperson** "Thank you for noting the point about the agenda Tracey. The issue about climate change, as you at Just Share would probably understand better than most, is a global problem. And as such, it requires a global response. We believe that coordination amongst various actors, influences, and importantly even policy-makers in this area, would yield an answer at the other end that could be adopted as a global standard. And we do believe that disparate actions by different actors going off to do their own thing, would not necessarily have the level of impact that a coordinated response would have. This stands behind our various participations as you outlined in some of these international bodies that you have noted. It's also important to locate any kind of climate response at JSE we embark on as a regulator toward its issuers within a South African context. You are clearly aware that National Treasury is also doing work on this issue, and again the JSE participates in National Treasury structures in their working groups in order to fashion a country level response. We believe that it would not be the right thing to do for us to go off ahead of all of these activities having reached a consensus position and mandate something that may turn out to not actually be the right thing and have to turn around and change all of that again. What has been exceptionally encouraging in this coordination phase of climate response, is the work that is now being done by the IFRS Foundation

When will the JSE publish ESG reporting guidance for issuers in accordance with its SSE membership, and when will it implement mandatory TCFD disclosures? For avoidance of doubt, the provisions of the King Code which have been incorporated into the Listings Requirements relate mainly to corporate governance practices, and do not constitute guidance on sustainability reporting. **Topic: climate change – follow-up to previous response** I will be brief, but I think it is really important that I just respond to your responses to our questions around climate action. It is very concerning the approach to wait for global standards. With all due respect, the TCFD is a global standard, and this is very much the same answer that you gave us to a similar question last year. The IFRS standards - we heard in an Ernst & Young webinar yesterday - will be at least three years in the making and those are just the climate standards. The London Stock Exchange already requires premium listed companies to report in terms of the TCFD. There really is no good reason why the JSE can't take some action if all the stuff you say in your reports about understanding that the climate crisis is an urgent crisis is really true.	which as you would be well aware, is now picking up the mantle in order to devise what could be a globally-acceptable IFRS sustainability standard. We are very, very involved in all of these activities and the JSE will take a view as one gets adopted as to what we do next; but I think it is very important for shareholders and other people interested in this topic to understand that we are simply too small to lead on this and go off as I said in that fashion. We do want to see the impact across the country, across the globe. We are very committed to this, except we are going to do it in tandem with many others who have a valid contribution to make in this." **Respondent: Nonkululeko Nyembezi, independent non-executive Chairperson** "If I may then move to Tracey, I acknowledge and respect it's your opinion and so what we set out here was the philosophy under which the JSE is currently working, and I hope that you will equally as much as you don't agree, respect that it is our philosophy. I think if in year three and four, we were still telling you the same thing, you would have the right to disbelieve us, but what we would ask for now is time to conduct this particular agenda point in the way that we outlined before".
Topic: climate change, climate action SDG Your Social Value Report recognises "*the need for business to embrace the [Sustainable Development Goals (SDGs)] and ensure that activities positively affect*" their achievement. "Climate action" is one of the 6 SDGs that the JSE has identified for prioritisation. In an assessment of its performance as a company in relation to the prioritised SDGs, the JSE states that it "*continued to evaluate options to enhance our efforts towards making the JSE a paperless environment*". In relation to its performance on climate action as a regulator, the report indicates that the JSE is "*committed to continuously improving our responsible investment indices*". In relation to its performance as an exchange, the box is blank.	**Respondent: Dr Leila Fourie, group chief executive officer** "Chair I'm wondering whether that point you raise actually leads very well into Robyn's point and whether before we go into delistings, we could deal with that because it's aligned to Tracey's point. I think just to, and it really goes to what is the JSE doing about sustainable development generally. We, while we aren't necessarily mandating at the JSE initially, we are taking a very strong, meaningful and leading role on the global stage in shaping climate change and TCFD or other disclosures relating to climate change. We chair one of the committees locally on the National Treasury forum, the National Treasury Sector Climate Forum and on the global stage as you will be aware, I chair the GISD and also stock exchanges- the SSE (Sustainable Stock Exchanges) initiative with the London Stock Exchange group CEO. At the end of the month, we will be launching a guidance paper around TCFD disclosure and that will be for all exchanges. We've had a meaningful input into that and we are guiding strongly.

