



strate

INTEGRATED ANNUAL
REPORT 2025

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Strate, South Africa's principal central securities depository (CSD) and central collateral platform, plays a foundational role in safeguarding the integrity of the country's financial markets. As a systemically important financial market infrastructure (FMI), we uphold the trust, transparency and certainty that enable market participants to transact with confidence. By securing ownership rights, enabling settlement finality and supporting robust collateral flows, we ensure that South Africa's capital markets remain safe, stable and competitive.

The year under review was characterised by heightened volatility, increasing digitalisation and evolving regulatory expectations. Against this backdrop, Strate demonstrated resilience and delivered consistently, maintaining operational excellence while advancing strategic initiatives that position the organisation for sustainable long-term growth. Our strategy is built on strengthening our core, modernising our platforms, harnessing data as a strategic asset and building new capabilities that meet emerging market needs.

Guided by our regulatory mandate and the objectives of the Financial Markets Act (FMA), we remain committed to reducing systemic risk, enhancing transparency, improving market efficiency and safeguarding investor protection. As a self-regulatory organisation (SRO), we continue to provide the governance, oversight and standardisation required for a safe and well-functioning ecosystem.

Our partnerships remain key to our progress. Working closely with regulators, CSD Participants, issuers and other market infrastructures, we collaborate on solutions that strengthen the resilience and competitiveness of South Africa's financial markets. Together, we continue to uphold trust while enabling the next chapter of growth through innovation.



Navigating this report

Throughout our Integrated Report, the following icons are used to show the connectivity between sections:

Our capitals

Our success in achieving our purpose, not only now but in the future, is dependent upon effectively managing the capitals available to us through our value-adding business activities and the shared-value outcomes we deliver.

- FC Financial capital** – Our available capital reserves and strong cash-generating ability that are used to enable our business and operating activities, and support our stakeholders.
- SC Social and relationship capital** – Our stakeholder relationships and key strategic partnerships, including the financial services community and the communities in which we operate.
- MC Manufactured capital** – Our infrastructures, systems and operational processes that provide the framework and mechanics for how we do business and create value. Client value propositions and internationally recognised service capabilities form part of manufactured capital.

- IC Intellectual capital** – Our brand, reputation, operating licences, research and development capabilities, innovation capacity, knowledge and expertise, and sound corporate governance practices.
- HC Human capital** – Our culture, people and collective knowledge, skills and experience to create innovative solutions for our clients and value for our stakeholders.
- NC Natural capital** – The direct use and impact of natural capital in our operations and how we support natural capital through our business activities.

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01 ABOUT OUR INTEGRATED REPORT

Our 2025 Integrated Report is the outcome of disciplined integrated thinking and a groupwide reporting process governed by the Board, led by the Executive Committee, supported by our integrated assurance model and enabled through extensive collaboration across the organisation. This robust and ongoing process reflects our commitment to creating and preserving shared value as we fulfil our purpose of serving the South African financial markets.

This report serves as Strate’s primary communication to stakeholders. Its aim is to provide a holistic, balanced and accurate view of our performance, strategic progress and outlook for the year ended 31 December 2025. Material events occurring between the reporting date and the Board’s approval have been included and appropriately highlighted. The report is intended to provide relevant, meaningful information to all stakeholders.

Integrated thinking

Integrated thinking is embedded across our organisation and underpins the decisions we make. By understanding how our resources, relationships and capitals, including trade offs inherent in our strategic choices, we are able to create and preserve value across the short, medium and long term.

We apply integrated thinking in executing our strategy, evaluating impacts across the six capitals, and aligning our governance, risks, opportunities and performance with our external environment. This mindset strengthens our resilience and enhances our contribution to the broader financial ecosystem.

How we think about value

We view value creation as the outcome of how effectively we apply and leverage our resources, capabilities and relationships to fulfil our purpose of serving the financial markets. By executing our strategy, strengthening our core operations and delivering strong financial and non-financial performance, we generate positive and sustainable outcomes for our stakeholders and the broader financial ecosystem. Our value creation approach is underpinned by integrated thinking and our use of the six capitals.

Integrated reporting boundary and scope

According to the International Integrated Reporting Framework (International <IR> Framework), the reporting boundary defines the parameters within which matters are assessed for relevance and inclusion in an organisation’s integrated report. For Strate, this boundary encompasses all areas that materially influence our ability to create, preserve and protect value. It reflects how our strategy is executed and how we apply and leverage our six capitals to support long-term value creation.

Integrated reporting process

The 2025 Integrated Report draws on insights from Executive Committee, Operational Committee, Board and Board committee discussions, minutes, decisions and approvals – reflecting the Group’s integrated thinking – as well as internal and external reporting information required by the International <IR> Framework.

A multidisciplinary, cross-functional team led by the Chief Financial Officer, together with subject matter experts across the business, developed several drafts of the report, with oversight and review provided by Executive Committee members. Independent assurance providers contributed to the process where appropriate. The Audit and Risk Committee (ARC) reviewed the final version and recommended it to the Board for approval.

Reporting frameworks

Our reporting process is guided by the principles and requirements of the International International <IR> Framework of the International Integrated Reporting Council (IIRC). Although Strate is not a public company, the nature of our role as a systemically important financial market infrastructure places us firmly within the sphere of public interest. As such, we aspire to report in a manner that aligns with the IIRC’s vision of transparency, accountability and stakeholder-centred disclosure.

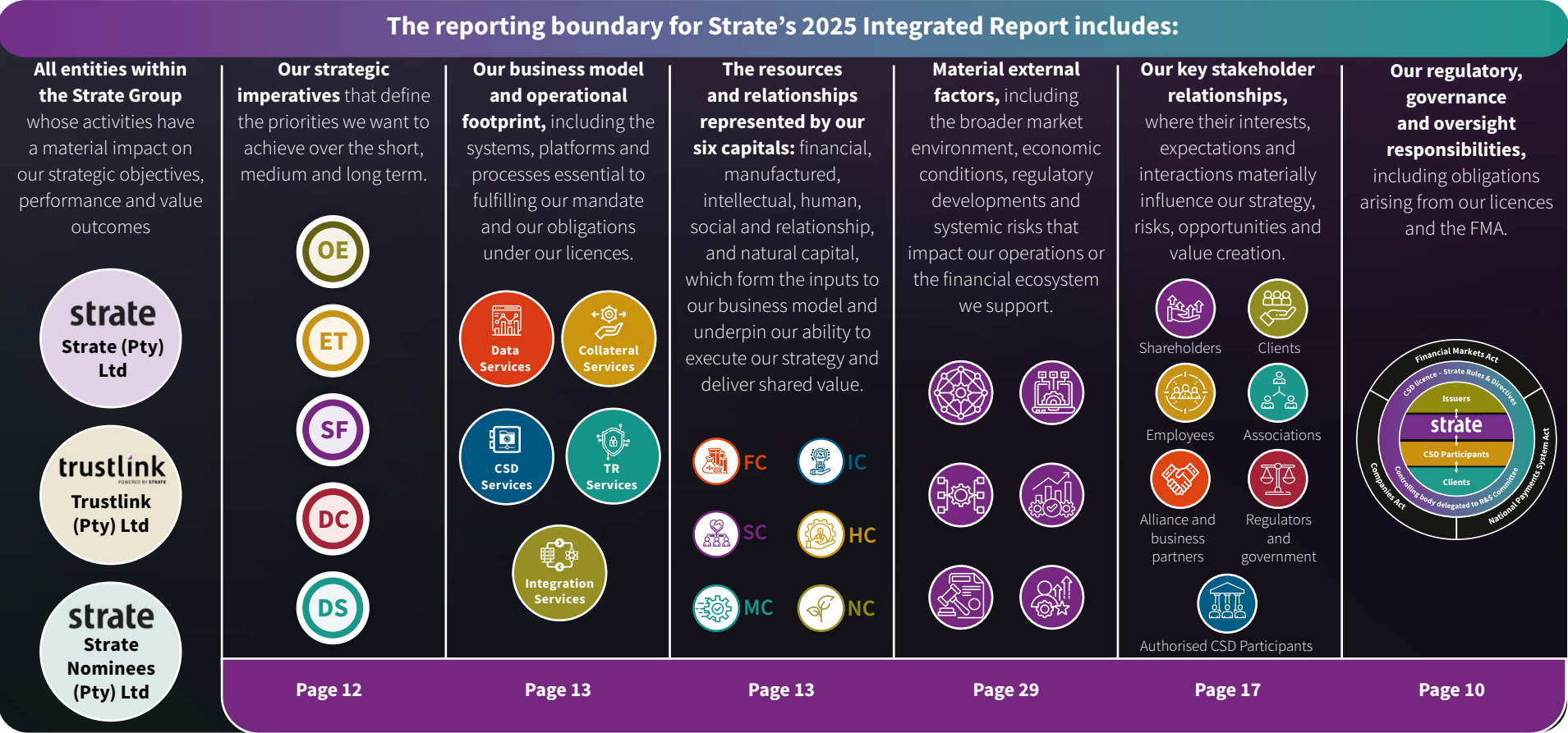
As an organisation committed to stakeholder inclusiveness, Strate strives to produce transparent, accurate and balanced reports that serve the information needs of all our key stakeholders. Our suite of reports provides additional insight into our remuneration practices, sustainability initiatives, and regulatory and supervisory activities. Accordingly, our reporting suite has been prepared in accordance with the following frameworks and legislative requirements:

International <IR> Framework	Companies Act, No. 71 of 2008, as amended	International Financial Reporting Standards
King IV Report on Corporate Governance for South Africa, 2016 (King IV™)		
United Nations Sustainable Development Goals (SDGs)	National Payment System Act, 78 of 1998	Financial Markets Act, No. 19 of 2012

Certain financial information included in this report has been extracted from the audited consolidated Annual Financial Statements, prepared in accordance with International Financial Reporting Standards.

In this report, we explain how our strategy, governance, performance and future outlook, within the context of our external environment, contribute to value creation over the short, medium and long term. In doing so, we consider the capitals we rely on, the trade-offs between them, and how these influence our ability to create sustainable shared value and achieve our strategic intent. Value creation and preservation arise from how we apply and leverage these capitals in formulating and executing our strategy.

By adopting the principles-based International <IR> Framework, we demonstrate our commitment to integrated thinking. Understanding how our strategy, risks, opportunities, relationships and resources interact enhances our ability to deliver sustained value for all stakeholders. Providing a clear, concise and transparent view of our business, including the opportunities, risks and interdependencies that shape our decisions, is a fundamental part of fulfilling our purpose.



This boundary ensures that the information presented in our Integrated Report is complete, relevant and aligned to the principles of integrated thinking, providing stakeholders with a holistic view of how we create value over the short, medium and long term.

ABOUT OUR INTEGRATED REPORT Continued

THE INTENT OF OUR INTEGRATED REPORT

The intent of this report is to demonstrate how we create sustainable, shared value over time by embedding our purpose into all aspects of our business.

Serve the financial markets

We explain what we do, how we deliver value, the issues that materially impact value creation and how we fulfil our purpose while acting responsibly in the communities and environment in which we operate.

Enhance strategic alignment

We create clarity between management, the Board, shareholders and other key stakeholders by outlining our strategy, progress, risks, opportunities, material matters and stakeholder considerations.

Create focus

We provide a transparent assessment of how we use our six capitals through our strategy and business model to create and preserve value.

Improve understanding of interconnectedness

We highlight the interdependencies within our operating environment, our business model and our capitals, supporting better stewardship and decision-making.

Position the business for a sustainable future

We outline how we are transforming our business and ecosystem through innovation, diversification and co-creation – enabling resilience and relevance in a challenging and rapidly evolving environment.

Strengthen trust

As a neutral and systemically important FMI, we safeguard the digital legal record of securities ownership. This report demonstrates how we protect investor rights and support market stability.

Demonstrate world-class governance

We show how our governance structures and practices support value creation and align with the objectives of the FMA.

How we consider materiality and material matters

Strate applies a Board-approved double materiality approach across its reporting suite. Our annual materiality assessment considers our dynamic operating context and identifies matters that could significantly affect our ability to create, preserve or erode value over the short (0–24 months), medium (2–5 years) and long term (5+ years).

Our material matters inform all content in this report and guide decision-making, resource allocation and strategic prioritisation.

Our materiality determination process identified the following material matters that we report on to inform our stakeholders and support their decision-making:

Navigating complexity

Investment shifts

Strate and its ecosystem

Resilience through innovation

Balancing regulatory compliance and strategic growth

Talent shifts

Our reporting suite



** As Strate is privately owned, these reports are only available to our shareholders and regulators.

Approval by the Board

The Board acknowledges its responsibility to ensure the integrity of this Integrated Report. The Board has applied its collective mind to the preparation and presentation of the information contained in Strate’s 2025 Integrated Report. The Board believes that the report is presented in accordance with the International <IR> Framework and that it provides a balanced and appropriate presentation of those matters that have or could have a material effect on Strate’s ability to create value over time, and that it fairly presents the holistic performance of the business.

This report was approved by Strate’s Board of Directors on 26 March 2026.

Assurance – Ensuring the integrity of our report

Our integrated assurance model integrates risk, audit, compliance and assurance activities to ensure the integrity of all financial and non-financial information. Executive and senior management oversight, combined with external assurance providers, maintains an effective internal control environment across the Group. This ensures that assurance focuses on critical risk exposures, supporting the integrity of information used for internal decision-making and for reporting to external stakeholders.

The elements of our Integrated Report were assured as follows:

Reporting element	Assurance status and provider
Financial information	Summarised financial information is extracted from the consolidated Annual Financial Statements. Ernst & Young Inc (EY) audited the consolidated Annual Financial Statements and expressed an unqualified opinion.
Non-financial performance information	The management team prepared our Integrated Report using various systems, procedures and controls, with designated individuals responsible for key activities. Assurance processes are primarily based on management assessments and Audit and Risk Committee and Board reviews, supported by the underlying internal control environment. Our Group Broad-based Black Economic Empowerment (B-BBEE) status is verified by BDO. The quality of our stakeholder relationships is measured through stakeholder feedback and business outputs.

Forward-looking statements

This report contains forward-looking statements based on current market conditions, market readiness and assumptions about future events. These statements involve inherent risks and uncertainties related to economic, regulatory and market developments and have not been reviewed or reported on by the auditors.

Delivering societal value through our purpose

Guided by our purpose of serving the financial markets, we recognise our responsibility to contribute meaningfully to the United Nations Sustainable Development Goals (SDGs). We have identified the SDGs most closely aligned to our mandate, enabling targeted capital allocation and impactful execution that benefits our stakeholders and supports the resilience of our communities.

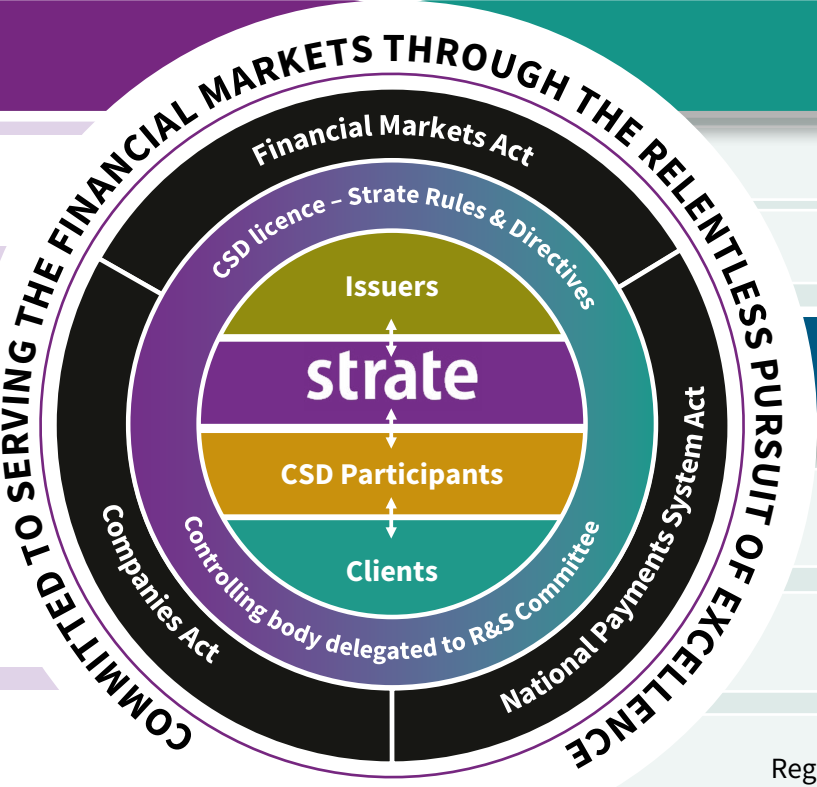
STRATE AT A GLANCE

As South Africa’s principal central securities depository (CSD) and collateral management platform, Strate safeguards the legal digital record of securities ownership and delivers registry, settlement, asset servicing and communication solutions. By enabling the efficient use and traceable reuse of securities as collateral and ensuring secure market integration, we strengthen financial market stability and support economic growth. Our Trade Repository, which is in development, is intended to provide a centralised, trusted record of derivative transactions, enhancing transparency, regulatory reporting and systemic risk monitoring. Together with our Data Services capability, it will contribute to richer market insights and a more resilient financial ecosystem.

Our purpose is to serve the financial markets. We achieve this by collaborating with stakeholders to co-create the future of the markets in which we operate, striving for sustainable and consistent shared value. Our value drivers and success measures are aligned with the objectives of the Financial Markets Act, enabling us to advance investor protection, reduce systemic risk, improve market efficiency, enhance transparency and support the competitiveness of South Africa’s financial markets.

WHO WE ARE

- Operating since 1998
- Systemically important financial market infrastructure
- Pioneer of digitisation in the South African financial markets
- Licensed independent provider of post-trade services for the South African financial markets
- Critical contributor to the Thomas Murray Capital Market Infrastructure risk rating of AA- for South Africa



OUR BUSINESS

- We serve all South African exchanges and private trading venues
- World-class technology platforms

SERVICE CAPABILITIES

CSD Services	Data Services
Integration Services	Collateral Services
Regulatory and supervisory responsibilities	Trade Repository Services

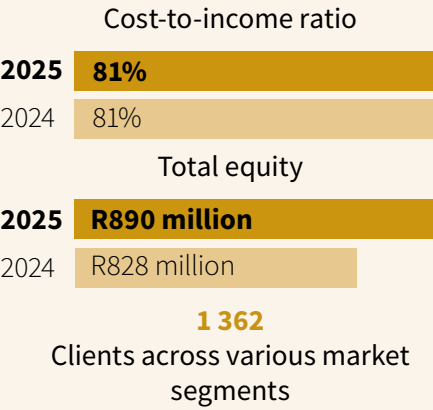
OUR VALUE DRIVERS

- Creating market efficiencies and fairness
- Protecting regulated persons, clients and investors
- Reducing systemic risk
- Increasing confidence in the South African market
- Enhancing market transparency
- Supporting market interoperability and competitiveness

CONTRIBUTION TO THE SOUTH AFRICAN FINANCIAL MARKET

- R17.8 trillion** Total assets under safekeeping
- 7.8 million** Settlements processed
- R67.9 trillion** Value of settlements processed
- 137 million** Messages securely transmitted
- 68.4 billion** Average collateral assets under management

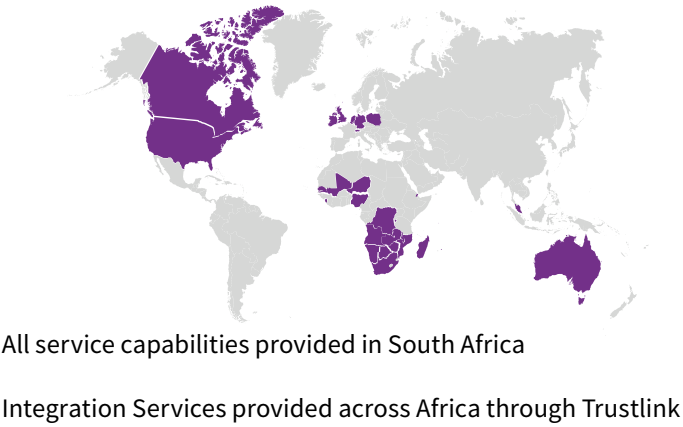
FINANCIAL SUSTAINABILITY MANDATE



OUR PEOPLE ARE AT THE CORE OF WHAT WE DO

- 159 permanent employees in the Strate Group
- Resilient and stable workforce
- Robust talent management strategy
- Suitably qualified management teams with in-depth knowledge and experience
- Empowering culture that fosters diversity, inclusivity, talent growth and development

CLIENT FOOTPRINT



OTHER

- Good governance leadership
- Level 1 B-BBEE contributor status for the fifth year running
- Committed to doing good through our socioeconomic partnerships and contributions

SUSTAINABILITY

We have taken deliberate steps to minimise our environmental footprint, ensuring that our actions support the wellbeing of current and future generations. This reflects our commitment to sustainability and responsible business practices. Refer to our Sustainability Report.



03

LEADERSHIP REFLECTIONS

Our leaders reflect on 2025, explain the context in which the Board sets strategic direction, followed by the key highlights and challenges, reiterating our purpose and outlining our vision for the future.

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CHAIRPERSON'S REVIEW



Nigel Payne

Chairperson

South Africa's economic landscape in 2025 presented a study in contrasts. GDP growth remained muted, reflecting structural constraints that continued to limit our potential. The global economic outlook remained subdued, and global tariff wars created uncertainty and elevated risk, which negatively affected business confidence, capital investment, global trade volumes, supply chains and export volumes in most countries.

Yet within this subdued picture were encouraging signs: the government's decision to reverse a proposed VAT increase demonstrated responsiveness to economic realities, while S&P Global's sovereign credit rating upgrade – the first in nearly two decades – signalled improved confidence in the country's reform efforts. The Government of National Unity has brought both stability and complexity to our political landscape. Coalition governance requires collaboration and compromise. We have seen progress on policy development and infrastructure reform, yet implementation remains the critical test.

The Board recognises that Strate operates within a broader macroeconomic and policy context, and that the successful execution of our strategy is partly dependent on government's ability to accelerate structural reforms and create an enabling environment for economic growth, which is essential to sustaining market confidence and activity.

South Africa's removal from the Financial Action Task Force (FATF) greylist stands as a financial sector milestone, achieved through concerted effort across government, regulators and market participants in restoring the country's standing in global financial systems. Strate's contribution through improving the transparency of beneficial interest records demonstrates the role critical infrastructure can play in systemic reform.

Our capital markets continued to experience structural change in 2025. Although the JSE welcomed new listings, including Cell C's return to the main board, the trend of delistings persisted. African Rainbow Capital Investments' exit and MultiChoice Group's delisting following acquisition by Canal+ reflect ongoing market consolidation. The Board has given considerable attention over the past seven years to understanding how these dynamics affect Strate's sustainability and strategic positioning, reinforcing our intent to deliver core services without fail while diversifying to address revenue concentration risk.

The Board has focused intensively this year on overseeing the execution of Strate's strategic growth initiatives. These capabilities – CSD-to-CSD links for global funds access and removals, collective investment scheme services, Trade Repository development, enhanced data services and innovative collateral management solutions – represent a fundamental evolution in how South Africa's post-trade infrastructure serves the market.

Reflecting on 2025's achievements, we see a business that has successfully protected its core while creating sustainable new capabilities. Strate 1.0, as management describes it, was fundamentally a building phase. The organisation has established the infrastructure, developed the capabilities and created the platforms that enable transformation in line with the Financial Markets Act's objectives.

Operational resilience remained non-negotiable. Strate achieved 100% operational excellence in 2025, with no significant market disruptions. This track record of reliability, built through disciplined investment in systems, processes and people, enables everything else we seek to achieve. Our CSD Participants have similarly demonstrated stability and resilience, supporting the smooth functioning of South Africa's capital markets through a year of both challenge and opportunity.

Board composition and succession planning remain a focus area. We progressed work on reviewing our Memorandum of Incorporation to ensure it remains fit for purpose as Strate's business model evolves. Development of a stakeholder conflict of interest management framework is well advanced, recognising the complexity that arises from our shareholder structure and expanding service capabilities.

Looking to 2026, we enter what management has termed Strate 2.0 – a phase focused on achieving market adoption, scale and growth while demonstrating the value creation our capabilities enable for the broader ecosystem. The external environment for 2026 presents opportunity tempered by caution. Post-FATF removal from the greylist and South Africa's sovereign rating upgrade have created positive momentum. However, constraints remain: high public debt and unemployment, infrastructure challenges and modest economic growth projections. Success depends partly on factors beyond our control: market readiness, participant appetite for change and broader economic conditions. We remain realistic about the challenges while confident in the strategic direction.

Our relationship with regulators continues to be constructive and collaborative. We appreciate that robust regulatory oversight strengthens market confidence and ultimately serves Strate's interests alongside those of the broader financial system. On behalf of the Board, I thank our regulators for their valuable guidance and engagement as we work together to maintain South Africa's credibility as an attractive, trusted investment destination.

During the year, our non-executive directors saw some changes. Rajesh Ramsundhar, the Standard Bank shareholder-nominated non-executive director, was replaced by Rato de Mendonça, with effect from 1 April 2025 to 3 December 2025, at which point Rajesh was re-appointed to the Strate Board. Christine Clark, the FirstRand shareholder-nominated non-executive director, was replaced by Hendrik Fourie with effect from 10 March 2025, who has subsequently resigned from the Board effective 31 December 2025. I would like to thank the outgoing directors for their service to the Board; their insights and guidance have been invaluable.

To the management team and employees led by André, I extend the Board's appreciation for your strategic clarity, disciplined execution and operational excellence throughout 2025. The capabilities now in place represent years of focused effort. My Board colleagues deserve recognition for their constructive challenges and input, diverse perspectives and commitment to excellence in governance.

Our stakeholders – CSD Participants, issuers, investors, regulators and partners across the financial ecosystem – have our gratitude for their ongoing trust and collaboration. The journey ahead requires us all to work together, embracing change while maintaining the stability and reliability that underpin market confidence. I look forward to what we will achieve together in the years to come.

CHIEF EXECUTIVE OFFICER'S REVIEW



André Nortjé
Chief Executive Officer

We have been on an incredible journey over the past seven years to build a sustainable business that will have a transformational impact on South Africa's financial market ecosystem. This was Strate 1.0, and our focus was twofold: protecting and optimising our core business while establishing new capabilities that create efficiencies for the entire ecosystem.

We successfully transformed a traditional central securities depository into a diversified, technology-driven market infrastructure leader that is shaping the future of post-trade services. This dual mandate was captured in our 2025 business theme: **“Protecting our core while creating for the future”**.

Strate 1.0 was, at its heart, a building phase. We were laying foundations – establishing infrastructure, developing capabilities and creating the platforms that would enable transformation across the ecosystem. At the same time, we ensured that we maintained operational excellence and delivery in our core services.

This achievement came against a backdrop of continued economic challenges but also significant national milestones. The formation of a Government of National Unity marked a historic shift in our political landscape, while South Africa's G20 presidency elevated our standing on the global stage. Significantly, in October 2025, South Africa was removed from the Financial Action Task Force greylist. This was a watershed moment for our country, and I am pleased with Strate's contribution to establishing a more transparent beneficial interest register.

Enabling Strate 2.0: Scaling the market we serve

Over the past seven years, Strate has delivered a material step-change in South Africa's market-infrastructure capabilities. Collectively, these capabilities underpin Strate 2.0 – a strategic evolution designed to deepen and scale Strate's role within the domestic financial ecosystem. The strategy focuses on broadening the issuer base, supported by local infrastructure, and expanding the range of assets available to investors, thereby enhancing the scale, relevance and resilience of South Africa's capital markets.

A core component of Strate 2.0 is the CSD-to-CSD link with Euroclear Bank, initially enabling Global Funds Access. This capability provides South African investors with local access to more than 250 000 foreign funds through a single, standardised point of entry, while the removals service enables efficient cross-border securities movement. By facilitating access to global assets through trusted domestic infrastructure, Strate strengthens South Africa's integration into global capital markets and supports secure cross-border data flows.

The implementation of the Trade Repository further reinforces the country's market infrastructure. Developed in close collaboration with market participants, the repository fulfils South Africa's outstanding G20 commitment by establishing a single source of truth for OTC derivatives data. Beyond regulatory compliance, it enhances market transparency,

supports market growth and contributes meaningfully to systemic risk reduction.

Strate's Collective Investment Schemes capability demonstrates how infrastructure-led innovation can expand both issuer reach and investor participation. By enabling transactions as small as R10, barriers to entry are reduced, while issuers benefit from improved registry, settlement and asset-servicing efficiency.

The acquisition of Trustlink and the launch of Afriverse extend Strate's strategic footprint beyond South Africa. Engagement with the South African Reserve Bank to assess Strate's capability to enable a critical ISO-standard messaging network further underscores its potential role in supporting regional integration and cross-border financial connectivity.

These initiatives are underpinned by the operational Data Services platform, which establishes data as a core enterprise capability. This world-class, AI-enabled platform provides the foundation for clients to leverage their data to evolve business and operating models and generate deeper insights. In doing so, it reinforces Strate's role as a trusted market infrastructure while enabling the development of new value-adding services aligned to Strate 2.0.

Finally, Strate's collaboration with the South African Reserve Bank on a proof of capability for a triparty collateral-management solution illustrates the system-wide benefits of data-enabled infrastructure. By enabling automated, data-driven collateral optimisation, the solution has the potential to improve efficiency, resilience and liquidity management across the banking sector.

Clarity of purpose

An important achievement over these seven years has been creating clarity – both within Strate and across the market – about our role. We exist to establish market-leading infrastructure that enables market stakeholders to create new businesses and transform their operating models. Through our capabilities, stakeholders can fundamentally change their cost structures and enhance their risk management.

Everything we do must serve the objectives of the Financial Markets Act: increase market efficiencies and fairness, protect regulated persons, clients and investors, reduce systemic risk, increase confidence in South Africa's markets, enhance market transparency and support interoperability and competitiveness. As a self-regulatory organisation, we create standardisation and finality, ensuring a level playing field where the market can operate safely.

A trusted partner

I am particularly proud that there are very few market-wide activities where Strate is not asked to participate. We have become the partner that regulators, exchange partners, Participants, issuers and investors turn to

when they need to solve complex problems. This positioning as a trusted, neutral enabler was earned through consistent delivery and genuine partnership.

That said, our journey has not been without challenges. Our experience implementing change across the ecosystem has taught us an important lesson: change is complex, and successful outcomes require all stakeholders working together. However, we have learned that first movers gain advantage and that the changes we introduce, while sometimes challenging in the short term, deliver long-term benefits for everyone. We invite our partners to walk this path with us.

Our people and communities

None of what we have achieved would be possible without our people. Their talent, dedication and commitment are what enable us to deliver on our purpose. We continue investing in their development, building the capabilities that will sustain our business and serve our markets into the future.

Strate has held B-BBEE Level 1 status for five consecutive years, demonstrating our commitment to South Africa's transformation agenda. This commitment extends through our socioeconomic partnership model, creating lasting impact through infrastructure, education and skills development in communities across the country.

Our sustainability approach aligns with the United Nations Sustainable Development Goals, spanning environmental stewardship through renewable energy adoption, social impact through community partnerships, and a commitment to good governance that underpins all we do.

Looking ahead

Our strategic focus remains clear: maintaining operational excellence, ensuring we have engaged and talented people, nurturing strong stakeholder relationships, leveraging infrastructure aligned with FMA objectives, and achieving scale across all our service capabilities to the benefit of the broad ecosystem. Our ongoing commitment to serving the South African financial market, combined with our proven ability to execute, gives me confidence in what lies ahead.

To everyone who has been part of this journey – our Board, regulators, exchange partners, Participants, issuers, investors and, most importantly, Strate's employees – thank you. Your dedication and commitment have been instrumental in everything we have achieved.

Don't underestimate what we have accomplished together. The momentum we have created is powerful and transformative. I call on everyone in our ecosystem to join us in this next phase. Together, we can realise the full potential of what we have built for the benefit of South Africa's financial markets.

04

WHO WE ARE

An overview of Strate, our service capabilities, our business model, how our purpose, strategy and values position us for long-term shared and sustainable value creation. We introduce our leadership team and the stakeholders that are key to our business success.

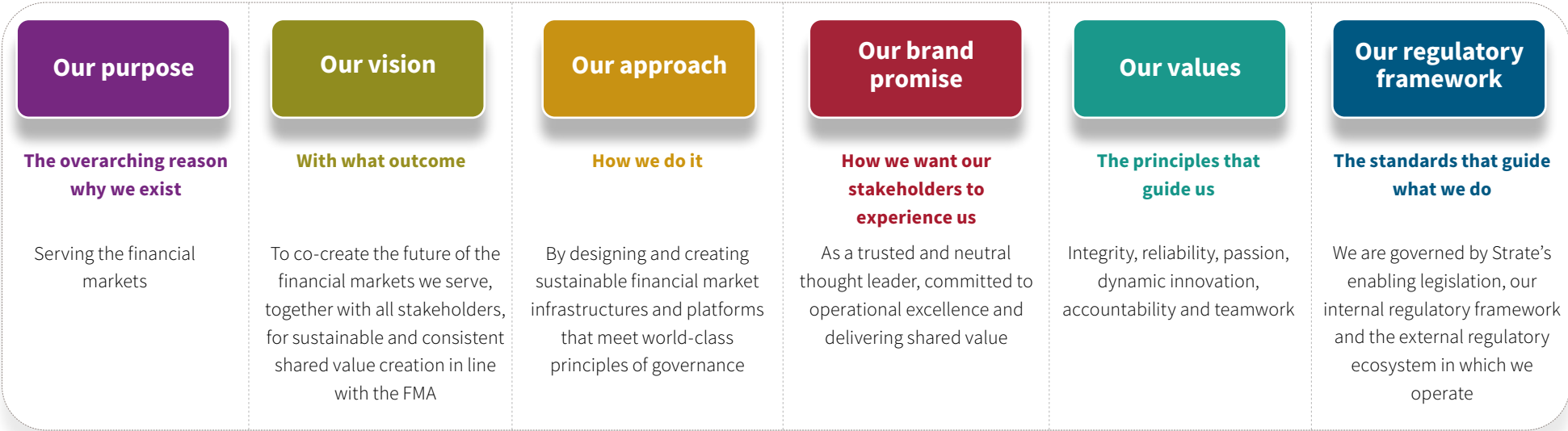
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OUR PURPOSE AND VALUES

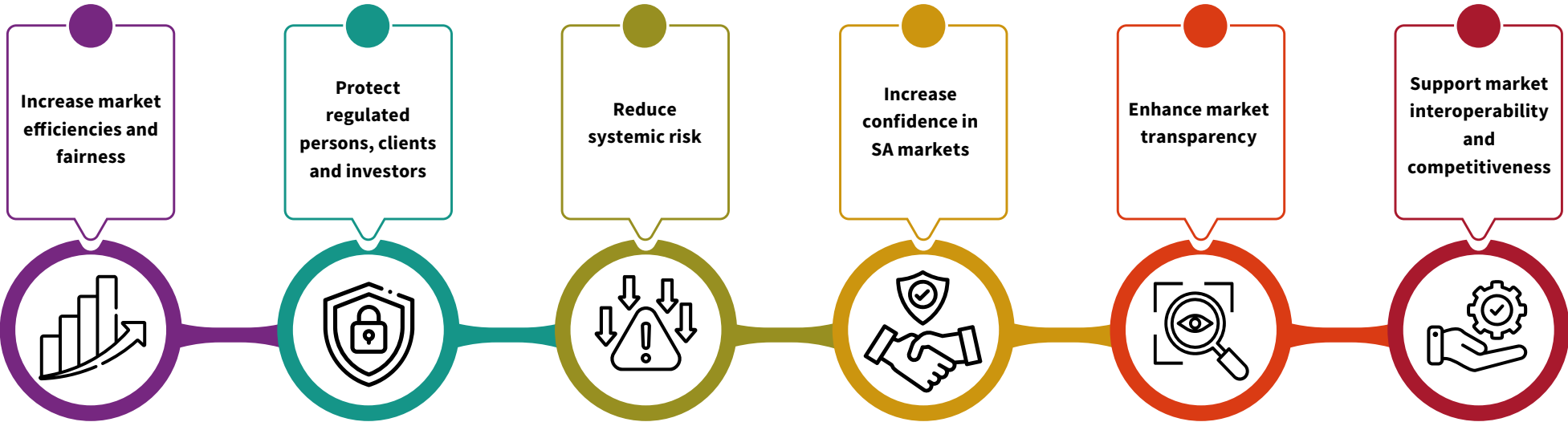
Strate is a purpose-led organisation dedicated to serving South Africa's financial markets. We fulfil this purpose by maintaining unwavering operational excellence and resilience, earning the trust of the market stakeholders who rely on us. While we protect and maintain our core functions, we also invest in Board-approved strategic growth and innovation initiatives to ensure our long-term sustainability.

We bring our purpose to life through what we do, how we do it, and the way we engage with our key stakeholders. Our values and culture shape our behaviours and define how employees, clients and stakeholders experience working with us. They reflect our commitment to excellence, integrity, meaningful collaboration and contributing to the growth of SA Inc. As a licensed financial market infrastructure, we deliver critical services by combining strong governance with innovation, ensuring sustainable and consistent value creation aligned with the objectives of the Financial Markets Act.

The following graphic illustrates how our purpose, approach, vision, values, brand promise and regulatory framework work together to guide our strategy and operations:



Financial Markets Act



By aligning our strategy and business model with the FMA objectives, we ensure responsible operations and sustainable, long-term value outcomes.

Our culture and guiding principles

The graphic below highlights the principles that underpin Strate's culture. These principles enable us to effectively fulfil our purpose and consistently embody our values.

Our culture

Our culture, shaped by our purpose and reinforced through our corporate behaviours, is a core strategic enabler of our value-creating business model. Our values guide how we behave, drive service excellence and foster a culture of accountability, innovation and collaboration. We deepen employee engagement by understanding what inspires our people, strengthening connections and supporting them in overcoming challenges.

People at the core

Our people are our most valuable asset. We foster an inclusive, diverse workplace where every voice matters and employees are empowered to grow. Through open communication and shared accountability, we build a sense of belonging and encourage meaningful contribution toward meeting our strategic imperatives.

Innovation and adaptability

Innovation is part of who we are. We promote curiosity, creativity and the exploration of new technologies that enhance market efficiency and security. Cross-functional collaboration enables agility, ensuring we remain responsive to evolving market needs.

Resilience and transformation

Our workforce demonstrates resilience by adapting effectively to uncertainty while upholding operational excellence and safeguarding core functions. Leadership development, training and succession planning strengthen our ability to navigate complex environments. Transformation remains a strategic priority that drives equity, inclusion and alignment with legislation and stakeholder expectations.

Engagement and trust

Employee engagement is a foundational component of our culture. Through transparent communication, meaningful recognition and regular feedback, employees feel valued, connected to our strategy and supported in their roles. This strengthens trust, enhances productivity and fuels innovation and collaboration.

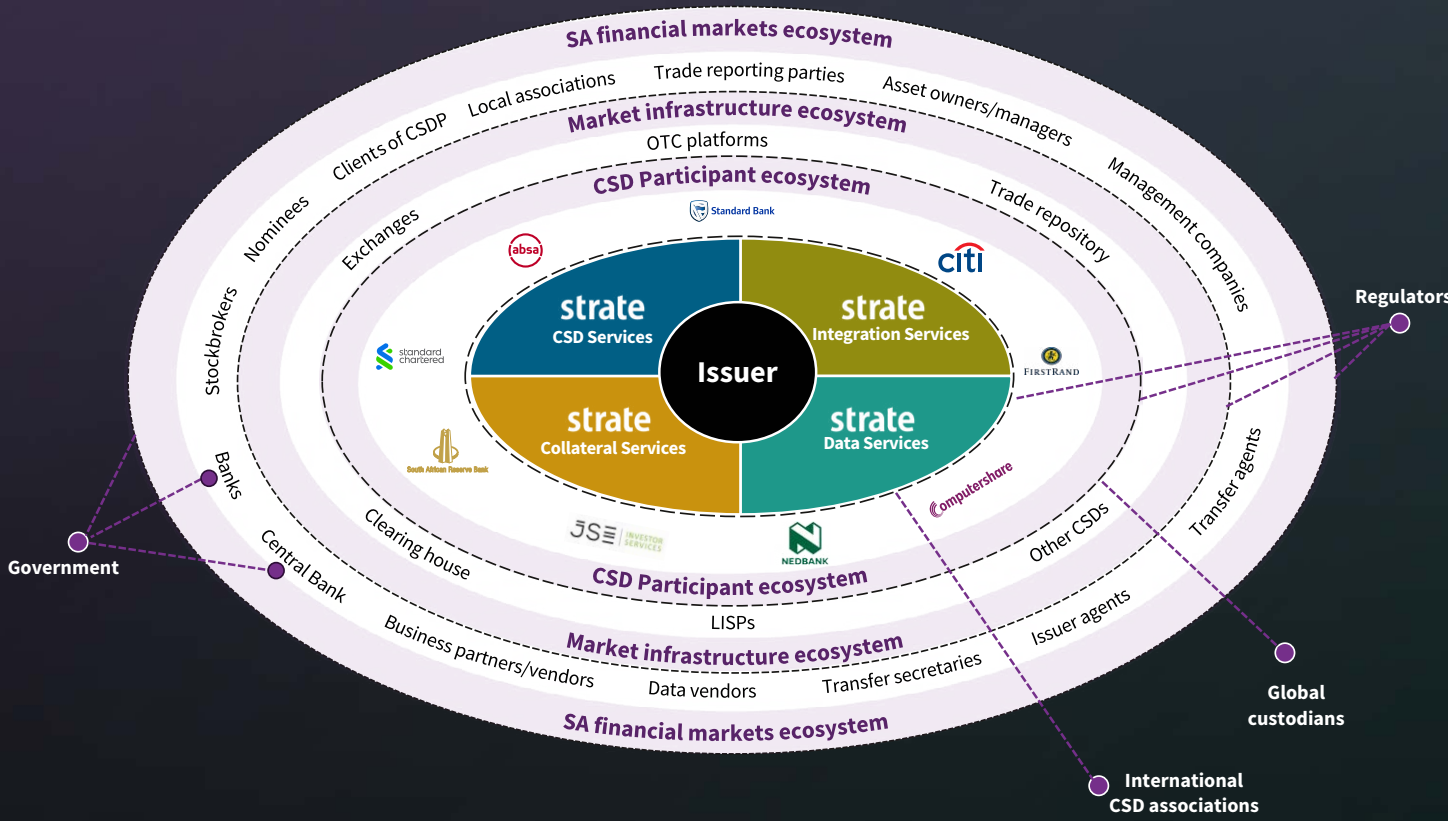
ABOUT STRATE

Our role in the financial ecosystem

Strate is South Africa’s licensed Central Securities Depository (CSD) and central collateral platform. For over 27 years, we have played an essential role in the country’s financial markets, trusted with safeguarding the legal ownership of securities. Our mandate is to ensure that every transaction is secure, every asset is accounted for, and every investor’s rights are protected.

We maintain the definitive digital record of ownership for a wide range of financial instruments, including equities, bonds, money market instruments and collective investment schemes (ETFs and unit trusts). These records provide the legal proof of ownership that underpins trust and confidence in South Africa’s capital markets.

By enabling the traceable reuse of securities as collateral, we support the optimisation of balance sheets, enhance market liquidity and contribute to the efficient functioning of the broader economy.



A trusted and resilient financial market infrastructure

Strate is recognised locally and internationally as a neutral, trusted and resilient financial market infrastructure (FMI). We operate under the FMA and are designated as a self-regulatory organisation (SRO). Our governance and operations are guided by global best practices, including the Principles for Financial Market Infrastructures (PFMIs) developed by the Committee on Payments and Market Infrastructures and the International Organisation of Securities Commissions (CPMI-IOSCO).

Our services span the full post-trade value chain: registry, settlement, asset servicing and digital communication. These services are delivered through secure, scalable and interoperable platforms that ensure seamless connectivity across South African and international markets.

Our Integration Services capability enables efficient and standardised communication between market participants, underpinned by ISO-compliant messaging protocols.

Strate is a self-regulatory organisation, mandated by the Financial Markets Act (2012). The characteristics of a self-regulatory organisation and how Strate applies these requirements are illustrated in the graphic to the right.

Share a common set of public interest objectives, including the enhancement of market integrity, market efficiency and investor protection

Are actively supervised by government regulators

Have statutory regulatory authority

Establish rules and regulations for firms and individuals, subject to their regulatory authority

Monitor members’ compliance with applicable rules and regulations

Have the authority to discipline members that violate applicable rules and regulations

Include industry representatives on their boards or otherwise ensure that industry members have a meaningful role in governance

Maintain structures, policies and procedures to ensure that conflicts of interest between their commercial and regulatory activities are appropriately managed

Source: International Council of Securities Associations

Application by strate

Obligated to enable the FMA objectives

FSCA
PA
SARB NPS Oversight
Department

Section 30 of FMA
provides regulatory
authority

RSC Committee
oversight

Strate Rules and
Directives

RSC Committee
oversight

Strate Supervision

RSC Committee
oversight

Section 30 of FMA
provides authority

RSC Committee
execution

Industry
representatives and
SMEs on the Strate
Board

Policies and
procedures in place

RSC Committee
oversight

Refer to the Regulatory and Supervisory Report for Strate’s regulatory role and activities, as overseen by the Regulatory and Supervisory Committee (RSC Committee).

ABOUT STRATE Continued

Innovation and digital leadership

Innovation is embedded in our DNA. From pioneering the dematerialisation of securities in South Africa to launching our e-Voting platform that enables secure, virtual shareholder meetings, Strate has consistently led the way in digital transformation.

Our central collateral platform connects collateral givers and receivers in real time, unlocking capital, enhancing liquidity and mitigating systemic risk. In 2024, we received regulatory approval for our Trade Repository licence, a significant milestone that positions us to further enhance transparency and risk mitigation in the over-the-counter (OTC) derivatives market. This capability will enable South Africa to meet G20 requirements and strengthen its global competitiveness.

Our CSD-to-CSD link with Euroclear has expanded opportunities for South African investors. This direct connection facilitates the seamless movement of dual-listed securities and provides local investors with efficient access to global markets.

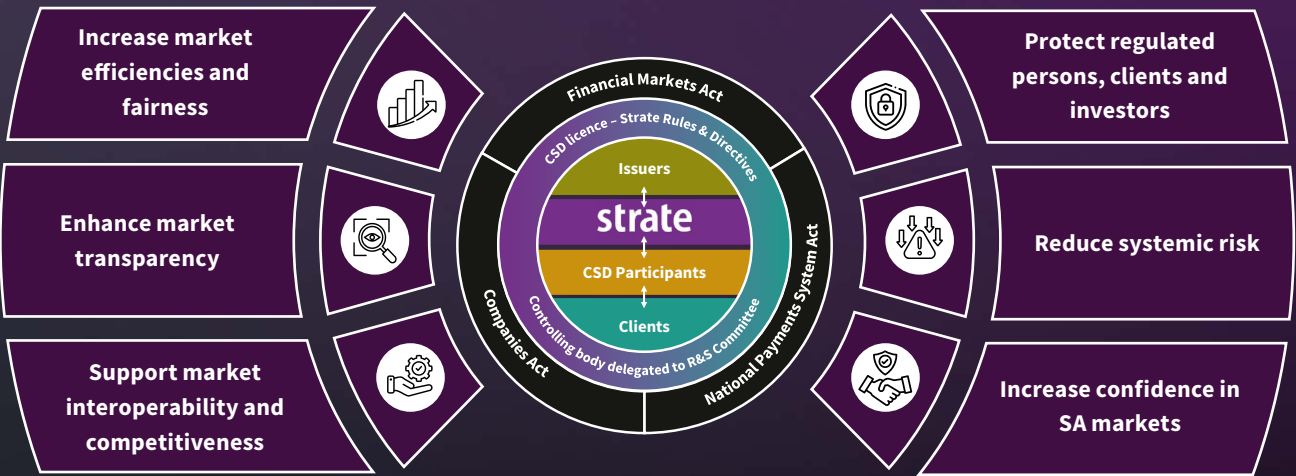
Enhancing market transparency and insight

As a CSD, we have access to a wealth of unique and complete data assets. We have developed a robust data services capability that draws on this high-quality, real-time and historical data to provide market stakeholders with actionable insights across all security types.