As you will be aware, global climate action is accelerating and the "climate action" SDG is to "*take **urgent** action to combat climate change and its impacts*". Beyond enhancing efforts to make the JSE paperless and improving responsible investment indices, please expand on the JSE's plans to make a meaningful contribution to the climate action SDG.	In the GISD space, in my role as co-chair, we interact extensively with multi-lateral organisations, particularly noteworthy is the IFRS Foundation of which Suresh Kana, one of our lead independent sits on. And we are working closely with them to forge and drive a global unified standard for reporting. This is in lock step with IOSCO and we fully expect to see results imminently. Were this to be a long-term, sort of five to ten-year road map, we would certainly contemplate our actions in the interim because it is imminent as the Chairman said, it would not be expedient. In so far as what the JSE is doing on sustainable development, I'd say that there are three elements. Product enablement, governance and advocacy on the national agenda. I have just covered - in relation to Tracey's question and of course Robyn's - the advocacy component. On the product side, we have launched, as you would be well aware, green bonds and most recently sustainable and social bonds. We are imminently about to announce for consultation a transition bond framework. And we are also interacting extensively on indices to ensure that our social responsibility indices remain up to date. In so far as governance goes, as you would be aware, the JSE works collaboratively and closely with a number of regulators, and we have more recently worked closely with the King Committee, and yes we do hear your point that the recent governance guidance note is not explicitly on climate disclosures, but rather governance–focused, and we will look to global bodies. So the JSE takes sustainability very seriously and within our own organisation, we have been reporting on our carbon footprint for more than six years and notwithstanding the fact that the company is rather small and not actively involved in any fossil fuel-related activities. We do make a meaningful focus on managing our own small footprint."
Topic: diversity & transformation, compliance with listing requirements In its 2017 report, *How Stock Exchanges Can Advance Gender Equality*, the Sustainable Stock Exchanges Initiative recommends that stock exchanges require or encourage listed companies to publicly disclose targets for female representation in leadership, and to report on their progress. This is required by the JSE Listings Requirements.	**Respondent: Nonkululeko Nyembezi, independent non-executive Chairperson** "I think there is a slight disconnect between what I think I heard and I will ask you to just clarify – when we have a listing requirement, we are responsible for ensuring that the listing requirement is complied with. I am not sure whether you said we need to advise you as we do not enforce the listing requirement – is that what you said? Do you want to just clarify that remark, Melody?

In 2020, the 30% Club released a report with some concerning findings: of the 291 JSE-listed companies analysed, almost 20% did not provide **any** information on gender at board level and 64% failed to set any targets for gender representation on their boards. The report also noted that "there are still very few companies that reference a web address directing the reader to the actual gender policy." These findings are in keeping with Just Share's own research and analysis, which reveals that a number of issuers do not have publicly available gender and race diversity policies, and even fewer have set targets. Some which have purported to set targets had already achieved those targets when their policies were adopted. It is quite clear that a significant proportion of listed companies are treating the Listings Requirements on this issue as suggestions. Last year at your AGM, you told Just Share that it is not up to the JSE to enforce compliance with listing requirements relating to race and gender diversity at board level. Please could you advise what steps you therefore recommend shareholders should take, to ensure that listed companies are complying with these requirements?	We certainly, in putting out a requirement for disclosure, we expect that listed companies will then hold up that side of the bargain. The comment we would have made is that we do not participate in the actual setting of that target, neither does the JSE participate in well if the issuer has not met the target, what happens? We are not there for that. We are there to just merely make certain that issuers do publish their targets, and then publish how they doing against that. So if the question is, "well the issuers didn't do that, JSE what did you do?" That is the question we need to respond to and Leila seems ready to do just that." **Respondent: Dr Leila Fourie, group chief executive officer** "Thank you Chair and thanks very much Melody for that question. This is a really important aspect that is close to the JSE's heart; that said, the targets are voluntary and of the listed entities that are reporting, fifty are secondary listed which means that they are required not to follow the JSE's listing requirements, but their primary listing destination, and also twenty of our companies that are listed right now, are suspended. So these sort of things can tend to distort the facts; that said, we do take the point. We do agree and I have to say, the JSE was noted as the most transformed stock exchange in emerging markets by number of females that are represented on the board and while that sounds like a wonderful accolade, the reality is that only 28% of boards are represented by females, and that does need to change, so we take that on notice, and we take your point."