Our data solutions support informed decision-making, enhance market transparency and contribute to the integrity and efficiency of South Africa’s capital markets. We continue to invest in advanced data technologies and analytics to meet the evolving needs of our clients, regulators and stakeholders.

A comprehensive regulatory framework

Strate operates within a sound and comprehensive regulatory framework that ensures the highest standards of compliance, governance and risk management. Our services are governed by the Financial Markets Act (2012), the Companies Act (2008), and the National Payment System Act (1998), and are subject to oversight by the Financial Sector Conduct Authority, the Prudential Authority and the South African Reserve Bank’s National Payment System Department.



In addition, we are regulated under the Financial Sector Regulation Act (2017) and align our operations with international standards, including the CPMI-IOSCO Principles for FMIs. This regulatory foundation enables us to maintain the trust of the market and to operate with transparency, accountability and resilience.

Strategic partnerships with world-leading technology providers

Strate’s digital innovation strategy is underpinned by a collaborative partnership model with globally and locally recognised technology providers.

Our registry, settlement and asset servicing infrastructure is supported by Tata Consultancy Services, a leader in financial technology solutions. RiskCafé, a trusted local technology partner, powers our e-Voting platform and supports Strate Converge, which enables our private markets business model. Our central collateral platform is delivered in partnership with Clearstream, a member of the Deutsche Börse Group, bringing global expertise and infrastructure to the South African market.

Through Trustlink, powered by Strate, we provide secure connectivity to financial communities across Africa and beyond, enabling public and private network integration via our Afriverse platform.

These partnerships allow us to deliver scalable, secure and future-ready solutions that meet the complex and evolving needs of our stakeholders.

Creating shared value through collaboration

At the heart of our strategy is a commitment to creating shared value. We work in close partnership with regulators, financial institutions, clients and employees to co-create solutions that address market needs, foster innovation and drive sustainable growth.

Our governance structures, risk management frameworks and stakeholder engagement practices are designed to ensure that we remain accountable, transparent and responsive to the evolving needs of the financial ecosystem. We actively engage with our stakeholders to shape the future of South Africa’s capital markets, ensuring that our services remain relevant, inclusive and forward-looking.

A commitment to responsible corporate citizenship

Strate is deeply committed to responsible corporate citizenship. We integrate sustainability into our business model, recognising our role in shaping a more inclusive, equitable and environmentally conscious financial system.

Our initiatives promote diversity, transformation and community empowerment, aligning with South Africa’s national development priorities and the UN SDGs. We strive to foster a culture of integrity, inclusivity and continuous improvement, both within our organisation and across the markets we serve.

Enduring confidence from our shareholders

Our shareholder base comprises some of South Africa’s most respected financial institutions, including Nedbank, Standard Bank, Absa Bank, FirstRand Bank, the Johannesburg Stock Exchange and Citibank. Their long-term commitment reflects their confidence in our vision, governance and operational resilience.



This support enables us to invest in the future of financial market infrastructure, ensuring that we continue to deliver value to all our stakeholders.

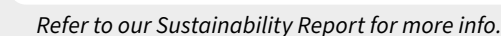
Looking ahead: Future-ready and purpose-driven

As we look to the future, Strate remains steadfast in its purpose: to serve the financial markets by delivering secure, efficient and innovative post-trade services that uphold market integrity and enable economic transformation.

We are proud to be the invisible engine behind South Africa’s capital markets

Strate. The trusted foundation of South Africa’s markets.

Strate's strategy is about leading with purpose, adapting with agility and delivering with excellence. Together with our stakeholders, we are building the infrastructure and ecosystems that will power the next era of South Africa's financial markets. This era will be defined by the breadth and depth of participation from issuers and investors. That is where the real growth lies. That is where Strate 2.0 will focus its impact.



OUR VALUE-CREATING BUSINESS MODEL

Strate operates as a licensed financial market infrastructure, delivering services essential to the stability, efficiency and growth of South Africa's financial market system. Our business model is purpose-led and designed to create sustainable, long-term value for all stakeholders.

At its core is a commitment to operational excellence, resilience and shared value creation. We apply integrated thinking across our operations, recognising that our ability to deliver impact today and into the future depends on how we manage and grow the six capitals we rely on: financial, manufactured, intellectual, human, social and relationship, and natural.

Our model is shaped by a strong regulatory framework and informed by ongoing stakeholder engagement. We actively monitor our operating environment and material matters to anticipate risks, identify opportunities and adapt with agility. This enables us to make strategic decisions that are responsive and responsible. Through trusted partnerships, sound governance and disciplined risk management, we convert our unique resources and relationships into tangible outcomes – supporting market confidence, enabling innovation and contributing to the broader economy.

By embedding integrated thinking into our culture and decision-making, we ensure that every action we take reinforces our purpose and strengthens our ability to deliver value across short-, medium- and long-term horizons.

OUR INPUTS – The resources and relationships on which we rely

FC Financial capital
What financial capital means to Strate
Our available capital reserves and strong cash-generating ability.

How financial capital supports our ability to create value
Our financial capital enables our business and operating activities, and supports our stakeholders.

MC Manufactured capital
What manufactured capital means to Strate
Our business structure, operating models, infrastructure and service capabilities provide the framework and mechanics for how we do business and create value.

How manufactured capital supports our ability to create value
Our manufactured capital helps us grow the business and serve the financial markets.

IC Intellectual capital
What intellectual capital means to Strate
Our brand, reputation, operating licences, research and development capabilities, innovation capacity, knowledge and expertise, sound corporate governance practices and strategic partnerships.

How intellectual capital supports our ability to create value
These assets help us to grow the business and continue to serve the financial markets.

HC Human capital
What human capital means to Strate
Strate's people are at the heart of our business, forming the core of our culture. Their overall wellbeing, engagement, skills and experience are key components of our human capital.

How human capital supports our ability to create value
Employee knowledge, skills, dedication and commitment enable us to create sustainable value for our stakeholders.

SC Social and relationship capital
What social and relationship capital means to Strate
Our stakeholder relationships, key strategic partnerships, financial market ecosystems and the communities in which we operate are central to the environment in which we conduct our business, and we recognise the role that we need to play in building a thriving society and a strong and resilient capital market.

How social and relationship capital supports our ability to create value
We aim to continually create sustainable value for all our stakeholders, thus safeguarding Strate's long-term sustainability.

NC Natural capital
What natural capital means to Strate
The natural resources, energy and materials we use to run our business, including renewable and non-renewable resources. Natural capital includes the impact our business has on the environment in which we operate.

How natural capital supports our ability to create value
We aim to understand our impact, limit any adverse effects, create awareness and influence positive behaviours among our stakeholders.

- Self-funded by operating returns with no debt
- Strong cashflow-generating ability
- Conservative balance sheet with sufficient capital reserves
- Equity of R890m (2024: R828m)

Refer to page 52 for the Chief Financial Officer's review.

- Five key technology platforms with world-class established partnerships – no legacy systems
- R246 million invested in our digital platforms over the past five years
- Stable and resilient infrastructure, digital platforms and operations
- Internationally recognised service capabilities and client value propositions
- Core capabilities to build world-class infrastructures and platforms

- Trusted and neutral brand with over 26 years of experience
- Licensed provider of post-trade services for the financial markets
- Pioneers of digitisation in the South African financial markets
- Digital enablers to create value through innovation and collaboration
- Industry thought leaders
- Market leadership
- Significant integration into the South African financial markets; through Trustlink Integration Services, our footprint extends into other African countries
- Robust governance structures centred on ethical conduct, transparency and accountability

- Engaged, knowledgeable, diverse, experienced and skilled employees
- Experienced, committed and diverse Board and leadership team
- A total of 159 employees, embracing a culture that is:
 - Stakeholder-centric
 - Excellence-driven
 - Performance-motivated
 - Risk-aware and ethics-conscious
- Focused on promoting holistic employee wellbeing
- Aligned and focused organisational structure to enable strategic intent
- Ongoing investment in the growth and development of our people, with R3.7 million in employee training and development (2024: R1.3 million)
- Performance and reward structures linked to impact and sustainable value creation

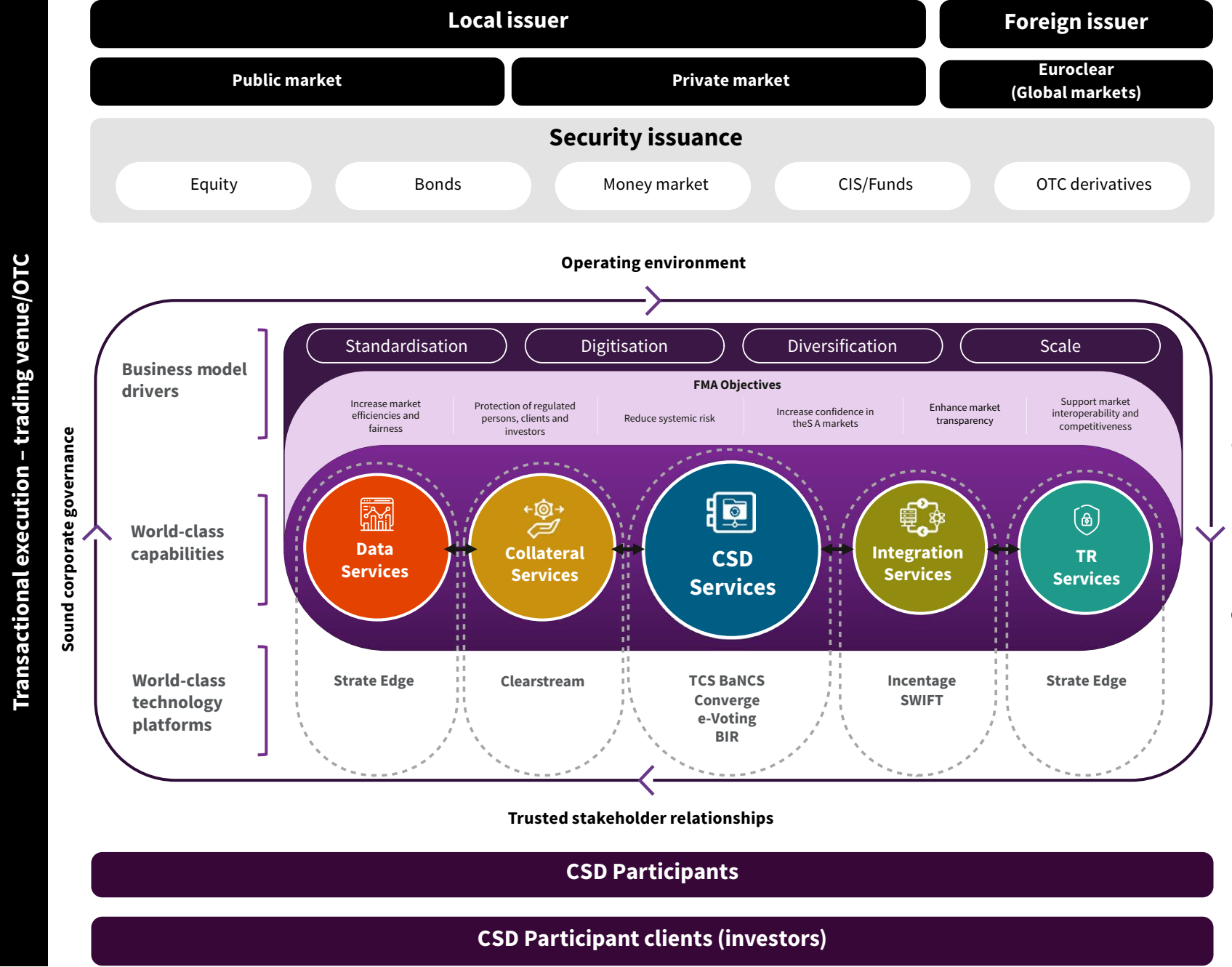
Refer to page 49 for engaged talent performance.

- 1 362 clients across our service capabilities
- Responsible environmental, social, economic and governance (ESEG) practices (refer to Strate's Sustainability Report for more information)
- Progressive and constructive relationships across all stakeholder groups
- Strong strategic business partner alliances
- Active participant in the socioeconomic transformation of South Africa

Refer to page 17 for our stakeholder engagement practices.

- Actively minimise our carbon footprint while supporting global climate objectives
- Strate aims to be a responsible corporate citizen, mitigate systemic risks and contribute to sustainable economic growth by embedding ESEG principles into our operations

OUR BUSINESS ACTIVITIES – What we do



OUR OUTCOMES – What we strive to achieve to create stakeholder value

- A resilient, stable and sustainable CSD that delivers on its core services while striving for excellence in its business activities
- Contribute to a trusted, thriving and resilient financial market that attracts and retains local and international investors
- Validate the existence of digital assets and provide certainty on legal digital security ownership to preserve trust and integrity in the South African financial markets
- Increase market efficiencies and fairness, protect regulated persons, clients and investors, reduce systemic risk, enhance market transparency and support market interoperability and competitiveness

Long-term value created for stakeholders							
Capital	Shareholders	Clients	Alliance and business partners	Employees	Regulators and government	Associations	Authorised CSD Participants
Financial capital	+	✓	✓	+	✓	✓	✓
Manufactured capital	✓	✓	+	✓	+	✓	+
Intellectual capital	✓	+	+	+	✓	✓	✓
Human capital	✓	+	✓	+	+	+	+
Social and relationship capital	✓	✓	+	✓	✓	+	✓

+ Value created ✓ Value preserved

Our material matters

- Navigating complexity
- Investment shifts
- Strate and its ecosystem
- Resilience through innovation
- Balancing regulatory compliance and strategic growth
- Talent shifts
- YoY increase in NPAT of 8%
 - In 2025, we continued to invest in our capabilities
 - Efficiency ratio of 81% (2024: 81%)
 - EBIT margin of 19% (2024: 19%)
 - ROE: 13% (2024: 12%)
- Assets under safekeeping of R17.8 trillion (2024: R15 trillion)
 - Average collateral assets under management of R68.4 billion (2024: R53.5 billion)
 - 7.8 million settlements processed (2024: 7.6 million)
 - 137 million messages securely transmitted in 2025 (2024: 131 million)
 - Total combined assets under management of R4.1 trillion that can be voted on (2024: R3.6 trillion)
 - System availability and uptime at 100%
 - Ongoing system enhancements to meet evolving market needs
- Successfully implemented changes to the Beneficial Interest Register (BIR) requirements in accordance with Strate Rule 18, contributing to BIR transparency
 - Strate created and chaired the Trade Repository Working Group (TRWG) to drive the initiative forward
 - Completed development for collective investment scheme-unit trust (CIS-UT) and CSD-to-CSD Links: Global Funds Access capabilities
 - Hosted the ISDA market training workshop to meet the market's need for education and collaboration on implementing regulatory initial margin
 - Hosted an issuer event to demonstrate our value proposition and service capabilities
 - Through our stakeholder engagement strategy, we foster meaningful connections that enhance the stakeholder experience of our brand. Strate participated in the following events: the Network Forum Africa meeting, SWIFT Connect Africa Annual Conference, S&P Global Market Intelligence conference, International Investment Symposium, Finance Indaba, ACSDA General Assembly, AMEDA Annual Conference and General Assembly and the World Forum of CSDs Conference
- R251 million paid in salaries and benefits
 - Maintained a resilient, diverse and engaged workforce
 - Regrettable employee turnover decreased from 6% in 2024 to 2% in 2025
 - Wellness days for holistic employee wellbeing
 - Successful fourth intake for leadership development programme
 - Reviewed capabilities to ensure sufficient capacity to perform roles and responsibilities
 - Cross-functional work exposure to broaden skills development, increase business acumen and enhance Strate's agility
 - Enhanced Strate succession planning
 - Positive culture survey outcomes
 - Provided 10 learnership opportunities, of which 20% were converted to permanent employment
- Maintained level 1 B-BBEE contributor status for the Strate Group
 - 116 new client wins
 - No fines or penalties received
 - Paid a dividend of R69.4 million to shareholders
- Continued focus on environmental initiatives, including tracking progress on our solar microgrid, maintaining waste management systems and using biodegradable products across our operations.
 - Supported the Ebenezer Hannah Home with vegetable tunnel installations, a self-sustained bakery and borehole maintenance

UNPACKING OUR BUSINESS ACTIVITIES AND OUTCOMES

Strate’s business model is designed to enable the future of South Africa’s financial markets. As a trusted financial market infrastructure, we balance regulatory compliance with innovation to meet market needs.

In addition to the FMA objectives, our value creation is driven by four key forces:

BUSINESS MODEL DRIVERS

Standardisation	Digitisation	Diversification	Scale
We set the rules that ensure consistency and confidence in the market. As an SRO, we establish governance and discipline at every layer of the ecosystem.	We have evolved into a fully digital infrastructure, enabling seamless, secure post-trade services across all security types and market types.	We have expanded our capabilities and are diversifying across market and security types – CSD, collateral, data, integration and trade repository services – to create a broader, more resilient value proposition.	Our shared infrastructure model delivers cost-effective, secure and interoperable services that benefit all market participants.

OUR BUSINESS ACTIVITIES AND OUTCOMES



CSD Services

As the backbone of South Africa’s post-trade environment, CSD Services provides the legal certainty and operational infrastructure that underpin the country’s financial markets. We maintain the definitive digital record of ownership for a wide range of securities – including equities, bonds, money market instruments, derivatives and collective investment schemes – across both public and private markets. Our services ensure the secure, accurate and timely settlement of transactions, while our digital issuer strategy advances full dematerialisation and direct engagement with issuers.

As the authorised Local Operating Unit for Legal Entity Identifiers (LEIs), we support regulatory transparency and mitigate systemic risk. Our role in publishing money market data and enabling the ZARONIA benchmark demonstrates our contribution to market reform and financial system integrity.

We provide issuers with a comprehensive suite of digital tools that streamline registry maintenance, corporate actions and shareholder engagement. Our StrateForward platform offers real-time access to registers, corporate action workflows and reporting, while our e-Voting solution enables secure, compliant and transparent shareholder meetings. With features like early-vote visibility and real-time participation tracking, e-Voting helps issuers strengthen governance and investor relations.

We have extended the reach of our CSD capabilities beyond domestic borders. Our direct link with Euroclear Bank enables seamless cross-border movement of securities, unlocking access to global capital markets for South African investors and issuers. Through this integration, we now offer a removals solution for dual-listed securities and a global funds access capability that provides a single, standardised entry point to international collective investment schemes.

These advancements position Strate as a gateway between South Africa and the world, enhancing market competitiveness, improving liquidity and enabling local investors to participate in global opportunities with greater efficiency and confidence.



Collateral Services

Our collateral platform enhances liquidity, capital efficiency and risk management across the financial system. Fully integrated with our CSD and powered by Clearstream’s global infrastructure, the platform automates the allocation, optimisation and substitution of securities collateral. It supports a wide range of use cases – from regulatory margining to secured interbank lending – enabling participants to mobilise underutilised assets and reduce reliance on cash. With growing adoption and strong partnerships, including with the South African Reserve Bank, our collateral services are helping shift the market from unsecured to secured transactions, supporting financial stability and balance sheet optimisation.



Integration Services

Our Integration Services connect the financial ecosystem through secure, scalable and interoperable messaging infrastructure. Through Trustlink – our SWIFT Service Bureau – and the Afriverse, we provide clients with reliable access to global and regional financial networks. These services reduce operational complexity, enhance resilience and support seamless communication across diverse protocols and platforms. With capabilities such as fraud detection, sanctions screening and professional support, our integration services are essential to market connectivity, compliance and operational efficiency.



Data Services

Strate’s Data Services transforms proprietary post-trade data into actionable insights that enhance transparency and empower decision-making. Through platforms like Strate Edge and StrateForward, we deliver enriched data across all security types to market participants, regulators and issuers. Our Issuer Insights tool provides detailed analytics on shareholder composition and behaviour, enabling issuers to better understand and engage with their investor base. These services are central to our role in supporting informed markets and driving data-led innovation.

UNPACKING OUR BUSINESS ACTIVITIES AND OUTCOMES Continued

OUR
BUSINESS
ACTIVITIES
AND
OUTCOMES



Trade Repository Services

Strate is leading the development of South Africa’s first Trade Repository (TR), a centralised registry for OTC derivatives. This capability will significantly enhance market transparency, enable data-driven regulatory oversight and align South Africa with G20 commitments. Developed in close collaboration with regulators and market participants, the TR will serve as a critical tool for monitoring systemic risk and financial market resilience.



Regulatory and supervisory responsibilities

Strate’s regulatory and supervisory mandate is central to our role as a licensed central securities depository. We are entrusted with safeguarding the integrity of South Africa’s financial markets by ensuring that all CSD Participants operate in full compliance with the FMA and the Strate Rules and Directives.

Our dedicated supervisory function, Strate Supervision, applies a risk-based approach to oversight, embedding regulatory requirements through structured monitoring, proactive engagement and robust compliance tools. This function enforces standards and fosters a culture of accountability and collaboration across the ecosystem.

Oversight is strengthened by our Regulatory and Supervisory Committee, which ensures that our supervisory, investigative and enforcement responsibilities are executed with independence, transparency and rigour. The Committee plays a critical role in managing regulatory and commercial conflicts of interest and in approving new CSD Participants, particularly as we expand into new security types and service areas.

Through this regulatory framework, Strate contributes meaningfully to systemic risk mitigation, market standardisation and the long-term stability of South Africa’s financial infrastructure.



Technology platforms

Strate’s technology platforms are the digital backbone of our service delivery, enabling secure, scalable and interoperable access to our core capabilities across public and private markets. These platforms are purpose-built to support the full functionality of our services, while driving efficiency, resilience and innovation across the financial ecosystem.

Our CSD Services are powered by the TCS BaNCS platform, delivered in partnership with Tata Consultancy Services, and Strate Converge, supported by RiskCafé. In 2025, we successfully navigated multiple upgrades and releases from market participants, demonstrating the adaptability and robustness of our infrastructure.

Our Collateral Services are underpinned by Clearstream’s world-class platform, enabling precise, real-time mobilisation and tracking of securities collateral. This integration supports a wide range of use cases, from regulatory margining to secured interbank lending.

Our e-Voting platform, central to our Issuer Services strategy, is fully supported by RiskCafé and provides seamless, secure digital voting for shareholder meetings. It enhances governance, transparency and participation across local and international investor communities.

Strate Edge, our Data Services platform, transforms proprietary post-trade data into enriched insights that support transparency, regulatory reporting and strategic decision-making.

Together, these platforms form a cohesive digital ecosystem. Supported by best-in-class technology partners, we deliver trusted, future-ready infrastructure that meets the evolving needs of South Africa’s financial markets.

OUR EXECUTIVE COMMITTEE

Our Executive Committee

Strate is led by a seven-member Executive Committee comprising experienced professionals with diverse expertise across all areas of our business. This balanced leadership team brings deep insight into the complexities of our operating environment and is instrumental in translating our purpose into action. The Committee is responsible for executing Board-approved strategies and overseeing the day-to-day management of the organisation, ensuring we remain agile, accountable and aligned with our purpose to serve the financial markets.