ABSA GROUP LIMITED ANNUAL GENERAL MEETING 4 JUNE 2021	
JUST SHARE QUESTION	**ABSA GROUP LIMITED RESPONSE**
Topic: climate change, oil and gas standard, strategy and targets to reduce exposure to fossil fuels, IEA's "Net Zero by 2050" scenario, Karpowership Good morning Chair. My name is Robyn Hugo, and I am from shareholder Just Share. Absa is the only big South African bank that has not published an energy or fossil fuel financing policy. To date, the bank has only published a coal financing standard. Your first Task Force on Climate-related Financial Disclosures (TCFD) Report indicates that the bank "*aim[s] to complete additional Group financing standards in 2021, with oil and gas planned for the first half of the year and mining in the second*". To date, Absa's oil and gas standard has not been published. As you will be aware, global climate action is accelerating. The International Energy Agency (IEA) recently released its first ever energy scenario aligned with the urgent goal of limiting global warming to 1.5 degrees Celsius. This Net Zero by 2050 scenario holds that "*there is no need for investment in new fossil fuel supply" and that, "beyond projects already committed as of 2021, there are no new oil and gas fields approved for development in [this] pathway*". I have four questions related to Absa's plans to take urgent action to combat climate change. My first question is: when will your oil and gas standard be published? Secondly: what are the bank's plans and timelines, if any, to set and publish a strategy, and short-, medium-, and long-term targets, to reduce its exposure to fossil fuel assets on a timeline aligned with the "Paris goals"? Does Absa intend to make a commitment to achieve net-zero emissions in its financing portfolio by 2050?	**Respondent: Wendy Lucas-Bull, Chairperson** "The work is far advanced in terms of being able to announce that oil and gas standard. I think we may miss slightly the date of the "first half of the year", but it is going through approval of the various Excos in the group right now, so we do expect to get it done and make the promise of this year for both oil and gas and mining." **Respondent: Jason Quinn, interim group chief executive** "Thanks very much Chair and thanks very much Robyn for your questions. I'll start off by indicating how important ESG and SDGs are for us as Absa and for our leadership team. In terms of strategy, we formulated a strategy in 2017, in 2018, that was very centred around customer restoring primacy in our business dealing with the separation and the like. I'm pleased to say, with the momentum in all of that, the Exco is going through a process with the board to further enhance our strategy - in other words, re-anchoring towards those components of 2017 and 2018, and with the environment and other SDG items becoming a critical pillar for that going forward. So it's right at the top of our agenda as the leadership team. We also aim, as Absa, to play an important role in a just transition for our continent. We've got a strong track record to date of being responsible for providing finance of 80 billion rand to finance 33 renewable projects - 46% of South Africa's business to date. And as Wendy said, we've also, in our corporate and investment bank, set financing targets of 100 billion rand by 2025 and then we also got that IFC green loan. I think for our sustainability team, it is important that we do set a deadline around net zero emission targets. I agree with suggestions to concentrate on key emissions sectors as a starting point, and those are the ones that will make the most difference to all of us on the continent. As you saw also, in our first TCFD report that you mentioned, our exposure to fossil fuel sectors that

Thirdly, in setting your oil and gas standard, and any other financing policies, will Absa take the IEA's new scenario into account, which indicates that there should not be any new oil and gas fields approved? Finally: does Absa intend to finance the powerships, which have been appointed preferred bidders in the Department of Mineral Resources and Energy's Risk Mitigation Independent Power Producer Procurement Programme? You will be aware that it has been reported in the press that Absa has been named as a potential funder of Karpowership's mooted gas-fired powerships, which have been mired in controversy, including ongoing litigation around alleged corruption in the awarding of the contracts.	are the major emitters is low, coal is at 0.3%, oil and gas at 0.7% of total loans; so in combination only 1% of the total loans. Our exposure to coal is in fact already well below one of our rivals twin 30 [inaudible]. We have got lots to do here, as the Chair mentioned, the standards around oil and gas are well advanced and we expect to publish those in the next few months." *Regarding Karpowerships*: "It's a very topical issue for us - some of the challenges facing South Africa, of course, in the context of the impact of the virus on the economy, combined with loadshedding at a time when our economy can least afford it – if you think of growth and you think of jobs in those SDGs. So we thought, as a firm, it was important for us to support the emergency round of procurement to mitigate risk given the need for power and current loadshedding. Firstly, I can confirm we have committed to nothing yet. Any commitment remains subject to independent legal, technical, environmental, insurance due diligences, as well as credit processes. I can also confirm that enhanced reputational due diligences would be conducted. Like I said earlier, we have gotten this right 33 times and have been a major player in renewable financing. We are not about to give away our reputation that we have built on one transaction. I would also remind everybody that we could confirm recently Absa as the lead arranger and financier for the R12 billion solar tower project. So we also recognise that aspects of one of these items, the Karpower, in particular, are subject to a court process – we would also not do anything or commit to anything until all of those processes are completed."
Topic: climate change / governance - directors' climate change skills We understand that the board recognises the material risk that climate change poses and asserts that it is committed to sustainable development. We note, as explained in your integrated report, that the Board recognises the need for board members "*to become skilled in the areas of environmental and social sustainability, and climate change*". As I am sure the Board appreciates, areas of sustainability and sustainable development, and specifically climate change, are hugely complex and specialised.	**Respondent: Wendy Lucas-Bull, Chairperson** "Thanks for that question. We actually have looked at it as I've indicated earlier in terms of just looking at board composition and board skills. We have recognised this issue as particularly important going forward and more important than it has been in the past. What we have already done is we have a number of board training sessions as I indicated when I spoke earlier that we've done combined research with the CSIR. We've also teamed up with a number of academic institutions and we actually have had a series of training sessions with the board with the combination of the CSIR experts and our academic professors who are absolutely focused on this issue.