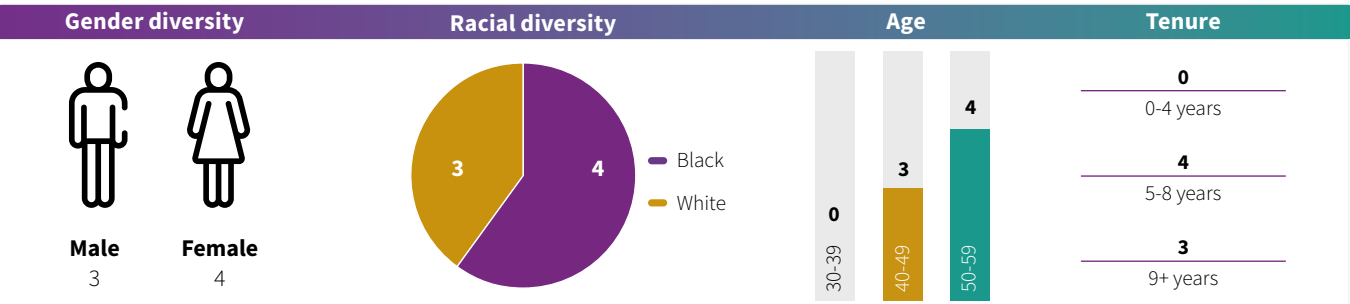
Leadership skills and experience

Strate’s Executive Committee has a broad and complementary set of capabilities essential to navigating a complex and evolving financial market landscape. Collectively, the team’s expertise spans:

Strategy and innovation	Financial management and accounting	Corporate finance	Human resources	Ethics and corporate governance	Risk management
Legal and regulatory affairs	Supervision and compliance	South African financial market operations	Product design and development	Technology and data management	Strategic communication

This depth and diversity of experience ensures that Strate is well positioned to lead with confidence, make informed decisions and deliver on its mandate.

Our diverse executive committee



Racial diversity

Black
4

White
3

Age

30-39
0

40-49
3

50-59
4

Tenure

0
0-4 years

4
5-8 years

3
9+ years

André Nortjé Executive Director and Chief Executive Officer	Sameera Dada Executive Director and Chief Financial Officer	Gregory Naicker Head of CSD Services	Farzana Khan Head of Collateral Services and Trade Repository	Rudi Steenkamp Head of Technology and Data Management	Beverley Furman Head of Operations and Change	Samantha Cooper Head of Human Capital, Transformation and Communications
BCom (Hons) Financial Management (UP), MCom Finance (cum laude) (Unisa)	BCom (Hons) Accounting (UKZN), CA(SA), MCom Accounting (Wits), PGDIP Business Practice (Henley)	NQF 5 Diploma in customer management	BA (Unisa)	BSc Computer Science and Applied Mathematics (NWU)	BCom (Wits)	BA (Hons) Psychology (Unisa), Psychometrist (independent practice)
Responsible for:						
Responsible for leading Strate in the execution of its mandate as a licensed FMI.	Strate’s long-term financial sustainability, through appropriate financial strategy design, capital allocation, financial discipline, corporate governance and generating insights.	Implementing a CSD Services strategy and roadmap across the full end-to-end service capability life cycle.	Implementing a Collateral Services strategy and roadmap across the full end-to-end service capability life cycle.	Strate’s overarching technology and data management framework that digitally enables our service capabilities.	Strate’s internal operations and change capability, and the market change calendar, to achieve consistent operational excellence and resilience.	Implementing a sustainable human capital strategy to promote a resilient, engaged, empowered and diverse workforce to live our purpose. Implementing Strate’s transformation strategy through partnerships and collective effort to advance the socioeconomic transformation of South Africa: and a marketing and communication strategy that enhances the trustworthiness and neutrality of our brand.
Oversees the implementation of Board-approved strategies, ensures operational and financial performance, and drives innovation and transformation.	Implementing innovative, dynamic and forward-thinking risk management and integrated assurance practices that contribute to maintaining market trust and stability.		Setting up an efficient TR service.	Provision of connectivity, integration and data solutions to the post-trade ecosystem.		
Provides strategic direction, fosters stakeholder trust and ensures that Strate continues to deliver resilient, secure and future-ready services to the financial markets.						
Oversees the Legal and Regulatory capability.						
Appointed to Exco: 1 August 2018	Appointed to Exco: 10 June 2019	Appointed to Exco: 1 November 2019	Appointed to Exco: 1 October 2019	Appointed to Exco: 24 February 2012	Appointed to Exco: 1 December 2001	Appointed to Exco: 26 October 2018
Joined Strate: 1 August 2018	Joined Strate: 10 June 2019	Joined Strate: 3 July 2006	Joined Strate: 1 October 2019	Joined Strate: 1 February 2003	Joined Strate: 1 October 2001	Joined Strate: 26 October 2018

OUR STAKEHOLDERS

As a financial market infrastructure, our ability to protect and create value is dependent on the strength and quality of our stakeholder relationships. We operate within a highly interconnected ecosystem, and our success depends on working collaboratively with market stakeholders to deliver trusted infrastructure, drive innovation and respond with agility to evolving market needs.

We are committed to building meaningful and trusted relationships by understanding stakeholder perspectives and fostering open, transparent dialogue. This stakeholder-centric approach enables us to contribute to the efficiency, resilience and advancement of South Africa’s capital markets. Through constructive collaboration, we support the execution of our strategic imperatives, strengthen trust and reinforce our reputation as a dependable and forward-looking partner.

Effective stakeholder engagement is central to our role in society. It underpins accountability, enhances performance and enables us to navigate dynamic conditions and emerging risks. Regular, purposeful engagement ensures that our strategy remains responsive to stakeholder expectations, market developments and systemic priorities.

Stakeholder engagement governance

Our Board has formalised its commitment to stakeholder inclusivity through the adoption of a Stakeholder Management Policy, which sets the strategic direction for how we engage and the standards we uphold. The policy is supported by a Stakeholder Management Framework that guides our interactions with each group, helping to align expectations, address concerns and sustain mutually beneficial relationships. Defined metrics enable us to assess relationship quality and track progress over time.

To ensure robust governance and effective oversight, stakeholder engagement is managed through the following structures:

- Manage

Our stakeholder management processes ensure structured oversight of engagement activities and effective implementation of the Stakeholder Management Policy. These processes help us understand, respond to and balance the needs, interests and priorities of our stakeholders.
- Govern

The Remuneration, Nominations and Social & Ethics Committee (REMNUMSEC) oversees stakeholder management on behalf of the Board, ensuring alignment with policy requirements, governance standards and best practice.
- Monitor

The Board monitors the quality and effectiveness of stakeholder relationships. Stakeholder-related risks are integrated into Strate’s broader risk management processes and are identified, assessed, mitigated and reported on in the same manner as other enterprise risks.

Strate remains committed to transparent, constructive and authentic engagement that supports long-term value creation. Our stakeholder relationship quality rating scale and supporting evidence are presented below.

Ecosystem mindset and readiness

Executing our strategic initiatives requires both ecosystem readiness and an ecosystem mindset. For Strate, this means recognising the collective strength of the financial market ecosystem and being intentional in how we engage, collaborate and co-create value with stakeholders.

An ecosystem mindset recognises the power and potential of the networks within which we operate. It reflects a deliberate approach to engagement, one that acknowledges the interdependencies across issuers, investors, participants, regulators, technology partners and our broader market community. By embracing this mindset, we unlock greater opportunity to advance South Africa’s financial markets, enhance efficiency, protect the integrity of the system and enable long-term value creation.

Ecosystem readiness complements this by ensuring that all stakeholders are prepared for the changes, innovations and system-wide adaptations required to successfully implement our strategic initiatives. We work closely with market stakeholders to demonstrate the value of our solutions, support operational and technological readiness and embed the conditions necessary for seamless adoption. This includes collaborating across the value chain to develop solutions that are practical, future-focused and beneficial to the broader market.

Understanding what matters to our stakeholders and how we affect one another enables us to fulfil our commitments and deliver on our purpose. Through deliberate and collaborative engagement, we secure the support and resources required for transformation, respond effectively to market shifts, address shared challenges and protect the stability and reputation of the financial markets we serve. Beyond our operational role, this approach strengthens our contribution to our communities and reinforces our societal impact.

We remain committed to creating shared value for all stakeholders: employees, clients, regulators, government, shareholders, business partners and our authorised CSD Participants. To assess and strengthen this value creation, we regularly measure the quality of our relationships and evaluate the impact of our activities, enhancing positive outcomes while minimising adverse effects.

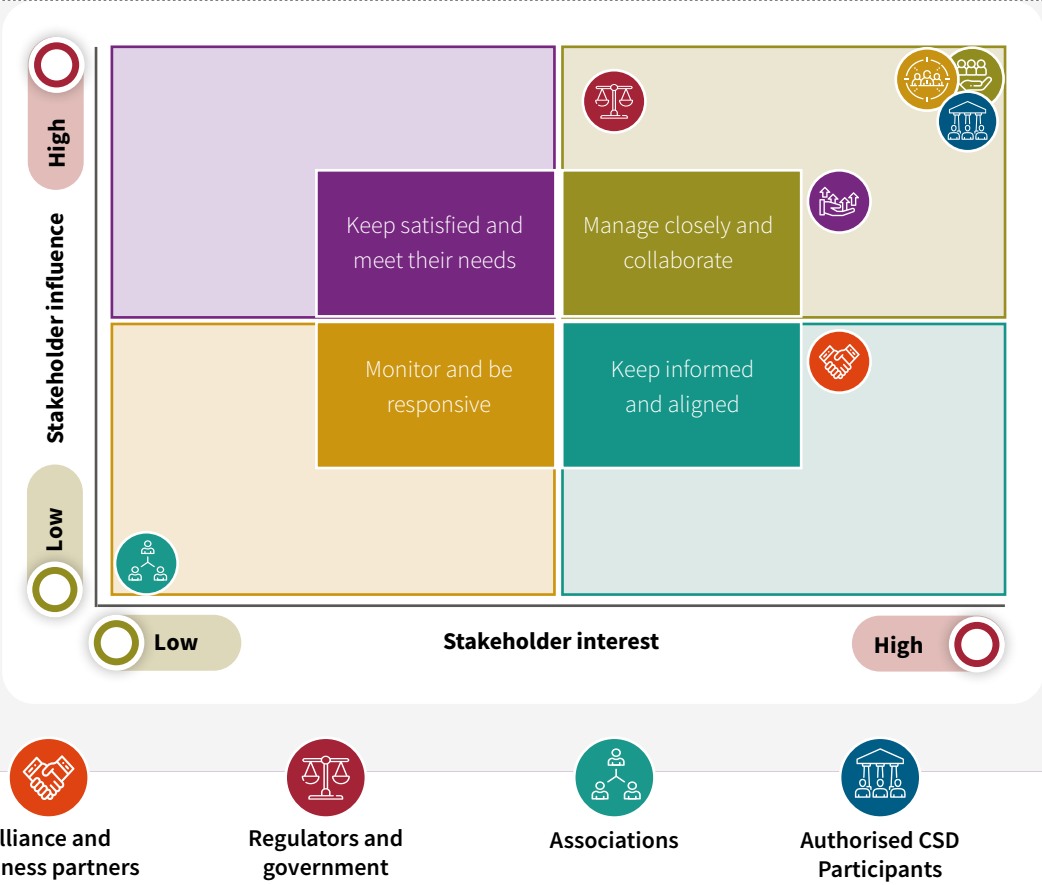
Together, a strong ecosystem mindset and ecosystem readiness create the foundation for sustainable progress, resilient market infrastructure and meaningful long-term outcomes.

Stakeholder universe

We classify our stakeholders by their level of influence and interest in Strate. This segmentation supports a structured and responsive approach to engagement and ensures that our interactions are meaningful and aligned with our strategic priorities.

Consistent with the principles of King IV™, our stakeholder engagement approach is dynamic and evolves as stakeholder expectations, market conditions and regulatory requirements change. The stakeholder mapping graphic illustrates the various relationship groups, based on their level of influence and interest, and guides the nature, frequency and depth of our engagements.

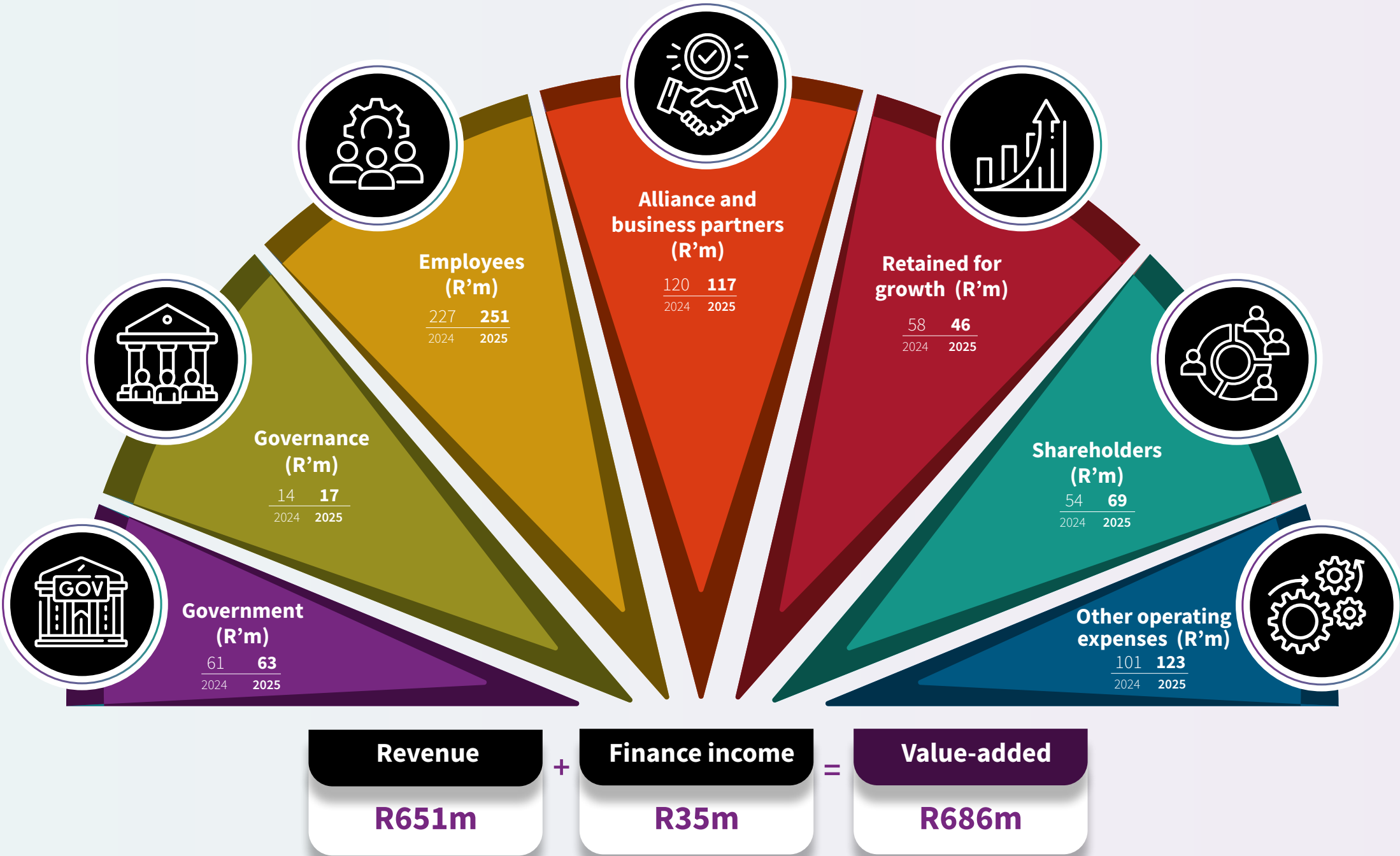
Through this approach, we aim to foster inclusive, transparent and value-creating relationships that support sustainable outcomes over the short, medium and long-term.



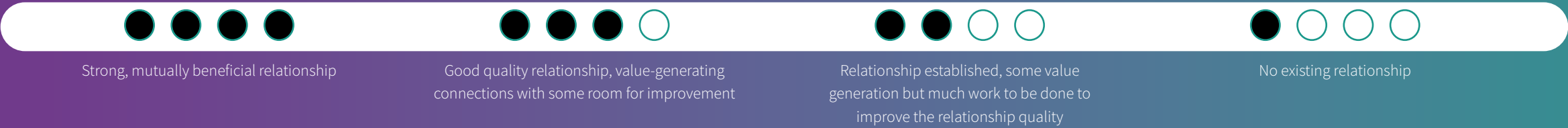
Stakeholder engagement is a core component of social and financial value creation – both as a strategic input and as an outcome of how we operate.

OUR STAKEHOLDERS Continued

Our stakeholder-focused, value-added statement demonstrates how financial value is created and distributed across the ecosystem, reinforcing the link between our performance, our purpose and the relationships that underpin our success. Through meaningful collaboration with stakeholders, we advance our strategic imperatives, strengthen trust and enhance our reputation and brand. Our intention is to remain a trusted partner that delivers sustainable, shared value by listening to our stakeholders, responding to their needs and consistently delivering on our purpose.



The relationship quality rating scale for each stakeholder group, with supporting evidence, is shown below and on the following pages.



OUR STAKEHOLDERS Continued

The following pages provide an overview of our key stakeholder groups, detailing how we engage with them and the value derived through proactive, open and constructive engagement.

Shareholders

Who they are

Strate is a privately owned company with the following shareholders:

absa

citi

FIRSTRAND

JS

NEDBANK

Standard Bank

Relevant material matters

Quality of relationship

2024 rating: 3 | 2025 rating: 3

Good quality relationship, value-generating connections, with some room for improvement.

In 2025, we measured the quality of our relationship with our shareholders by considering a range of factors that reflect value creation for shareholders. These include delivery, operational resilience and excellence in our core services, momentum in our growth and innovation initiatives and financial sustainability. The strength of our relationship was demonstrated by unanimous support for all resolutions at our annual general meeting (AGM).

Why we engage

We prioritise regular and transparent engagement with our shareholders to provide clear communication on our strategy, strategic priorities and business performance. This approach supports informed decision-making and manages expectations around value delivery. By fostering trust and alignment on strategic goals, we strengthen business confidence, enhance access to capital when required and contribute to Strate's sustainable growth and resilience.

Method of engagement

AGM and voting

General meetings/shareholder workshops

Reporting suite, including the Integrated Report

Regular meetings with shareholder-appointed representatives

Shareholder-appointed directors attend Board meetings

Corporate website with links to relevant information

Stakeholder expectations

Clear and consistent communication

Operational excellence

Sustainable financial returns

Efficient use of resources

Attractive, sustainable growth strategy

Strategic priorities and execution

Sound balance sheet

Strong, experienced leadership team

Transparent reporting and disclosures

Good corporate governance

Sound ESEG practices

How we respond to create value

Transparent and consistent communication and reporting

Set a strategic path to long-term business and financial sustainability

Dependable and reputable business delivery, with the relentless pursuit of operational excellence

Deliver on our Board-approved strategic initiatives

Leverage shareholders' expertise through collaborative input on strategic initiatives

Continually evaluate and strengthen our governance model

FY2025 focus areas

Execute Board-approved strategic growth initiatives

Collaborate to grow the South African financial markets

Completed a comprehensive memorandum outlining the key aspects of competition law relevant to Strate, including the principles that underpin effective management of competition risk. This work establishes a clear foundation for ongoing oversight in this area, and in 2026 we will broaden the discussion to further refine and strengthen our competition law framework

Conducted a detailed review of the Memorandum of Incorporation (MOI) to ensure it remains fit for purpose and aligned with governance, regulatory and organisational requirements. Significant progress has been made, and finalising the updates will be a key focus in 2026

As we look to the future

Finalisation of the MOI review

Finalisation of the Stakeholder Conflict of Interest Management Framework (including the finalisation of the Competition Risk Framework)

Continue to execute on Strate's strategic imperatives

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OUR STAKEHOLDERS Continued

Clients

Who they are

Our clients are at the heart of our business. We remain client-centric by responding to client needs and expectations, delivering exceptional service and continuously improving the overall client experience. Within the broader financial market ecosystem, issuers and investors represent the true end-clients of the system – those who seek capital and those who provide it. Every institution in the financial system, including Strate, exists to enable these connections. Our strategy is therefore designed to strengthen these linkages, support efficient capital formation, and grow a resilient, trusted market that delivers sustainable value for issuers, investors and the ecosystem as a whole.

CSD Services clients
2025: 963
2024: 882

Collateral Services clients
2025: 38
2024: 31

Integration Services clients*
2025: 137
2024: 136

Data Services clients
2025: 224
2024: 196

*Includes Trustlink (Pty) Ltd clients

Relevant material matters

Quality of relationship

2024 rating: 3 | **2025 rating: 3**

We assessed the quality of our client relationships through a comprehensive lens that considered both client experience and impact. We considered ongoing client engagement and feedback, client experience survey outcomes and innovative solutions that have made a tangible impact on our clients. In 2025, we received client compliments and no material or significant client complaints.

Why we engage

We engage with our clients to gain deep insight into their evolving needs, enabling us to design solutions that deliver sustainable, shared value for both Strate and the financial markets. As these relationships grow, we adapt and refine our solutions, ensuring we proactively support our clients' long-term business sustainability.

Method of engagement

- Strategic and operational engagement with clients on their business needs (virtual or in-person)
- Written communication and service capability brochures and videos
- Engagement forums and events with our collective or targeted client base (virtual or in-person)
- Client engagement survey where clients provide feedback on their experience with Strate and suggest improvements to our service
- Strate's inaugural issuer event, tailored specifically for our valued issuer community

Stakeholder expectations

- Excellence in operations and client experience
- Innovative solutions and services that seamlessly meet their expectations
- Competitive and transparent pricing methodologies
- Servicing of both public and private markets
- Access to market data insights and reporting
- Efficient coordination of the ecosystem to support robust and resilient financial markets

How we respond to create value

- Create and nurture a trusted relationship with clients through close collaboration, ensuring solutions support their business needs and that we meet their expectations
- Continued focus on enhancing operational excellence and service delivery
- Collaborate with clients to create ecosystem solutions
- Partnership through our proof-of-concept approach to developing growth and innovative solutions and services
- Performing an in-depth client experience survey, assessing client responses and making changes where required
- Implementing a client experience framework to ensure consistent, excellent client experiences

FY2025 focus areas

- Close collaboration with clients to understand and better meet their needs
- Build close relationships with the end investor
- Act on client survey feedback
- Facilitated market-wide engagements that contribute to the growth and development of the South African financial markets
- Established an issuer relationship strategy which includes collaborating with other market intermediaries
- Execute and drive market adoption of Board-approved strategic growth initiatives
- Continued focus on implementing a “single view of client” model
- The broker community raised concerns regarding the implementation of Strate Rule 18, however, this was addressed through direct engagement and, later in the year, coordinated discussions with the JSE to ensure a constructive way forward that maintains the intent of the Rule

As we look to the future

- Continue to analyse and enhance relationships with clients
- Execute and drive market adoption of Board-approved strategic growth initiatives
- Implement Strate's “single view of client” model in a phased approach
- Ingest and streamline client data, while maintaining and enhancing client data integrity
- Centralise client touchpoints to better understand our clients and provide a world-class experience
- Phase 2 of the SARB's Triparty Collateral Management Proof of Capability (TCM PoC) project, pending approval by the Governor's Executive Committee
- Support market readiness for reporting to the Trade Repository in early 2027
- Enhance issuer engagements, with specific focus on our Removals, Global Funds Access (GFA) and local Collective Investment Schemes (CIS) solutions
- Continue to provide e-Voting platform services to clients
- Support the SARB through the Afriverse PoC

OUR STAKEHOLDERS Continued



Alliance and business partners

Who they are

Strate provides the financial market ecosystem with robust digital platforms that have been co-developed with leading technology providers to achieve our strategic imperatives. These strategic partnerships strengthen our ability to innovate and enhance the resilience and efficiency of our service capabilities, ensuring we meet the evolving needs of the financial market ecosystem.



Relevant material matters



Quality of relationship



2024 rating: 4 | **2025 rating: 4**

We continuously assess the quality of our relationships with alliance and business partners through ongoing engagement and feedback, adherence to contractual obligations and timely processing of invoice payments. These measures ensure consistent operational excellence. Our partnerships are built on mutual benefit, trust and shared objectives, enabling us to deliver sustainable value to the financial markets.

Why we engage

We invest in partnerships that deliver enhancements, ensuring our platforms remain relevant and fit for purpose. Our alliance and business partners support our shared-value business model and we assist them by strengthening their value proposition to their clients.