The next 8.5 years are our small window of opportunity for climate action to avoid catastrophic runaway climate change. Given the magnitude and urgency of this risk - and the opportunity it presents - will the bank commit to appointing at least one independent non-executive director with specific climate change and sustainability qualifications, skills and experience within the next 12 months, to help the bank position itself to execute its commitments on sustainable development and climate mitigation?	And we aim to continue to have those kind of sessions. And the kind of things that they cover, is helping us to look at, so for example, if you take the area of South Africa that is coal-based right now, what would it look like if you converted that into a solar power generating area? What is the difference between the coal mining jobs that are there now and the jobs that would come from solar power for example? So that we have a much deeper understanding of what a just transition looks like, what it means for jobs, what it means for the environment. We've also had significant sessions on the work that was done around the agricultural sector and particularly looking at South Africa around what happens if temperature changes by 1 percent, 2 percent, 3 percent, what does it do to the shift in crops that are sustainable in various parts of South Africa? These training sessions are held with the entire board and therefore we think that it is really important that we continue to tap into these experts to help us understand as an entire board, what the issues are, what the impact is on climate change, what the impact is in terms of just transition and what are the mitigating issues. So for example, one of the sessions we held was with the entire group of directors from our African regions and the same presentations that we had at the group board were presented to all of the boards across our regions. I participated in that session and one of the things that was covered was looking at the scenarios around increased cyclones and increased extreme weather patterns across the African East coast and what that could potentially do to particularly Mozambique, Tanzania and those countries that were already affected by the cyclones that we've seen so far. And further they actually went through what it is that town planners and countries can be doing in terms of mitigating factors to protect vulnerable communities in terms of these climate areas. So we will continue that and we will continue it in terms of making sure that all our boards across the African continent actually remain current with the issues. And we will make sure that all of the research that we are doing is actually made available to all of those boards. So further than having an individual member, I think we are investing significant time to make sure that the entire board is a lot more aware of what the issues are, and more importantly what the mitigating factors are, and industry by industry, what does a just transition look like? What does best efforts look like, so that we can make sure that we are doing what we can, both in terms of interfacing with various governments across the continent to assist in advocacy there, but more importantly, being in a good position to be able to advise our key clients on what a just transition is. So that's really our approach to it right now."

Topic: diversity and transformation, publication of policies	Respondent: Wendy Lucas-Bull, Chairperson
Absa has set board diversity targets of 30% female and 40% black. You have already achieved your target for female representation and almost achieved the 40% target for race diversity. According to your 2020 ESG Report, you set and regularly review these targets. Now that your targets have almost been met, when do you intend to set new targets? And will ABSA make its race and gender policy publicly available on its website, as you do with other policies?	“Greer, the issue of board diversity is an item which we continually review, as we continually review the skill mix that we require on the board. And as a pan-African business, we are also mindful to make sure that we have the appropriate Pan-African representation on our board. So, you will see that currently our board is looking just at the narrow definition of ‘black’ for South Africa misses the diversity that we have in terms of our pan-African representation on the board. But we do continually review that, and as we review it, we will make them public in terms of the percentages.”