Method of engagement

- Strategic engagement in line with our delivery strategy
- Individual engagement
- Service level agreements
- Regular meetings and engagements to ensure objectives and expectations are met

Stakeholder expectations

- Fair remuneration for services provided
- Appropriate communication
- Business sustainability
- Meeting contractual terms and agreements
- Long-term beneficial relationships

How we respond to create value

- Close collaboration with alliance and business partners to co-design and deliver solutions that meet our clients' needs
- Consider and incorporate global trends into our design and delivery response
- Integrate our digital platforms and leverage intellectual property
- Drive robust procurement

FY2025 focus areas

- Strategic on-site visits and engagements
- Enhance our business partner management practices
- Collaborated closely with Clearstream to facilitate the SARB's TCM PoC
- Co-ordinated efforts with Clearstream to successfully test with and onboard multiple new clients and contracts for the exchange of Regulatory Initial Margin (Reg IM)
- Ongoing implementation of change requests to enhance platform deliveries
- Reviewed our Third-party Management Framework with enhancements noted

As we look to the future

- Continue to collaborate with Clearstream on any changes and enhancements needed for the next phase of the SARB's TCM project, as well as triparty repos
- Successfully onboard clients on local CIS, Removals and GFA platforms
- Continue to implement the system to migrate instruments to ZARONIA
- Implement and execute on the development of the trade repository system
- Enhance global voting integration
- Prioritise efforts to finalise the eVision platform and oversee customer migration and onboarding processes

OUR STAKEHOLDERS Continued



Employees

Who they are

Our people are central to our success and our most valuable asset. We are committed to creating and nurturing a culture of connectedness and belonging, where every employee is engaged and feels empowered. Our workforce reflects a balanced mix of skills, experience and competencies, enabling us to deliver on our strategic imperatives.

No. of employees



2024: 146
2025: 159

Gender split

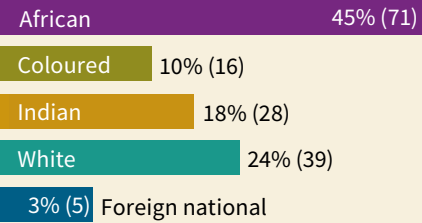


2024: 51%
2025: 50%



2024: 49%
2025: 50%

Total workforce demographics



Black females in management (ACI)

Executive and senior management

2024: 4% | 2025: 4%

Experienced and middle management

2024: 11% | 2025: 14%

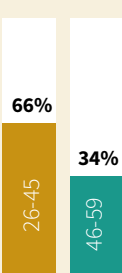
Years of experience



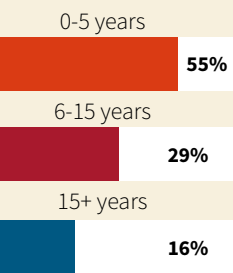
45% of employees who have been working for Strate longer than 5 years

23% of employees who are between the ages of 26 and 45 with longer than 5 years tenure

Age



Tenure



Relevant material matters



Quality of relationship



2024 rating: 4 | 2025 rating: 4

We assess the strength of our employee relationships through multiple indicators, including employee culture survey outcomes, engagement and commitment levels, ongoing investment in skills development and training, fair remuneration practices and initiatives that support the wellbeing of our employees. Strate's regrettable turnover rate is a key contributor to assessing the quality of the relationships we have with our employees.

Why we engage

Our employees remain our greatest asset. Aligning our people capability with Strate's vision, strategy and purpose is essential for sustainability, operational excellence and resilience in an ever-changing environment. Our culture brings our purpose to life by inspiring employees to embody our corporate behaviours and values.

We are building a future-ready organisation with the right skills and capabilities for a diverse, digitally connected workplace that serves the financial markets effectively. Through ongoing investment in human capital, we create an empowered, skilled workforce in an outcomes-driven environment. This enables us to grow and sustain the business by building trust, partnerships and collaboration with colleagues and stakeholders.

Method of engagement

- Employee engagement surveys
- Monthly CEO "Let's Connect" sessions create a platform for transparent, authentic engagement with employees
- Employee rewards and recognition programme
- Regular internal communications aligned to our communication strategy provide direction and assurance to employees
- Team-building activities
- Monthly leadership coffee sessions with teams and individuals
- Wellness days, seminars and webinars
- Annual employee surveys
- Social connection sessions
- Ongoing feedback through performance management practices
- Conduct exit and stay interviews and remediate with changes, where necessary

Stakeholder expectations

- Safe and healthy work environment
- Flexible working environment
- Job security
- Work practices that support healthy work-life harmony
- Fair and competitive total reward
- Effective, sustainable performance management
- Career development and advancement opportunities
- Environment that embraces diversity and inclusivity
- Access to training and development opportunities
- Access to health and wellbeing programmes
- A compelling employee value proposition
- A conscientious, ethical company

How we respond to create value

- Foster an environment that enables cross-skilling, supporting employees to acquire new skills
- Align vision, purpose, strategy, culture and supporting practices
- Support employee development through cross-functional exposure and sponsoring educational opportunities
- Offer an integrated wellness programme, with a multi-dimensional approach that includes physical, emotional, social, financial and environmental support
- Encourage authentic employee feedback through surveys
- Review our total rewards structures to ensure we are competitive in attracting and retaining talent
- Offer ongoing engagement on performance and development
- Provide opportunities for innovation and leadership development
- Advance our transformation aspirations
- Offer a way of work that considers external trends and business requirements (Strate has implemented a hybrid working model)

FY2025 focus areas

- Disciplined execution and employee stability were the core human capital priorities for 2025
- Strong emphasis on delivering transformation outcomes, including sustaining B-BBEE level 1 status, aligning employment equity plans to new sectoral targets and protecting our people capability within the organisation
- Strengthening leadership pipelines
- Embedding succession and recognition practices
- Sustaining high engagement and culture alignment
- Supporting employee wellbeing and resilience to enable effective execution in a demanding regulatory and operational environment

As we look to the future

- Shift the human capital agenda from delivery to future-proofing, with a key focus on consolidating transformation gains into sustainable capability and succession pipelines
- Build resilient skills capacity and nurture an adaptable workforce to meet evolving organisational needs
- Strengthen leadership effectiveness to navigate complexity and uncertainty within the organisation and sector
- Emphasise strategic execution by building long-term workforce resilience through integrated wellbeing and capacity management initiatives
- Deepen digital and regulatory skills across the workforce and prioritise knowledge retention strategies
- Develop a compelling employee value proposition that positions Strate as a value creator in the financial market ecosystem

OUR STAKEHOLDERS Continued

Regulators and government

Who they are

FSCA
Financial Sector Conduct Authority

South African Reserve Bank
Prudential Authority

National Payment System Oversight Department

Relevant material matters

Quality of relationship

2024 rating: 4 | **2025 rating: 4**

The quality of the relationship with our regulators and government bodies is assessed by evaluating our contribution to regulatory developments, alignment with regulatory requirements, remedial action where required, no unresolved matters, constructive involvement in government and regulator working groups, tax contributions, maintaining strong capital levels, demonstrating resilience and no regulatory penalties or fines.

Strate maintains strong capital levels and is consistently operationally resilient, with a track record free of penalties or fines. We aim to have no unresolved matters. We participate constructively in regulatory and government working groups and uphold transparency in tax contributions, demonstrating our commitment to regulatory integrity and trust.

Method of engagement

- Direct engagement through regular meetings (virtual or in-person), emails and telephonic discussions
- A series of on-site reviews and assessments
- Submission of monthly, quarterly and annual returns
- Participation and consultation in the drafting process of regulations and bills
- B-BBEE and employment equity (EE) reports and submissions
- Participation in industry working groups to strengthen South African capital markets

Why we engage

As a key financial market infrastructure (FMI) in South Africa, Strate's relationships with its primary regulators are fundamental to safeguarding the stability and integrity of the financial markets. Our engagements are constructive, transparent and ongoing, ensuring that regulators are kept abreast of organisational developments, industry dynamics and emerging risks. These open and proactive interactions enable regulators to fulfil their supervisory responsibilities effectively, contributing to a sound, well-regulated and resilient financial system.

In our capacity as a co-regulator, we work closely with fellow regulators to identify, analyse and respond to risks that could have systemic implications for the capital markets. This collaborative regulatory approach strengthens collective oversight, enhances market confidence and supports the integrity of the broader ecosystem.

As policymakers, government stakeholders play a critical role in shaping the policy and regulatory environment in which we operate. Our engagement with government is therefore centred on providing meaningful input into the policymaking process, contributing to the development of frameworks that advance market efficiency, innovation and financial stability. Through these engagements, we ensure that Strate's insights, experience and market perspective inform the design of regulations that support sustainable and inclusive market development.

Stakeholder expectations

- All recognised FMIs, including Strate, have a public policy objective to enhance the safety and efficiency of the markets we serve, while limiting systemic risk and fostering transparency and financial stability
- Functions performed by Strate must be clearly segregated between CSD operations and regulatory and supervisory functions to manage both perceived and actual conflicts of interest
- Compliance with Strate's regulatory and legal obligations
- Open and transparent communication
- Active participation in industry and regulatory working groups
- Adoption of best-practice governance in line with the principles of the King IV™ Code
- Payment of taxes, levies and fees
- Being a responsible taxpayer
- Commitment to EE, B-BBEE and transformation goals
- Compliance with regulatory expectations and adoption of international best practice

How we respond to create value

- Commit to engaging openly and transparently with our regulators
- Collaborate with our regulators in serving the capital markets to ultimately create shared value for South Africa
- Partake in contextually relevant discussions to ensure we continually add value
- Our regulators are invited to and have full access to all Board and committee meetings and meeting packs
- Maintain a culture of zero-tolerance for wilful non-compliance with regulations
- Share research and technical expertise to enhance understanding of our operating context
- Study global regulatory trends to adopt best practices
- Ensure timely payment of all taxes, levies and fees
- Maintain a neutral stance as part of fulfilling our purpose of serving the financial markets

FY2025 focus areas

- Maintain good relationships with all regulators and government stakeholders following internal structural changes
- Continue efforts to enhance beneficial interest data requirements, contributing to South Africa's removal from the Financial Action Task Force greylist and ensuring alignment with international best practice
- Prepare and conduct regulatory self-assessment and review for submission to the National Payments System Department
- Tax compliance efforts

As we look to the future

- Continue to strengthen relationships with all key regulators
- Regulator engagements on business capabilities and other market development initiatives that contribute to growth and efficiencies in the capital markets
- Prepare for and participate in all reviews and on-sites
- Continued assessment of the resilience of Strate and the wider ecosystem in the event of a significant systemic event, through scenario analysis that considers potential extreme outcomes. To achieve this, Strate needs to collaborate with its regulators

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OUR STAKEHOLDERS Continued

Associations				Relevant material matters	
Who they are				 	
 Africa and Middle East Depositories Association (AMEDA)	 Americas' Central Securities Depositories Association (ACSDA)	 International Securities Services Association (ISSA)	World Forum of CSDs World Forum of Central Securities Depositories (WFC)		
Quality of relationship	Method of engagement	How we respond to create value	FY2025 focus areas	As we look to the future	
2024 rating: 4 2025 rating: 4 We assess the quality of our relationships with our associations through ongoing engagement, constructive feedback and active participation. Our approach focuses on meaningful contribution and collaboration opportunities that advance shared objectives and support the broader financial ecosystem. Why we engage These engagements are designed to strengthen collaboration among industry stakeholders across foreign jurisdictions, foster open communication and promote forward-thinking solutions. By driving initiatives that create efficiencies, support growth and mitigate risk, we contribute to the resilience and competitiveness of the financial markets.	- Thought leadership - Seminars, webinars and conferences - Association meetings - Annual general meetings - Contribution to research - One-on-one bilateral engagements with a CSD peer on a topic of mutual interest Stakeholder expectations - Participation at seminars, conferences and annual general meetings - Allocation of resources to industry workstreams and working groups - Identification of common themes or challenges for discussion and action - Sharing of information and business and market insights and experiences - Collaboration opportunities	- Strate is committed to working with international associations (and individual member entities) to ensure our markets remain attractive to both local and international investors - Align with global best practice - Position Strate as a leading CSD and South Africa as an advanced capital market - Participation in and contribution to research papers	- Attended and participated in the ACSDA General Assembly in March 2025 where Strate joined a panel on how CSDs can lead the transformation of financial markets - Attended the AMEDA Annual Conference and General Assembly where Strate joined a panel on CSD resilience and crisis management - Strate participated in the World Forum of CSDs Conference and joined a panel discussion on "Establishing effective business continuity processes to mitigate risks in the post-trade industry" - Strate remains committed to working with international associations (and individual member entities) to ensure our markets remain attractive to local and international investors. Our involvement will ensure we remain aligned with global best practice and are ahead of international market developments and trends	- Attend the ACSDA Conference in March 2026 and participate in panel discussions on global topics - Have established working groups between Strate and CDS Canada on the topics of AI and CSD resilience plans - Discuss bilateral memoranda of understanding between African CSDs, and specifically include alternative messaging networks - Investigate CSD-to-CSD links with other markets - Conduct participant failure simulation and assess results to improve ecosystem resilience	

OUR STAKEHOLDERS Continued

Authorised CSD Participants

Who they are

In line with our regulatory and supervisory role, we are authorised to maintain stability across the financial market ecosystem. This includes monitoring CSD Participants’ compliance with the Strate Rules and Directives and the FMA for the following entities:

Relevant material matters

Quality of relationship	Method of engagement	How we respond to create value	FY2025 focus areas	As we look to the future
2024 rating: 3 2025 rating: 3 We evaluated the strength of our relationship with CSD Participants by reviewing ongoing engagement and feedback, assessing compliance levels, and considering the outcomes of on-site inspections and supervisory reviews. During the period under review, no material issues or significant complaints were identified. Why we engage We collaborate with our CSD Participants to ensure robust oversight, gain insight into their operational needs and support their understanding and fulfilment of compliance obligations. This approach strengthens risk management and fosters enduring, value-driven partnerships.	• Collaborative strategic and operational interactions with CSD Participants • Consistent written correspondence to maintain clear communication channels • On-site evaluations and performance assessments • Routine meetings, investigations and touchpoints to monitor compliance and operational standards • Participation in industry forums and specialised working groups Stakeholder expectations • Deep understanding of stakeholder operations and processes to tailor oversight and support effectively • Ongoing engagement through consistent communication and relationship-building • Insightful feedback mechanisms to capture market trends and inform regulatory evolution • Commitment to fairness and impartiality in all regulatory interactions • Transparent compliance expectations to ensure clarity and accountability • Balanced and proportionate enforcement aligned with the severity of non-compliance incidents • Specialised market knowledge and regulatory support to design fit-for-purpose frameworks and deliver targeted guidance and training • Collaborative development of regulatory standards through inclusive dialogue and constructive engagement	• Partner with CSD Participants to achieve FMA objectives effectively • Clarify areas of uncertainty to support confident and informed decision-making • Recognise ecosystem dynamics and adopt best practices to enhance regulatory responsiveness • Promote a fair, efficient and sustainable regulatory framework that serves the interests of regulated entities, issuers, investors and clients • Drive standardisation and ensure a level playing field across the financial market landscape • Support financial market stability through proactive and balanced regulatory contributions	• Regulatory expansion driven by new CIS product offering • Digitalisation and transforming into a data-based and technology-led regulator • Heightened focus on Strate Rule 18 led to partnership with lead regulators to influence the regulatory landscape. Although certain market stakeholder groups raised concerns, we are working with them and the JSE to find an appropriate way forward • Conducted nominee and CSD Participant risk-driven reviews • Operational resilience (participation failure simulation planning) • Regulatory posture of the market (observed downward trend in non-compliance)	• Re-introduce Supervision as a regulator for the future – hold the Regulation and Supervision Indaba • Continue to support stability and confidence in the market • Continue to monitor the implementation of Strate Rule 18 to ensure effective application, compliance and alignment with regulatory expectations • Streamline a focused operating model with co-regulators to bring greater efficiency to the market to address regulatory fatigue

05

OUR BUSINESS IN CONTEXT

An overview of the context in which we operate, including our material matters, how we managed risks, our strategic response and how we ensured ongoing shared value creation.

- | | | |
|----|---------------------------------|----|
| a. | Our operating environment | 27 |
| b. | Our material matters | 28 |
| c. | Our risk landscape and approach | 35 |

OUR OPERATING ENVIRONMENT

Strate operates within a deeply interconnected and rapidly evolving operating context shaped by local, regional and global political, economic, technological and regulatory forces. As a key financial market infrastructure, our ability to create sustainable value is influenced not only by external conditions, but also by how we interpret, respond to and anticipate shifts across the market ecosystem. Our business model is therefore designed to convert our six capitals into long-term value in a way that remains responsive to these dynamics.

Understanding our local and global context

South Africa’s operating context continues to present both challenges and opportunities. Political developments, shifts in macroeconomic indicators and changes in government policy require agility and vigilance. The removal of South Africa from the FATF greylist has strengthened investor confidence and contributed to improved market stability, underscoring the value of strong governance, compliance discipline and constructive engagement with regulators.

Our context is characterised by global economic headwinds, geopolitical uncertainty and fluctuating market sentiment. Investor confidence, regulatory reforms and global economic performance all influence market participation, liquidity flows and the operational dynamics of the financial system.

Technology and industry transformation

Technological advancement remains a defining feature of our operating context. The financial services industry is experiencing rapid digitalisation, which requires market infrastructures to evolve to support efficiency, transparency and resilience. Strate continues to embrace innovation through initiatives such as the development of trade repository capabilities and enhanced transparency in the beneficial interest register. These initiatives help ensure that our services remain relevant and aligned with global best practice.

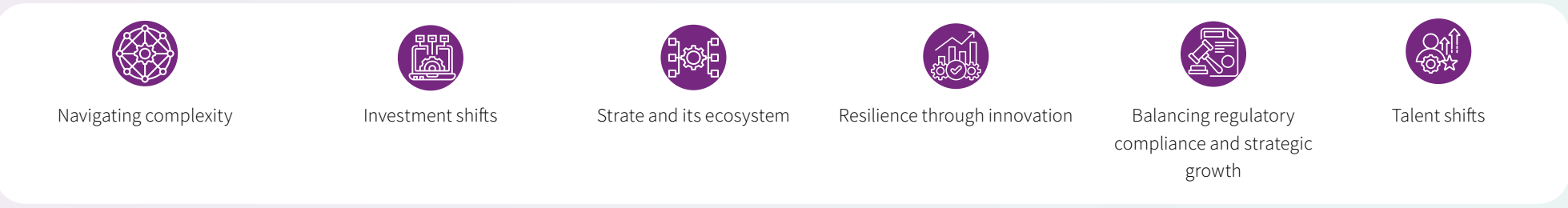
Sustainability as a contextual driver

Sustainability considerations increasingly inform market expectations and regulatory priorities. Strate’s role in enabling the settlement of green bonds in 2025 reflects our commitment to supporting sustainable finance and facilitating broader social, economic and governance objectives – aligning to the sustainability report objectives within the markets we serve. Our involvement in transparency-enhancing initiatives supports trust, accountability and the integrity of the financial system.

Balancing resilience, excellence and strategic growth

Our operating context requires us to balance short-term operational resilience with long-term strategic growth. Diversifying our service offerings across market and security types, enhancing operational excellence and strengthening ecosystem readiness remain essential in a market defined by ongoing uncertainty, regulatory reform and technological change.

Close monitoring of our operating context and material matters enables us to anticipate changes that may impact our ability to create and preserve value. For 2025, these material matters are grouped into the following themes:



Integrating context into risk and strategy

We integrate our operating context into our risk assessment and strategic planning processes. By evaluating how contextual factors influence our strategic priorities and affect the capitals we deploy, we ensure balanced, proactive and informed decision-making. This contextual awareness allows Strate to remain agile and resilient in a continuously shifting financial landscape.



Linking material matters to Strate’s top 10 risks

Our material matters directly inform Strate’s top 10 risks by highlighting the contextual factors, stakeholder expectations and ecosystem dynamics that have the greatest potential impact on our ability to create and preserve value. Each material matter reflects external conditions or internal capabilities that could influence our strategic priorities, operational resilience and long-term sustainability.

By mapping material matters to the top 10 risks, we ensure that our risk management processes are aligned with the issues most critical to our stakeholders and to the integrity of the financial markets we serve. This integrated view strengthens our ability to anticipate emerging risks, allocate resources effectively and develop proactive responses that support strategic execution across the short, medium and long-term.

OUR MATERIAL MATTERS

Material matters are the issues that have the greatest potential to influence Strate’s ability to create and preserve value for our stakeholders over the short, medium and long-term. Our double-materiality approach considers both inward-focused factors, those that affect Strate’s performance, resilience and strategic execution, and outward-focused factors, the impact we have on society, the environment and the broader communities in which we operate. This ensures a balanced, transparent and future-oriented view of what is most important in our operating context.

Our material matters are informed by a deep understanding of our operating context and the anticipated changes that may affect our ability to deliver on our purpose. Given the dynamic nature of materiality, we assess these matters annually to ensure that our reporting reflects emerging issues, stakeholder expectations and broader ecosystem developments.

We closely monitor our risk radar to track the evolving risk landscape, understand the nature and timing of potential impacts and prepare appropriate responses. This enables us to mitigate risks effectively and strengthen our role as a trusted FMI within South Africa’s financial system.

Our executive management team evaluates the significance of trends across all six capitals to determine how they may influence our strategic imperatives and long-term value creation. Our strategy remains agile, allowing us to anticipate, adapt and respond to developments in our material matters as they evolve.

Our materiality process



	Our approach	Key elements
Identify and assess	We examine our business context, operating environment and internal resources, alongside internal and external stakeholder feedback, to surface matters that could significantly affect our ability to create value. We also review existing material matters to check whether any have shifted in significance or whether new issues have emerged.	• Industry and market trends • Changes in our operating and sustainability context • Stakeholder perspectives and engagements • Internal documentation, including Board packs, management reporting and risk reports • Prior-year material matters
Prioritise	We validate and prioritise potential material matters using the outcomes of the assessment and the risks and opportunities identified, focusing on matters most likely to affect sustained value creation over time.	• Assess impact on our capitals and on delivery of our strategy • Consider resources required and availability to manage each matter • Take into account stakeholders’ needs and expectations • Input findings into our risk and opportunity register
Approve	Proposed material matters go through a structured governance process to ensure rigorous evaluation before approval. The risk team assesses relevance and materiality, followed by approvals from the Executive Committee and the Audit and Risk Committee (ARC) before matters reach the Board.	• Proposed by the risk team, and then the Executive Committee evaluates relevance and materiality • Chief Financial Officer approves refined matters • Executive Committee approves and recommends to the ARC • ARC provides approval • Board provides final approval as part of the Integrated Annual Report review process
Review	We monitor progress against each material matter and assess whether our responses remain appropriate as conditions evolve. This keeps our strategy and execution activities relevant and accountable.	• Implement documented responses to each material matter • Continually assess and monitor matters throughout the year • Report relevant items to governance committees
Integrate	Material matters directly inform our strategic choices. By linking them to our strategic imperatives, we embed integrated thinking into how we make decisions and allocate resources.	• Link material matters to strategic imperatives • Guide integrated approach to strategic choices • Set clearly identified and predetermined measures to track delivery • Track performance against our strategy on an ongoing basis

OUR MATERIAL MATTERS Continued

Navigating complexity: South Africa’s economic, political and global crosswinds

Material matter and why it matters

South Africa’s operating environment in 2025 was characterised by a convergence of persistent domestic structural constraints and intensifying global geopolitical pressures. While the country has made notable progress in some areas, significant risks continue to weigh on the business landscape.

South Africa’s GDP growth is projected to be 1.1% for 2025, a modest improvement from 0.5% in 2024, yet still well below the sub-Saharan Africa average of 3.8%. Growth is supported by resilience in agriculture and delayed impacts from global tariffs, but remains constrained by energy insecurity, logistics inefficiencies and low fixed investment. Public debt continues to rise, with the debt-to-GDP ratio expected to reach 77.9% in FY2025/26, up from earlier projections due to lower nominal GDP.

Unemployment remains elevated at 31.4%, with youth unemployment at 43.8%. Structural barriers and policy uncertainty continue to hinder labour absorption.

Inflation for the year was 3.6%, close to the SARB’s revised target of 3%, reflecting lower fuel and food price inflation and a stronger rand. However, volatility remains a risk amid global trade disruptions and inefficiencies in locally administered prices.

South Africa’s trade relations with the US have deteriorated following the imposition of 30% reciprocal tariffs on most exports, including automotive and agricultural goods. While negotiations are ongoing, uncertainty around the African Growth and Opportunity Act (AGOA) and tariff exemptions threatens key export sectors and employment.

Diplomatic tensions have intensified; however, the risk of exclusion from financial systems such as SWIFT remains low but not negligible, with trade diplomacy now a critical strategic lever.

In a major milestone, South Africa was officially removed from the FATF greylist on 24 October 2025, following the successful implementation of all 22 required reforms. This is expected to reduce transaction costs, restore investor confidence and improve access to global financial systems.

In this volatile and interconnected environment, Strate remains committed to proactive risk management, regulatory compliance and strategic agility. Our approach prioritises operational resilience, stakeholder trust and long-term value creation. We monitor macroeconomic and geopolitical developments closely, ensuring that our systems and governance frameworks remain robust and responsive.

Risks

- If the GNU fails to show concrete reforms, waning confidence could reduce investment appetite and market activity
- Slower uptake of new service capabilities, compounded by the demands of international regulatory compliance, resulting in delays in onboarding clients
- Growing frustration in communities adversely impacted by deteriorating economic conditions, resulting in social unrest
- The risk of sanctions could see South Africa excluded from the SWIFT network, cutting it off from global financial markets and disrupting its link to international CSDs
- Geopolitical tensions heighten the risk of financial and cybercrimes, as bad actors exploit perceived uncertainty or instability

Opportunities

- Public-private collaboration to address broader systemic issues
- South Africa chaired the G20 in 2025 and hosted the summit
- Pursue market growth opportunities that could position South Africa as an attractive investment destination

Our response

- Collaborate with the Companies and Intellectual Property Commission (CIPC) to meet FATF requirements on beneficial interest transparency
- Operationalise our Trade Repository capability, supporting South Africa’s fulfilment of its G20 obligations
- Maintain consistent operational delivery, resilience and stability to bolster market confidence
- Deliver on our prioritised growth and innovation initiatives
- Provide an alternative messaging network for the financial market using private network capabilities

Strategic imperatives



OUR MATERIAL MATTERS Continued

Investment shifts: Navigating market sentiment and evolving technologies

Material matter and why it matters

South Africa's capital markets underwent a transformation in 2025, marked by a divergence between traditional investment flows and the rise of alternative asset classes. Volatility in the domestic equity market was largely sentiment-driven, with fluctuations reflecting investor reactions to political and economic developments rather than the injection of new capital.

South Africa is emerging as an African leader in crypto and tokenised asset adoption, with over 60 licensed crypto firms operating under the FSCA. Platforms like Luno and Ovex offer fractional access to global stocks and ETFs, using local currency, bypassing forex constraints and broadening retail participation.

Tokenisation is gaining traction as a transformative force in financial infrastructure. By leveraging blockchain, tokenised assets offer faster settlement, lower costs and 24/7 trading, challenging traditional exchanges.

Regulatory clarity has improved, with crypto assets formally recognised as financial products and subject to anti-money laundering, know-your-customer and FATF-aligned Travel Rule compliance.

South Africa's regulators are actively modernising frameworks to accommodate digital finance. The FSCA has launched information requests to better understand crypto market dynamics. As tokenisation matures globally – with firms like BlackRock launching tokenised funds – South Africa is well-positioned to become a regional hub for digital asset innovation.

Strate recognises the implications of these shifts, and our technology platforms position us to support the digitisation of securities and enable interoperability with global custodians. This includes the CSD-to-CSD link established with Euroclear, which facilitates efficient cross-border transfers and opens new avenues for South African investors.

As the financial landscape evolves, Strate remains committed to enabling inclusive access, enhancing transparency and supporting the resilience of South Africa's capital markets.

Risks

- Poor government policy impacting market growth
- Onerous listing and compliance requirements discouraging new listings
- Outflow of funds into foreign markets, reducing local market liquidity
- Liquidity constraints or market fragmentation as alternative assets gain prominence
- Financial innovation outpacing the development of regulatory frameworks, creating potential compliance gaps and market conduct risks
- Capital flows towards non-traditional and potentially higher-risk investment options

Opportunities

- Engage with National Treasury on policy development that has a real, sustainable impact on South Africa's capital markets and broader economy
- Leverage existing capabilities to enable diversification of issuances in the public and private markets, and promote efficiency and transparency across these environments
- Increase the competitiveness of capital markets and provide local investors with access to foreign investment services in South Africa
- Partner with companies that specialises in crypto, digital or tokenised assets to potentially introduce new security types into the Strate ecosystem, leveraging our trusted and neutral position to provide investor confidence and safety
- Position South Africa as a leader in capital market innovation and cross-border investment in Africa

Our response

- Participate in dialogue facilitated by the Centre of Excellence in Financial Services, creating opportunities to engage with policymakers in National Treasury and influence policy and economic outcomes
- Use CSD-to-CSD links to create access for local investors into international markets, with security services rendered in South Africa
- Diversify into new security types, such as CIS-UT, by leveraging existing capabilities and promoting the FMA objectives in those environments
- Progress Strate's proposal to the Specialist Committee on Company Law for inclusion in a Department of Trade, Industry and Competition policy paper, recommending greater transparency and efficiency in the private markets, through the introduction of traceable movement of securities linked to the transfer of cash in a digital, recordable framework
- Explore partnerships that support efficiencies and trust in non-traditional markets, and test use cases for AI throughout the business
- Continue to engage with regulators and the trading venue community to assess the market need for enabling tokenised assets and the market problem requiring resolution

Strategic imperatives



OUR MATERIAL MATTERS Continued

Strate and its ecosystem

Material matter and why it matters

Ecosystem efficiency is fundamental to the integrity, competitiveness and sustainability of South Africa’s capital markets. As the principal CSD, Strate’s ability to facilitate seamless, reliable and transparent interactions among issuers, Participants, clients, infrastructure providers and regulators directly impacts market stability, investor confidence and the financial system’s ability to support economic growth. Efficient processes reduce operational risk, lower costs and enable the market to respond swiftly to change, making ecosystem efficiency a key driver of long-term value creation for all stakeholders.

Strate’s Rules and Directives support the Twin Peaks regulatory model by defining the rules of engagement for the ecosystem of role-players that links issuers with investors. The Rules and Directives define more specific requirements for the various parties in this ecosystem to promote fairness, transparency, stability and the efficient functioning of South Africa’s financial markets.

Timely adoption and compliance with the Rules and Directives, in particular by CSD Participants, is essential for the resilience and integrity of the ecosystem and the safeguarding of investors’ interests, as they articulate and promote the capabilities and structures required from all role-players to achieve the necessary trust and transparency.

The following key capabilities need to be in place:

- **Legal and regulatory:** A robust legal and regulatory foundation underpins settlement finality, investor protection and systemic stability. Alignment with global standards and proactive rulemaking by SROs underpins trust and market integrity
- **Market structure and account management:** A resilient CSD ecosystem requires flexible market structures and robust account management frameworks that balance operational efficiency with investor protection
- **Operational:** Efficient operational processes, including central bank money settlement, collateral management and automated corporate actions, are critical for reducing risk and maintaining market confidence
- **Technology:** Advanced technology capabilities, such as ISO 20022 messaging, cybersecurity resilience and readiness for evolving technology integration, support speed, transparency and global interoperability
- **Risk management:** Comprehensive risk management frameworks, covering financial, operational and systemic risks, safeguard the ecosystem against market shocks and ensure resilience under stress
- **Governance and stakeholder engagement:** Transparent governance and active stakeholder engagement foster accountability, collaboration and adaptability, ensuring the ecosystem evolves in line with market needs and regulatory expectations

Our commitment to a thriving ecosystem is based on collaborative partnerships and digital innovation. By fostering seamless integration across market participants and leveraging advanced technology, Strate strengthens the interconnectedness, adaptability and long-term sustainability of South Africa’s financial markets. We balance innovation with risk management, ensuring that the ecosystem remains secure, transparent and trusted as we navigate the next phase of digital transformation.

Risks

- Insufficient training or knowledge transfer among CSD Participants can lead to operational inefficiencies or errors
- Regulatory constraints, resource limitations and differing priorities may slow the adoption of new financial market infrastructure, processes or directives
- Resistance to change from some market participants could create bottlenecks or compliance gaps
- Concentration risk in technology providers or infrastructure could affect recovery times in the event of disruption
- Complex account structures and fragmented data sources can impede beneficial interest transparency
- Inadequate levels of operational resilience among Participants pose a risk to ecosystem stability

Opportunities

- Broaden stakeholder engagement to ensure readiness and buy-in for upcoming changes
- Engage stakeholders transparently and consult widely before introducing new rules or technologies, to minimise resistance and compliance gaps
- Position Strate as a leading digital and resilient FMI through strategic collaborations and innovative partnerships with fintech firms and FMI peers
- Share market insights and evolving narratives through thought leadership and social media
- Establish clear roles and accountabilities for all communication stakeholders to ensure consistent and timely messaging

Our response

- Improve consistency and reduce errors through targeted training and knowledge transfer across market stakeholders
- Prioritise changes and streamline implementation timelines to address regulatory and resource constraints
- Use phased rollouts and feedback loops to identify and resolve bottlenecks early
- Foster a culture of collaboration and readiness to support smooth adaptation to evolving requirements
- Maintain robust business continuity and disaster recovery plans, including redundancy in critical systems and assessment of alternative solutions, to manage concentration risk, with regular testing through scenario planning

Strategic imperatives



OUR MATERIAL MATTERS Continued

Resilience through innovation for operational excellence and strategic growth

Material matter and why it matters

Strate’s role as South Africa’s principal CSD places us at the core of market stability. Declining listings and reduced trading volumes have, however, heightened the need for diversification and innovation. To remain financially resilient and protect our core, Strate executes Board-approved strategic initiatives focused on operational excellence, diversification and growth.

Technologies, such as automation and advanced analytics, allow us to streamline processes, enhance efficiency and explore new asset classes. These innovations strengthen third-party management, improve transparency and support compliance, while positioning Strate for future relevance in a rapidly evolving financial ecosystem.

As new technologies, security types and processes are introduced, Strate takes a proactive and holistic approach to managing change across both the organisation and the broader ecosystem. This involves structured change management programmes, ongoing training and clear communication to ensure that employees and stakeholders are well-equipped to adapt effectively.

Strate also places strong emphasis on maintaining robust market infrastructure, with a particular focus on cyber resilience and effective settlement systems to safeguard market integrity and operational continuity. This is especially important given the complexities and risks associated with digital assets and evolving investment products. Our commitment to resilience is underpinned by robust governance and investment in scalable and secure infrastructure. By combining operational excellence with technology-driven transformation, Strate ensures systemic stability, stakeholder confidence and long-term value creation.

Risks

- Slow or uneven adoption of new capabilities across ecosystem stakeholders
- Growing capabilities in new security and market types requires addressing knowledge and expertise gaps to ensure effective service delivery
- Perceived conflicts of interest that could affect Strate’s role as an SRO
- Dependency on critical infrastructure for operational execution
- Dependency on third parties for critical services
- The adoption of new technologies and expansion into new security types generates larger volumes and greater complexity of data, amplifying the need for robust data governance, integration and security

Opportunities

- Introduce efficiencies and cost reductions in the traditional operating models for security types such as CIS-UT
- Introduce transparency and risk mitigation in the private markets and align with the delivery-versus-payment (DvP) model utilised in the public market
- Use our capabilities to grow market activity and volumes, enabling revenue diversification
- Collaborate with the broader financial sector to strengthen overall resilience beyond capital markets
- Develop new products or services based on market needs or regulatory changes
- Leverage data analytics for product development and proactive supervision and risk management

Our response

- Maintain consistent operational delivery and resilience
 - Enhance security protocols on the Afriverse and engage with the SARB and other stakeholders to consider the Afriverse as an alternative to SWIFT for communication redundancy
 - Actively participate in financial sector forums and initiatives aimed at risk mitigation
 - Conduct ongoing due diligence on critical third-party service providers
 - Update the Participant Failure Manual and security handbooks and provide training to stakeholders
 - Review the Recovery Plan in line with the Joint Standard on Recovery Planning for FMIs
 - Review the Risk Management Directive to articulate resilience expectations
 - Test Strate’s cyber risk management practices through an independent red team review
 - Create and deliver new capabilities that enable Participants to render a broader set of security services for consumers, thereby facilitating market adoption and growth
 - Design and implement new capabilities under core functions to eliminate perceived conflicts of interests within the financial market ecosystem
- Appoint specialist contractors to assist with business cases and operating models, facilitating the upskilling and cross- skilling of Strate employees in the knowledge of new security types
 - Confirm revenue diversification limitations and performance weighting in the Corporate Scorecard to ensure the focus on our core is not diluted and remains a priority
 - Provide strategic clarity on the role and function of Strate’s Regulatory and Supervisory function in terms of the FMA, to promote the Act’s objectives and ensure the SRO is impartial and trusted
 - Adopt and implement Strate’s regulatory framework
 - Set clear measures and milestones to track execution success
 - Continuously refine and update processes by incorporating insights and lessons learned from past experience
 - Communicate proactively with Participants and stakeholders to ensure clarity and alignment during significant changes or critical incidents
 - Invest in technology and process improvements to streamline data integration, reconciliation and reporting to reduce human error

Strategic imperatives



OUR MATERIAL MATTERS Continued

Balancing regulatory compliance and strategic growth

Material matter and why it matters

South Africa's financial markets have undergone significant regulatory transformation over a number of years, with reforms such as OTC derivative reforms – including margin and trade reporting requirements – FATF remediation and the transition to ZARONIA reshaping operational frameworks. The ongoing review of the FMA adds further complexity.

For Strate, changes in regulatory requirements present a dual challenge: meeting heightened compliance obligations while protecting the core and sustaining innovation and strategic growth.

Regulatory changes affect Strate across three dimensions:

1. Strate as a regulated entity must comply with regulatory changes that impact our internal resources, operating models and cost structures
2. Market-wide compliance, where general regulatory changes affect the entire financial market, requiring prioritisation of regulatory reforms and extending implementation timelines
3. Strate as an SRO and regulator introduces regulatory changes through our own Rules and Directives, which adds to the compliance load on its regulated persons

These dynamics impact people, processes and technology. Resource allocation towards compliance reduces flexibility for innovation, while operating models require continuous adaptation to regulatory shifts. The cost of compliance, both direct and indirect, remains a critical consideration for financial resilience.

Strate's response focuses on proactive engagement with regulators, collaborative alignment with market participants and leveraging technology to streamline compliance processes. By embedding regulatory adaptability into our strategic execution, we aim to maintain operational excellence while enabling innovation and compliance.

Risks

- Operational and resource strain as heightened compliance requirements divert resources from strategic initiatives
- Rising compliance costs impact profitability and investment capacity
- Market resistance leading to slower adoption of new offerings and regulatory changes, due to capacity constraints and misalignment with regulated entities' priorities
- Failure to meet regulatory obligations or delays in implementing changes that could erode trust
- Re-materialisation of money market instruments to ease the transition to ZARONIA

Opportunities

- Automate compliance and use digital platforms to reduce complexity and cost
- Collaborate with market participants to align our offerings with their strategic objectives
- Leverage emerging technologies to deliver solutions that meet regulatory and operational needs
- Position Strate as a trusted adviser in shaping regulatory frameworks and market standards
- Leverage compliance data for business insights and predictive compliance management

Our response

- Adapt Strate's Rule and Directive process to allow for more upfront market engagement and consultation
- Educate the market on regulatory changes and new product offerings, including the associated compliance requirements
- Regularly review and refine compliance processes, incorporating lessons learned and stakeholder feedback
- Support internal teams and market participants through structured change management programmes, ensuring smooth adoption of new compliance requirements
- Build direct relationships with key stakeholders within our regulatory framework, such as issuers and brokers

Strategic imperatives



OUR MATERIAL MATTERS Continued

Talent shifts – shaping our future in an evolving ecosystem

Material matter and why it matters

Talent resilience is central to Strate’s ability to deliver on its mandate as South Africa’s principal CSD and Trade Repository in an evolving financial market ecosystem. As a systemically important financial market infrastructure, Strate recognises that long-term value creation and operational resilience depend on our ability to attract, develop and retain skilled professionals.

Global and local forces are redefining how organisations build their workforces. Organisations worldwide are shifting towards skills-based talent strategies, embedding automation and artificial intelligence into daily operations and prioritising human-centric workplaces that emphasise flexibility, diversity and continuous learning.

In South Africa, the demand for digital fluency, upskilling and adaptable work models is compounded by the country’s unique socioeconomic context, including uneven access to learning opportunities and heightened expectations for transparency and inclusivity.

Against this backdrop, Strate’s ability to attract, develop and retain top talent, while fostering a culture of inclusivity, innovation, excellence and resilience, is fundamental to sustaining operational resilience and excellence while supporting the stability of South Africa’s financial markets.

Strate’s commitment to talent resilience is underpinned by our ability to deliver on our purpose, brand and market stability. Our talent strategy responds to global shifts in digitalisation, hybrid work and sustainability, while addressing South Africa’s regulatory and socioeconomic challenges.

Key risks include niche skills shortages, compliance demands and rapid technological change. Opportunities lie in Strate’s ongoing investment in people, strategic partnerships, leadership development and building an empowered, agile, diverse and inclusive workforce. Our talent strategy aligns with Strate’s organisational goals, embedding the right cultural attributes to position Strate for resilience, excellence and long-term sustainability in a dynamic financial market ecosystem.

Risks

- Scarcity and loss of skills needed to support growth initiatives and respond to fast-changing technological advancements
- Unpredictable regrettable talent turnover
- Misalignment between workforce capabilities and skills development and business needs

Opportunities

- Leverage automation and AI for enhanced productivity and efficiency
- Continue to invest in and develop cross-functional capability bench strength
- Enhance employee engagement with fit-for-purpose initiatives
- Continue to invest in Strate’s EVP as a talent attraction and retention strategy
- Identify highly engaged talent and promote continuous learning and sharing of market and institutional knowledge to develop talent and support succession planning

Our response

- Our talent acquisition and retention strategy aligns with our evolving business capabilities, promoting the objectives of the FMA
- We invest in our people to foster talent stability and develop future-fit talent, ensuring we deliver on our mandate and licence while protecting our core and supporting long-term business sustainability
- We invest in talent development by providing opportunities for growth, including internal appointments, cross-functional work exposure, skills transfer and knowledge sharing
- Our EVP takes a holistic approach to meeting the needs of the employee life cycle, informed by an understanding of the South African talent landscape and the factors that influence talent stability
- We are committed to South Africa’s transformation and adopt an integrated approach to meeting our transformation aspirations

Strategic imperatives



OUR RISK LANDSCAPE AND APPROACH

Strate’s risks and opportunities are informed by our broader operating context. As a key financial market infrastructure, Strate’s ability to create and preserve value depends on how effectively we anticipate disruptions, navigate emerging risks and leverage opportunities. Strategic risk and opportunity management are therefore central to our long-term resilience and ability to fulfil our purpose.

We view risks and opportunities as interconnected factors that influence our capacity to deliver value for stakeholders. Sound risk management enables us to adapt to shifts in our operating context, make informed decisions in periods of uncertainty and consistently execute our strategy. While external conditions – including market volatility, geopolitical tension, socioeconomic pressures and the deterioration of public infrastructure – continue to influence our risk profile, our disciplined approach ensures that Strate remains stable, resilient and well-positioned to absorb volatility without compromising strategic progress.

Enterprise-wide risk management: A core capability

Our enterprise-wide risk management (ERM) function acts as a custodian of the trust that stakeholders place in us. As an FMI, Strate’s role in ensuring the fair, orderly and stable functioning of South Africa’s capital markets is based on sound risk management practices. This capability forms an integral part of good governance, effective leadership and responsible service delivery.

Risk management at Strate extends beyond the Risk Management and Compliance functions. It is a collaborative, organisation-wide discipline, built across multiple lines of defence. These structures work together to identify risks, implement controls, monitor performance and escalate issues through well-established governance channels. This integrated approach underpins a mature and robust internal control environment – one that allows Strate to deliver its services securely, consistently and in a manner that promotes financial market stability.

We aim to strike an appropriate balance between managing threats and exploring opportunities. Our risk processes are designed to minimise downside risks while enabling strategic upside, ensuring that uncertainty is managed in a way that supports our business imperatives and maintains trust in our role as a neutral market infrastructure.

Resilience, agility and a forward-looking approach

Despite a challenging and volatile operating context, Strate’s internal control environment continues to demonstrate high levels of safety, soundness and resilience. Our governance, risk and control structures remain robust, supporting prudent conduct, effective oversight and a strong operational foundation.

The risk landscape is evolving rapidly, requiring an approach that is both agile and informed by continuous learning. Managing risk safely in an unprecedented climate involves managing threats while unlocking opportunities when they arise. To ensure that we remain relevant, our risk management approach incorporates adaptability, forward-looking insights and a commitment to strengthening our organisational resilience.

Enterprise risk governance

The Board holds ultimate responsibility for risk governance within Strate. It provides strategic direction and oversight to ensure that risks and opportunities are managed in a manner that protects Strate, the stability of the financial markets and supports sustainable value creation.

Several governance committees support the Board in fulfilling these responsibilities:

- Audit and Risk Committee (ARC)
- Remuneration, Nominations and Social & Ethics Committee (REMNUMSEC)
- Regulatory and Supervisory Committee (RSC)
- Ecosystem Resilience and Participant Failure Committee (ERPFC)

The ARC executes the Board’s fiduciary duty for risk management. It oversees the implementation of policies, frameworks and processes that ensure risks are identified, assessed and managed within approved thresholds, while embedding a proactive and responsible ERM culture across the business.

Our approach to enterprise risk management

Strate approaches enterprise-wide risk management (ERM) as an interconnected ecosystem of role players across the capital markets. By recognising the dependencies and interdependencies within South Africa’s financial system, we collaborate with Participants, regulators, business partners and broader stakeholders to maintain resilience across the ecosystem and advance the objectives of the FMA. Our risk management approach is therefore both organisational and systemic — designed to safeguard Strate and uphold the stability and integrity of the financial markets we serve.

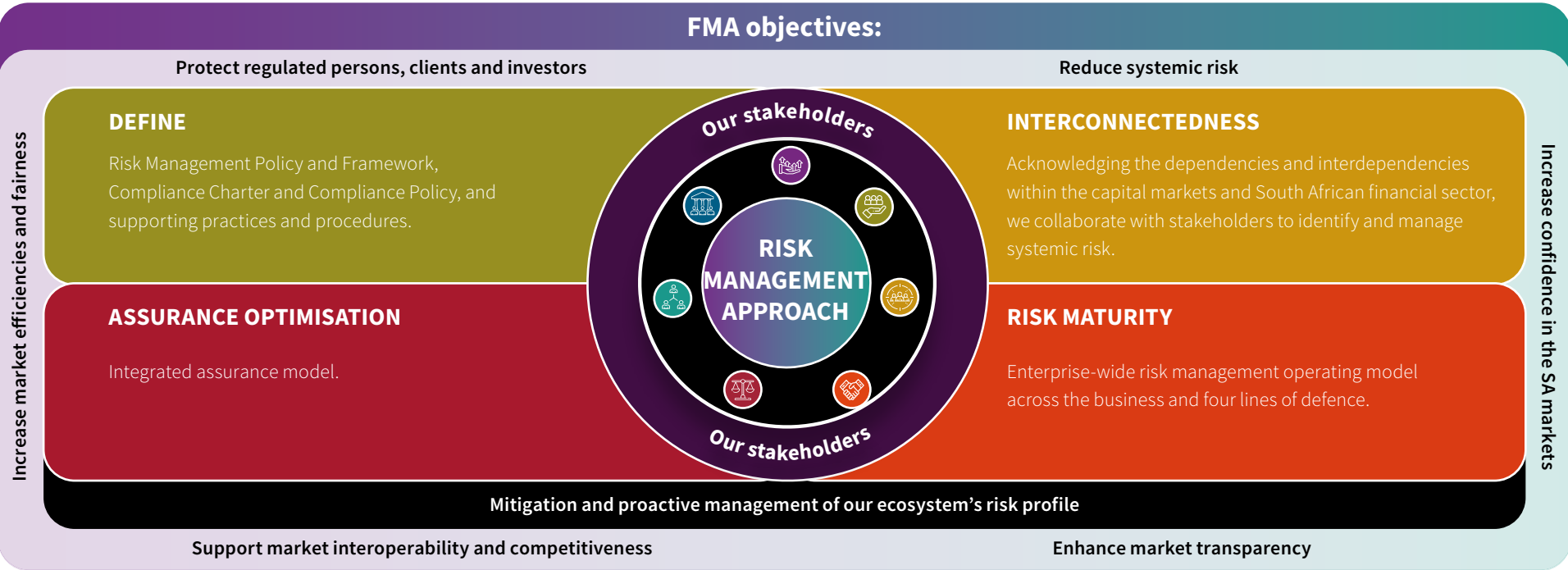
Risk management is a core capability that underpins our governance, supports our strategic objectives and strengthens the trust stakeholders place in Strate. It is embedded across all levels of the organisation through our four lines of defence and forms an integral part of our decision-making processes and day-to-day activities. Our practices are aligned to the Principles for Financial Market Infrastructures (PFMI), issued by CPMI-IOSCO, and our compliance approach is guided by the Compliance Institute Southern Africa’s Generally Accepted Compliance Practice Framework.

A comprehensive and integrated ERM ecosystem

Our enterprise-wide risk management approach consolidates all material risks into a unified, structured and systematic framework. It ensures strategic and operational resilience, enabling us to navigate changing conditions while pursuing long-term growth and sustainable value creation. The Board acts as the ultimate custodian of this framework, guiding a holistic and dynamic approach to managing risks and opportunities.

Our ERM model is built on the following key dimensions:

- Define – A robust suite of risk management and compliance policies, frameworks, charters, practices and procedures
- Assurance optimisation – An integrated assurance model that aligns internal assurance providers and external oversight to strengthen control effectiveness
- Interconnectedness – Collaboration with market participants and regulators to identify, monitor and manage systemic risks across the capital markets ecosystem
- Risk maturity – A maturing, enterprise-wide risk operating model embedded across the organisation and supported through the four lines of defence



Effective and sound risk management enhances the long-term sustainability of Strate and its ecosystem.

OUR RISK LANDSCAPE AND APPROACH Continued

Our ERM process

Across our business, we apply a standardised, enterprise-wide process to identify, assess and respond to material risks, both strategic and performance-related, across short-, medium- and long-term horizons. This structured and consistent approach enables risk-based decision-making in a dynamic operating context and supports Strate’s strategy by proactively managing risks that may affect current performance and future strategic ambitions. By managing risk effectively, we position Strate to safeguard value and unlock new opportunities.

Our ERM process follows a defined sequence of activities:

- 1. Communicate and consult
- 2. Establish context
- 3. Identify risks
- 4. Analyse risks
- 5. Evaluate risks
- 6. Mitigate risks
- 7. Monitor and review
- 8. Record the risk management process

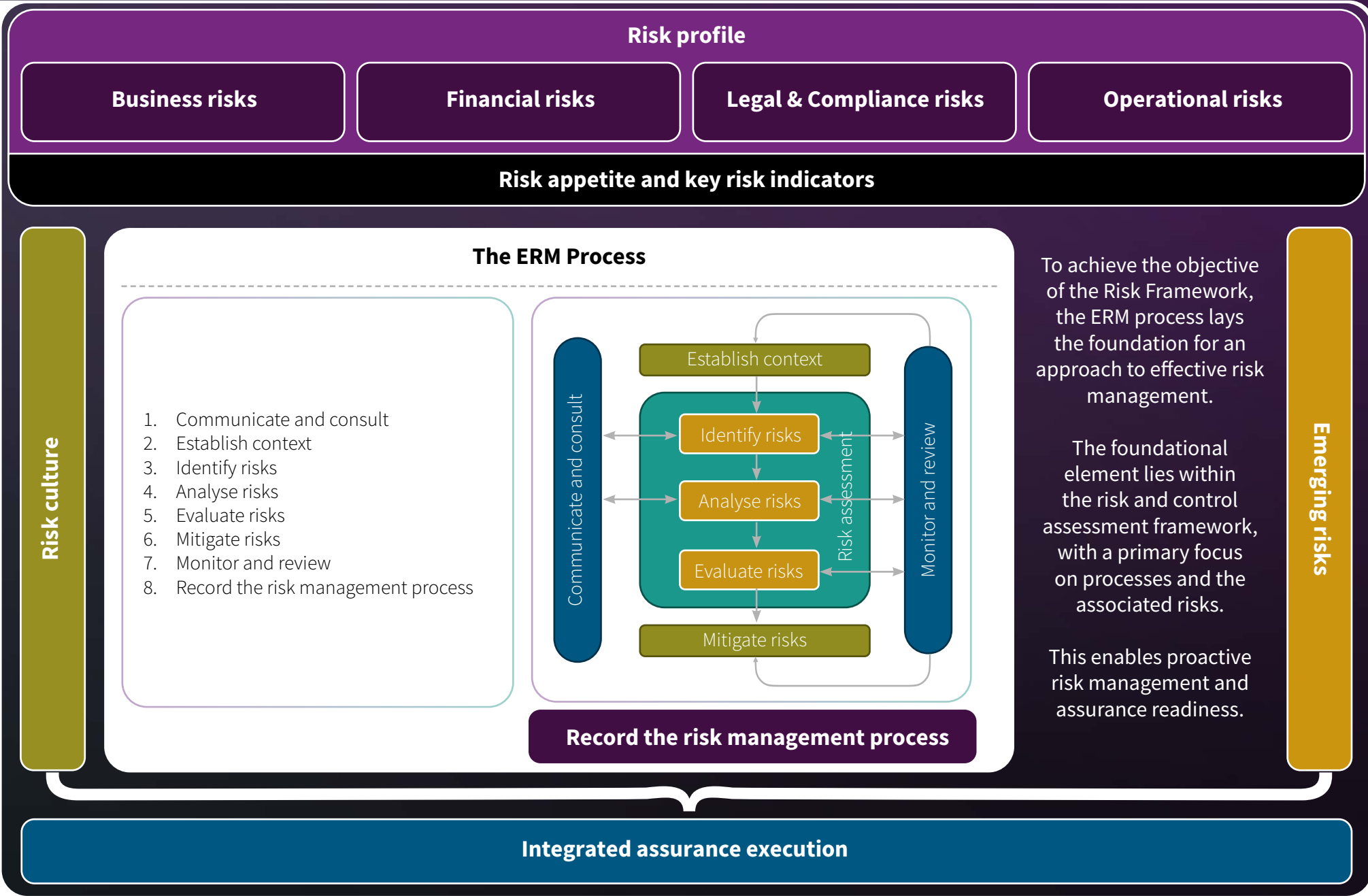
This process is embedded across the organisation and supported by a **comprehensive risk taxonomy** that ensures risk assessments are complete and consistently categorised across business, financial, legal and compliance, and operational dimensions. The taxonomy guides structured analysis and forms the foundation of our risk and control assessment framework.

Our **risk appetite** forms a critical part of the ERM process and defines the nature and level of risk Strate is willing to accept in delivering its mandate as a trusted and neutral FMI. It is approved by the Board and informs decision-making across the organisation by setting clear expectations for acceptable risk levels across operational performance, regulatory compliance, financial sustainability, licence obligations and employee wellbeing. Risk appetite guides our assessment of inherent and residual risk, shapes risk-based thresholds for our **key risk indicators** (KRIs) and supports effective cascading of strategic objectives into divisional risk parameters. By aligning risk appetite with our ERM process, we ensure that risk taking is deliberate, measured and consistent with our strategic priorities.

Our **risk culture** underpins the effectiveness of enterprise-wide risk management. It ensures that risk considerations are integrated into everyday decision-making, supported through top-down direction, mid-up alignment and bottom-up operational insight. This culture promotes accountability, transparency and responsible risk taking, helping to protect and create value.

A critical component of our approach is the identification and management of **emerging risks** – risks that may not yet have fully materialised but have the potential to significantly affect the financial markets or Strate’s operating model. By monitoring early signals and external shifts, we enhance readiness, scenario-planning capabilities and long-term resilience.

Integrated assurance execution plays a vital role in supporting effective ERM. Our revised Integrated Assurance Framework ensures coordinated and comprehensive assurance across the lines of defence, confirming that controls are both adequately designed and operating effectively. This integration strengthens the reliability of our assessments, enhances assurance coverage and provides the Board and stakeholders with confidence in the robustness of our control environment.



Embedding a strong risk culture

In 2024, we modelled the desired characteristics of Strate’s risk culture on our established corporate behaviours, setting a clear standard for how risk should be understood and managed across the organisation. In 2025, we dedicated considerable effort to embedding this culture at all levels through the introduction of risk partners, who worked closely with business areas to deepen understanding, strengthen risk ownership and drive a consistent bottom-up approach to risk identification and assessment.

As part of the annual Strate culture survey, risk as a core capability was assessed through a cultural lens. The results showed measurable improvement from the prior year, demonstrating that risk awareness is increasing and becoming more deeply entrenched. This heightened awareness is essential for protecting value, managing opportunities and ensuring safe and sustainable operations.

Looking ahead to 2026, we will validate employees’ perceptions of our risk culture through a range of mechanisms, including risk assurance activities and crisis simulations. These activities form part of our ongoing efforts to strengthen accountability, embed responsible risk-taking habits and ensure readiness for unexpected events.

OUR RISK LANDSCAPE AND APPROACH Continued



Risk appetite and thresholds

Our Board-approved risk appetite outlines the nature and level of risk Strate is willing to accept in delivering its obligations as an FMI. It is set at a company level and supported by clear accountability, reporting and monitoring requirements. The principles that guide our risk appetite reflect our commitment to:



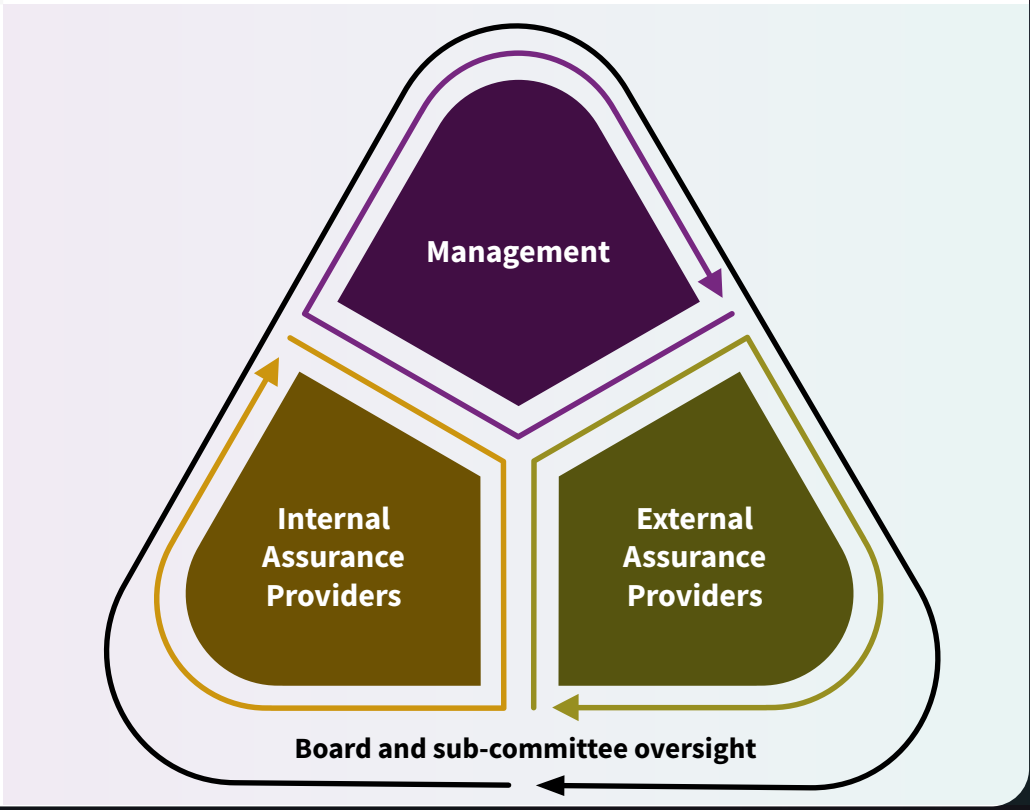
Integrated assurance

According to King IV™, assurance refers to the diligent evaluation of evidence, resulting in a statement or conclusion that enhances confidence in the subject matter. Effective assurance strengthens confidence in the reliability of our reporting, the robustness of our control environment and the adequacy of our risk mitigation activities.

Strate has adopted an Integrated Assurance Framework to maximise the effectiveness and coverage of assurance activities across the organisation. The framework provides a coordinated and coherent model that eliminates duplication, avoids gaps in the control environment and strengthens the interplay between assurance providers across the lines of defence. It promotes an environment where control adequacy is thoroughly verified and control robustness is independently validated.

Our updated Integrated Assurance Framework establishes clear principles and an execution model that sets the foundation for long-term success. The model is executed over a rolling three-year period, using a risk-based planning approach approved by the ARC. In 2025, implementation of the new framework commenced, with assurance activities executed in accordance with the agreed plan. This marks an important step in strengthening our assurance maturity, improving accountability and enhancing confidence in the organisation's ability to manage risks effectively.

Our high-level integrated assurance model depicting the lines of defence is shown below.

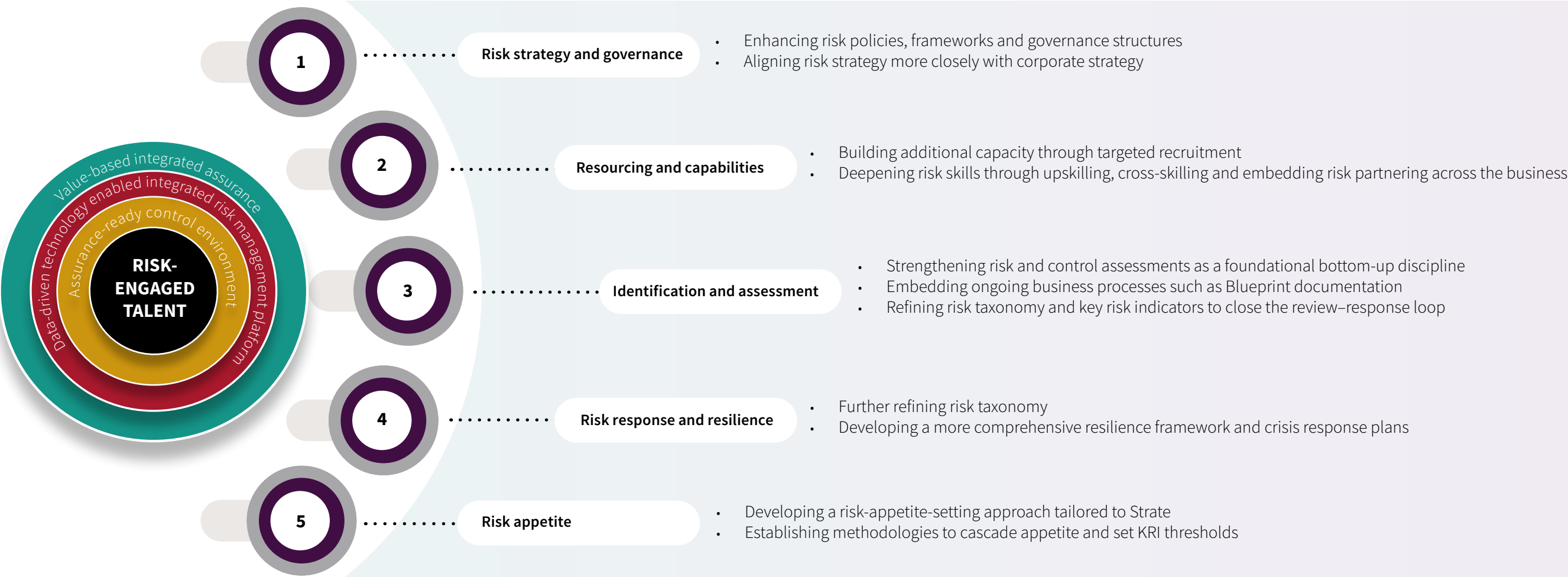


OUR RISK LANDSCAPE AND APPROACH Continued

Advancing our ERM maturity

Our internal ERM approach is built on nine interconnected dimensions that help us track and advance our overall risk maturity. In 2024, we commenced a multi-year risk maturity journey focusing on four themes approved by the ARC. In 2025, we continued strengthening the foundational elements of ERM, with further implementation planned for 2026.

Key areas of focus included:



These initiatives collectively support a more proactive and forward-looking approach to risk management.

Looking ahead to 2026

Our ERM maturity journey will progress with continued focus on:

- Embedding the integrated assurance model, particularly enhancing monitoring controls in partnership with internal audit
- Advancing proactive initiatives that strengthen organisational resilience across multiple operating environments
- Deepening our culture of accountability and responsible risk management
- Enhancing regulatory risk mitigation through the compliance function’s focus on adherence to laws, regulations, licensing obligations, codes and international standards

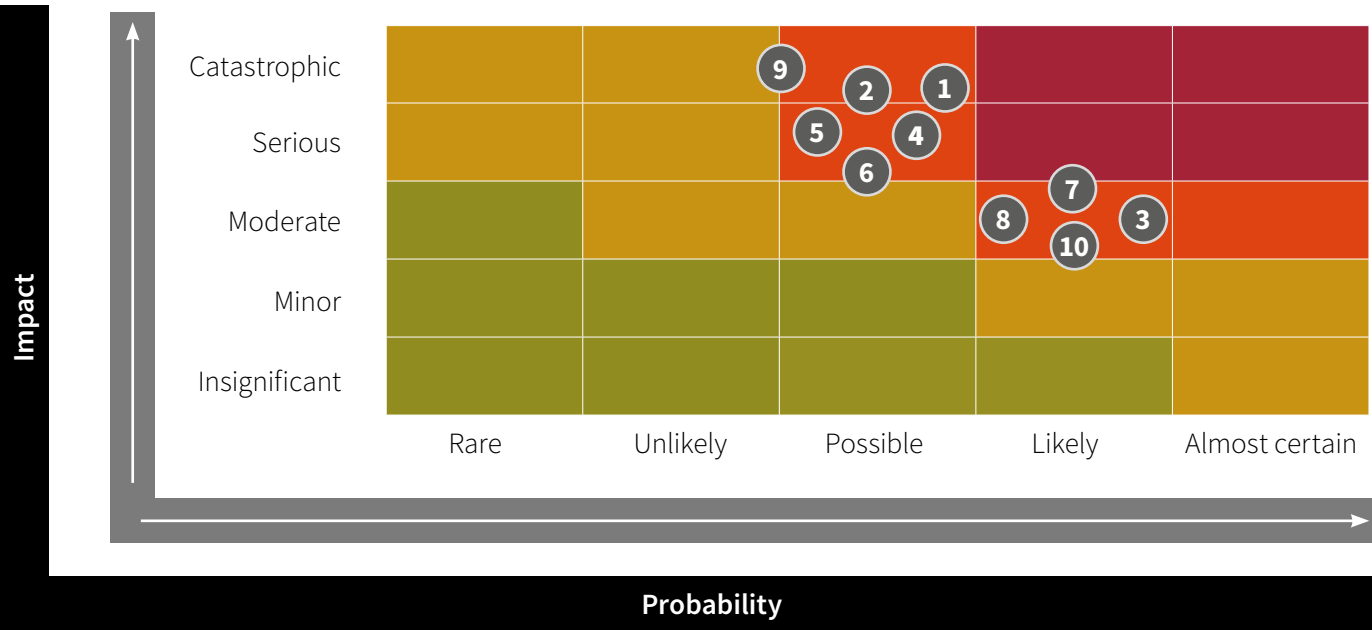
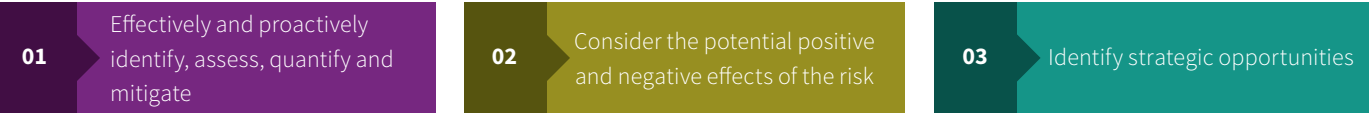
We will further strengthen employee understanding of the regulatory landscape and core risk requirements through targeted training on regulatory obligations, legal standards and ethical practices. This collective capability is essential to preserving Strate’s position as a trusted, neutral FMI and safeguarding the integrity and stability of the South African financial markets.

OUR RISK LANDSCAPE AND APPROACH Continued

Our top risks and opportunities

Strate continually manages, monitors and reviews its top risks in alignment with our strategic imperatives, taking into account our materiality lens, material matters and the six capitals. Our assessment of risk is dynamic and grounded in a deep understanding of internal and external developments within our operating context. Through customised and stress-tested business scenarios, we evaluate Strate’s resilience across a range of parameters and key driving forces, ensuring we are prepared for both anticipated and emerging conditions.

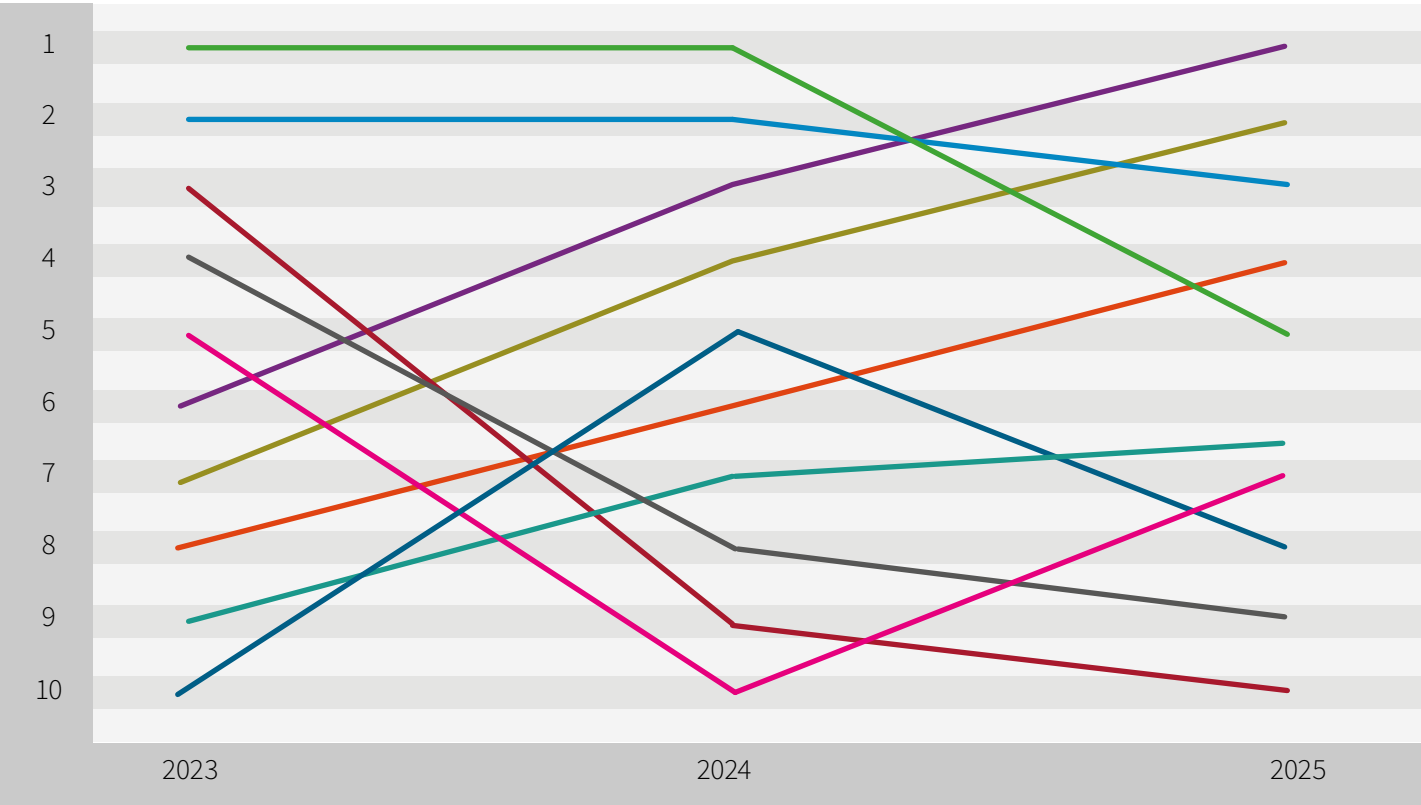
Our risk assessment process considers risks and opportunities across the short, medium and long-term. This allows us to identify potential threats, as well as uncover opportunities that support value creation, innovation and long-term resilience. Effective risk management therefore enables us to navigate uncertainty while recognising strategic upside.



Strate’s risk heatmap reflects the output of our ERM processes. It illustrates our top risks, including the residual risk levels after the application of mitigation actions, and provides an integrated view of the organisation’s risk profile. The heatmap offers a clear overview of the assessment of our top 10 strategic risks and serves as a key tool for informed decision-making, resource prioritisation and enhancing organisational resilience.

Rating	Description
Low	A risk event that presents no significant threat to the company, project, employees or other stakeholders. Accept, monitor and report on the risk or manage it through the implementation or enhancement of procedures. Monitored by management.
Medium	A risk event that is unlikely to occur, but if it does, it can be managed under normal operating conditions. Responsibility falls on the relevant manager, with specific monitoring of response procedures.
High	A residual risk that could have a serious impact on operations or sustainability, and that can be managed with some additional resources, budget and management effort. Management should monitor the risk to ensure that risk mitigation measures are implemented. The ARC would also need to monitor the implementation of identified risk mitigation measures.
Very high	A risk with potentially significant exposure that will have a prolonged and extensive impact on the company or project. Requires the prompt attention of management. The ARC would evaluate risk reduction options proposed by management and assess the overall risk management plan.

The graphic below depicts the evolution of our top risks from 2023 to 2025, as identified through our risk management processes:



- 1

Strategy execution and readiness
- 2

Ecosystem readiness
- 3

Financial sustainability and revenue concentration
- 4

Operational delivery and resilience
- 5

Sovereign
- 6

Financial market ecosystem interdependency
- 7

Talent
- 8

Evolving competitor landscape
- 9

Cyber
- 10

Disruption of critical infrastructure

OUR RISK LANDSCAPE AND APPROACH Continued

Top risks

1

Strategy execution and readiness

Stable

➔

- In executing our strategic intent, the following risks may arise:
- Complex, interdependent projects and resistance to change can lead to delays, cost overruns and scope creep
 - Resource constraints may strain delivery capacity
 - Slow market adoption of new solutions and regulatory delays could undermine business cases and expected returns
 - Pursuing growth while maintaining the integrity and compliance of core services introduces operational strain
 - Cyber and data risks increase with expanded data use

Business risk

Strate’s response/mitigating action

Strate maintains a rigorous focus on risk management across change execution, project delivery and control environment robustness to safeguard core regulatory functions. Recognising the capacity pressures that growth initiatives place on the organisation, we have embedded resilience measures into our transformation roadmap to ensure people, processes and systems can scale effectively. Management has also embarked on a full-scale capacity assessment, to aid in prioritising of strategic deliverables and manage employee capacity.

Data governance and cyber resilience remain paramount, with strengthened controls, aligned to global standards, that mitigate the risks of data leakage and cyber threats.

Our Board-approved strategy reflects this balance, with 65% of the Corporate Scorecard weighted toward protecting the core. In 2025 and into 2026, we have prioritised execution of our strategic growth and innovation initiatives supported by scalable technology platforms, talent development, and enhanced risk and assurance processes.

These actions position Strate to deliver sustainable growth while maintaining operational integrity and systemic stability in an evolving market landscape.

Relevant material matters

Strategic imperatives

OE ET SF DC DS

2

Ecosystem readiness

Stable

➔

Strate’s future sustainability depends on our ability to execute our diversification and strategic growth initiatives. Success relies on broader ecosystem stakeholders being ready to enable, adopt and use these capabilities. Newer capabilities such as our CIS-UT capability will depend on a collaborative relationship with our Participants, who will use our infrastructure to offer securities services to their clients. While we have ambitious goals, we recognise ecosystem inertia and the need to ensure our combined capability value propositions are attractive and appropriately enabled for client onboarding.

Strate’s response/mitigating action

We have reviewed our growth initiatives within the context of the FMA, recognising the interplay between the provision of market infrastructure and securities services to investors. We are engaging with our ecosystem stakeholders to obtain buy-in and better understand the needs that the new capabilities will address. By positioning our growth initiatives as core regulated CSD functions, we promote FMA objectives and deliver capabilities that build confidence, introduce standardisation and operational efficiencies, mitigate risk and protect investors. Three CSD Participant applications for custody CIS-UT and Global Funds Access are in progress.

- Other mitigating actions:
- Proactive stakeholder engagement and market education
 - Technology scalability and talent development for new solutions
 - KPIs for adoption, onboarding and revenue diversification embedded in the Corporate Scorecard
 - Quarterly strategy reviews and agile reprioritisation to respond to market dynamics

Relevant material matters

Strategic imperatives



OUR RISK LANDSCAPE AND APPROACH Continued

3

Financial sustainability and revenue concentration

Stable

➡

Business risk

- Strate’s revenue model is sensitive to macroeconomic conditions and investor sentiment. Prolonged periods of low trading volumes or economic downturns could exacerbate concentration risk and reduce the predictability of cashflows
- The trend of companies delisting from public markets and moving to private capital structures reduces the pool of listed securities, directly impacting settlement volumes and revenue streams
- A fixed cost base for infrastructure and regulatory compliance creates pressure when volumes decline. Without diversification, margins could erode, affecting long-term sustainability

Strate’s response/mitigating action

Strate is actively expanding beyond listed equities into CIS-UTs, Global Funds Access, TR Services and Data Services. These initiatives reduce reliance on equity trading volumes and broaden the revenue base. The Trustlink acquisition has provided non-trading-dependent income streams, creating breathing space for investment into strategic initiatives. The Afriverse has been in a proof-of-capability with the SARB since 2025 and market testing is due to start in Q1 2026. If agreements with the SARB concludes, this product will contribute to the Strate revenue mix by introducing a once-off fee and annuity income.

Each new initiative undergoes a validation of assumptions process and financial metric analysis to ensure alignment with the “investment vs certainty” principle.

Financial resilience reviews include scenario modelling on budgets and capital positions to anticipate volatility and maintain liquidity buffers.

Relevant material matters

Strategic imperatives

OE

ET

SF

DC

DS

4

Operational delivery and resilience

Stable

➡

Operational risk

The risk of failing to meet service delivery standards due to our inability to recover promptly from operational disruptions caused by technology, people, processes or external events.

Strate’s response/mitigating action

We maintain our focus on delivering current capabilities efficiently and resiliently. At the same time, we are addressing operational vulnerabilities by accelerating process automation, improving resource planning to enhance capacity and managing uncertainties linked to new and existing opportunities.

Third-party management has also been brought into focus to ensure that risks associated with dependencies on third parties are clearly understood and managed in the context of operational delivery.

Through collaboration with our ecosystem partners, we work to strengthen the entire financial sector’s resilience. This collaboration has led to the identification of our private network, the Afriverse, as a potential alternative to SWIFT that could provide messaging redundancy. The Afriverse, as an alternative messaging network for high-value transactions in the South African market, is now being tested with the SARB and key market stakeholders.

Relevant material matters

Strategic imperatives

OE

ET

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DC

DS

strate | INTEGRATED ANNUAL REPORT 2025 41

OUR RISK LANDSCAPE AND APPROACH Continued

5 Sovereign

Stable

Business risk

The GNU remains in place following the 2024 elections, though cohesion is under strain, with ideological divides over fiscal policy, healthcare reform and foreign policy slowing decision-making. Local government elections in 2026 are expected to be a stress test for the coalition’s durability, particularly given tensions over poor service delivery and concerns about deteriorating water infrastructure. These tensions risk undermining investor confidence and delaying structural reforms essential for growth. While the GNU initially boosted market confidence, factionalism within the ANC and policy uncertainty remain key vulnerabilities. Failure to deliver tangible improvements in service delivery and economic performance could erode legitimacy and increase social unrest.

GDP growth for 2026 is forecast at between 1.4% and 1.9%, with growth of around 1.4% projected for 2025. Structural constraints, logistics bottlenecks, weak investment and high unemployment (still above 30%), limit upside potential.

Debt-to-GDP remains elevated at around 77%, with debt service costs consuming nearly 20% of revenue. Treasury aims to maintain a primary surplus and implement fiscal anchors, but rigid budgets and social spending pressures constrain flexibility.

While the US has extended South Africa’s inclusion in AGOA, offsetting some of the effects of the trade tariffs introduced by the Trump administration during 2025, ongoing tariff pressure on South African exports continues to pose risks to trade flows and currency stability.

South Africa was removed from the FATF greylist in October 2025. Government, regulators and industry bodies have welcomed the delisting as a significant boost to confidence in South Africa’s financial system. However, authorities and global watchdogs emphasise that the next phase will focus on sustaining high-quality enforcement outcomes, embedding consistent, risk-based controls across accountable institutions, and demonstrating measurable progress ahead of the 2026-2027 Mutual Evaluation cycle, which is expected to commence in the first half of 2026 and conclude in October 2027.

Major central banks have entered a synchronised pause in policy rates, including the US, Europe, England, Canada and Japan, following cuts in 2025. Policymakers have adopted a gradual easing approach. Lower foreign yields could attract capital inflows into South Africa, particularly following the country’s removal from the FATF greylist.

Strate’s response/mitigating action

- Strate’s role as a systemically important FMI positions it as a strategic partner to regulators and government bodies. Strate helps mitigate these risks in the following ways:
- Introduction of Strate Rule 18 to enhance quality and transparency of beneficial interest registers. Strate continues to work with the market to enable full compliance and assist with a smooth transition
 - South Africa was among the last G20 members to establish a Trade Repository (TR). Strate has obtained a TR licence and established a TR Working Group to collectively develop and operationalise the capability. The Working Group has made significant progress with the market and regulators to develop the technical reporting requirements (TRR) for OTC derivative providers (ODPs). The TRR specification has been finalised and approved by the FSCA. The regulators are in the process of updating the conduct standard and TRR for consultation, approval and the formal parliamentary process. Final versions are expected to be gazetted in Q1 2027. Strate is targeting full operationalisation of the TR in 2026
 - Integration Services: Enhance market resilience through alternative cost-effective communication networks. The proof-of-capability exercise with the SARB, using the Afriverse as an alternative messaging network for high-value transactions, has received senior-level support at the central bank and is an ongoing project

- In 2024, Strate proposed to the Standing Committee on Company Law (SCCL) that dematerialising the shares of private companies above a certain size would benefit their administration and ownership transparency. Changes to company law for private markets are expected to gain traction in 2026, with a conference convened for April to discuss and seek input on the proposed amendments to the Companies Act
- Collateral Services: Strate’s platform automates the allocation, optimisation and substitution of securities collateral across multiple arrangements. This reduces operational risk and ensures exposures are covered in near real-time. By enabling the reuse of securities as collateral, Strate helps market stakeholders unlock under-utilised assets, reducing reliance on cash and improving liquidity buffers
- Strate’s growth strategy includes diversifying its core services across market and security types (e.g. CIS-UT, private markets, global funds access and OTC derivatives). This reduces dependency on equity trading, which is highly sensitive to sovereign credit ratings and political instability, among other factors. By broadening its revenue base, Strate insulates itself against domestic shocks and enhances systemic resilience

Relevant material matters

Strategic imperatives

OE

ET

SF

DC

DS

OUR RISK LANDSCAPE AND APPROACH Continued

6

Financial market ecosystem interdependency

Stable

➔

The risk of adverse impact across multiple market stakeholders, when challenges affect a single party within the ecosystem, creates a point of failure. This is mainly experienced where services are concentrated among a few providers in the sector.

Additionally, contagion risk exists where stakeholders are interdependent across the value chain, making them vulnerable to incidents such as cyber events or insolvency at any point in that chain, which may significantly disrupt capital market operations.

Operational risk

Strate’s response/mitigating action

We continuously monitor the ecosystem to identify risks that could lead to systemic events if not proactively managed, under the oversight of the Ecosystem Resilience and Participant Failure Committee. The Participant failure simulation was successfully completed in February 2026 and the report is in the process of being finalised.

Through Strate’s participation in the Financial Sector Contingency Forum and sub-committees, we obtain information and input on systemic risks and potential emerging risks. We filter these to identify those that affect Strate and its ecosystem as a subset of the broader financial sector. Mitigating strategies are then defined.

Relevant material matters

Strategic imperatives

OE ET SF DC DS

7

Talent

Stable

➔

The potential departure of key resources who manage core processes and systems, and lead major change initiatives, poses a significant risk to Strate’s operational resilience and strategic execution. These individuals hold critical institutional knowledge and specialised expertise that are not easily replaced. An unforeseen exit or retention failure could disrupt strategic initiatives, delay project delivery and weaken the continuity of core functions. This risk is amplified by the competitive market for specialised skills and the limited availability of experienced talent in the financial sector.

Operational risk

Strate’s response/mitigating action

Talent stability has improved, with a regrettable loss of 2% for the Strate Group in 2025. Strate’s talent management strategy is aligned with its evolving business capabilities and supports the objectives of the FMA. Strate invests in talent to deliver on its mandate and licence by fostering talent stability and promoting future-fit talent that protects the core and delivers long-term business sustainability. Strate invests in talent development by providing opportunities for growth (which includes internal appointments), cross-functional work exposure, skills transfer and knowledge sharing. Strate’s EVP provides a holistic approach to meeting the needs of employees throughout their life cycle by understanding the South African talent landscape and the push and pull factors affecting talent stability.

Relevant material matters

Strategic imperatives

OE ET SF DC DS

8

Evolving competitor landscape

Stable

➔

As Strate diversifies its core services across market and security types, we face new competitive challenges both locally and internationally. An agile response to various market dynamics is critical. Penetrating new ecosystems with CSD capabilities is challenging due to closed operating models and established incumbents who resist change. While pursuing our diversification goals, we remain sensitive to protecting our trusted and neutral brand as we serve the financial markets.

Business risk

Strate’s response/mitigating action

Our maturing understanding of the competitive landscape informs how we design and execute our diversification initiatives. We balance our commercial interests with our regulatory and supervisory mandate while protecting our trusted and neutral brand. As we enter new competitive arenas, we remain focused on serving the South African capital markets, without compromising our impartial regulatory function.

Other mitigating actions:

Continuous competitive intelligence and market analysis to inform strategy

Agile execution frameworks to pivot priorities based on market dynamics

Clear governance structures to separate commercial and regulatory functions

Stakeholder engagement to reinforce Strate’s neutrality and systemic role

Relevant material matters

Strategic imperatives

OE ET SF DC DS

OUR RISK LANDSCAPE AND APPROACH Continued

9

Cyber

Stable

➔

Operational risk

Cyber remains a high-rated risk, with ransomware identified as a critical emerging threat targeting essential infrastructure. The introduction of new security types and expanded digital access points increases operational exposure and broadens the attack surface. This risk is further amplified by the emergence of artificial intelligence (AI) and quantum computing as enabling technologies for digital crime, through enhanced impersonations, more sophisticated phishing techniques and increased computing power to crack digital security measures.

Online scams remain the most common form of digital crime against individuals and companies. Adding to the complexity of cybercrime are the ever-changing methods of attack, such as exploiting social media, AI and advanced social engineering. According to Interpol, 54% of cybercrime on the African continent originates from South Africa. Recent statistics from the insurance industry indicate that the value of ransom requests and ransoms paid has increased within South Africa, while global trends show a decline in both count and value.

Strate’s response/mitigating action

We continue to participate in financial sector initiatives aimed at enhancing cyber resilience. To test the robustness of our cyber defences, we engaged an independent external assurance provider to perform a red team exercise, which noted no major concerns. This test was conducted over six months in 2025.

The Strate Cyber Security Operations Centre, managed by Mitigate, aggregates logs and security events from across systems and applies advanced analytics and correlation to identify suspicious patterns that might otherwise go unnoticed. This unified view enables faster detection and prioritisation of genuine threats.

Cyber remains an important area for assurance, and each initiative with a digital access point into the Strate environment has a component of penetration testing scoped as part of external assurance activities prior to go-live.

The Group will conduct a cyber simulation in the second half of 2026 to test the business continuity, incident management and cyber crisis response plans.

Relevant material matters



Strategic imperative



10

Disruption of critical infrastructure

Stable

➔

Operational risk

Vulnerabilities in critical infrastructure remain a concern in South Africa, despite the inroads made on the electricity front. Infrastructure challenges have been noted across various sectors including water, road, freight and ports. These failures can adversely impact economic growth, creating contagion risks associated with slow economic growth, unemployment and the inability to capitalise on economic opportunities. Focus remains on improving the electricity supply, ageing water quality and infrastructure, as well as continued access to telecommunications and messaging networks.

Strate’s response/mitigating action

The direct impact on Strate is limited to the infrastructure we rely on for operations, such as Eskom and telecommunication infrastructure. The contagion risk relating to investor confidence in South Africa due to muted economic growth in multiple sectors could impact trade activity, affecting our revenue.

Where we can implement mitigating controls, we have done so. We collaborate with the broader financial sector to build resilience through projects such as OCARM and the alternative connectivity initiative. We are making progress on Strate’s solar project for the MARC building to create redundancy and reduce dependency on Eskom. We submitted our plans to the Johannesburg Council for approval in Q1 2025, and an independent assessment by a structural engineer is underway.

Relevant material matters



Strategic imperatives



06

Delivering value creation

An assessment of how we have created and protected value for all our stakeholders and how we measure our impact on the financial markets we serve.

a.	Performance against our strategy	46
b.	Chief Financial Officer's review	52
c.	Market impact through value creation	56
d.	Delivering on our sustainability mandate	61

PERFORMANCE AGAINST OUR STRATEGY

Our strategy charts the path for our purpose-driven business, guiding how we deliver sustainable value for stakeholders over the short, medium and long-term. In 2025, our focus was firmly on execution, protecting the strength and resilience of our core operations while creating for the future through prioritised diversification and innovation initiatives.

We track our progress through a set of strategic drivers that enable us to assess how effectively we execute our strategy and generate value. These measures evolve over time to remain relevant as our operating context, market expectations and business model change.

In 2025, strategic execution centred on maintaining operational excellence and resilience across our core services, while advancing revenue diversification through the expansion of our service capabilities. This balanced approach supports our transition into a growth phase, while preserving the trusted financial market infrastructure on which the market depends, in line with the objectives of the Financial Markets Act.

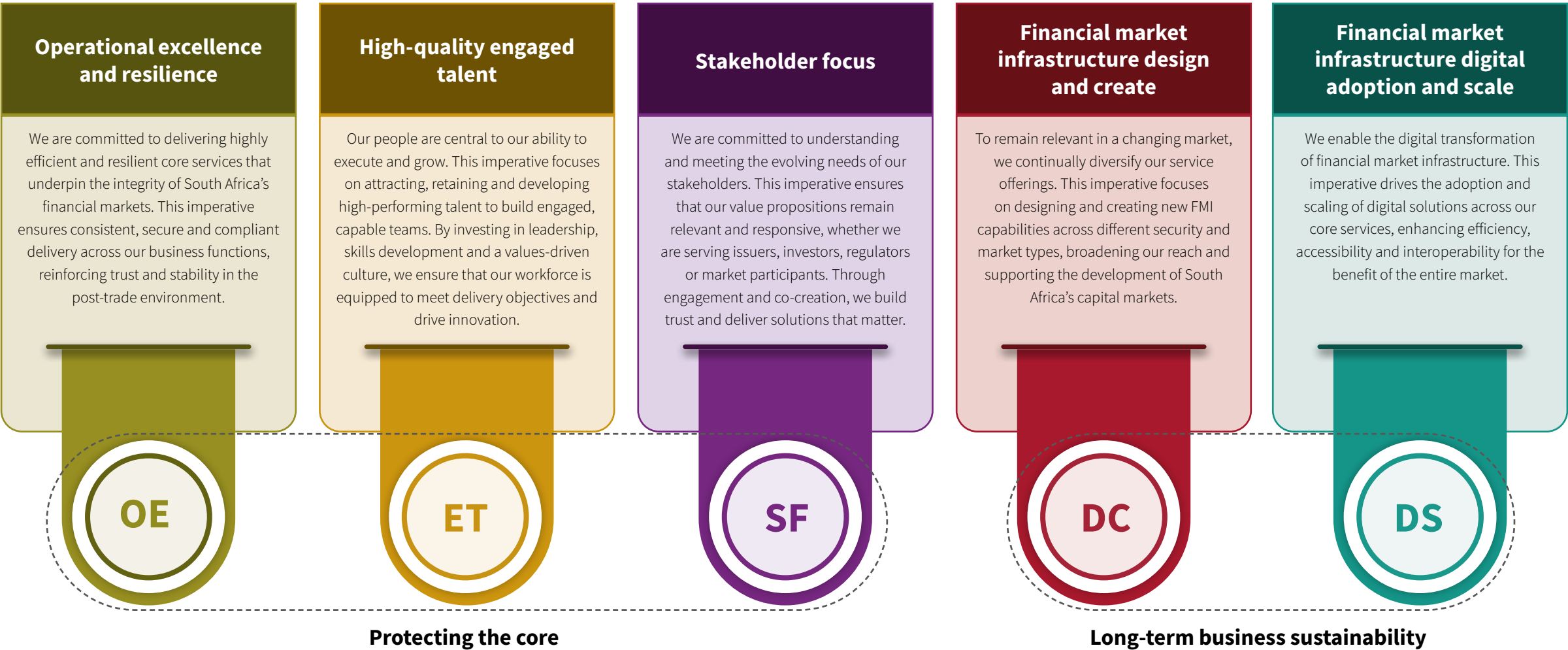
Successful execution of our strategy depends on a strong and well-prepared ecosystem. We therefore continue to strengthen relationships across the financial markets ecosystem to explore opportunities for market growth, build trust and co-develop solutions that address broader economic and systemic challenges. Through deliberate engagement, we support ecosystem readiness and ensure that our value propositions deliver meaningful benefits for all participants.

In this section, we assess our performance against our strategic imperatives and reflect on the progress made during the year.

Our 2025 corporate scorecard

Strate’s annual corporate scorecard translates our strategy into prioritised business activities for the year, directly aligned to our strategic imperatives and value creation objectives. The initiatives reflected are the key drivers through which we execute our strategy.

Our five strategic imperatives serve as the critical levers that drive our ability to create value. Together, they balance the need to protect and strengthen our core services with the imperative to evolve, remain relevant and enable sustainable market growth through targeted strategic initiatives. We monitor progress against these imperatives throughout the year, in line with the objectives of the FMA, to ensure disciplined execution and delivery on our strategic commitments.



PERFORMANCE AGAINST OUR STRATEGY Continued

OE Operational excellence and resilience

Why it matters most

As a critical financial market infrastructure, protecting our core operations is non-negotiable. Our infrastructure underpins the stability of the financial ecosystem, and any disruption would have far-reaching consequences for market participants and the broader economy. Strate must therefore deliver unwavering operational excellence and resilience to create the certainty and trust that keeps markets functioning smoothly. As a neutral ecosystem enabler, we must anticipate, prepare for and rapidly respond to unexpected market events. Our robust business model allows us to navigate uncertainty, whether from political developments, constrained economic growth or infrastructure challenges. Our commitment to ongoing operational improvements and risk management enables us to support the financial market effectively and maintain the South African financial market calendar. Our ability to deliver consistent, reliable post-trade services strengthens confidence in South Africa as an investment destination. This requires disciplined resource allocation and financial stewardship that balances protecting existing capabilities with strategic investment in future growth. Every decision we make considers the FMA objectives and our role in supporting the financial ecosystem.

Related material matters



SDGs



Related stakeholders



Resource allocation



Looking ahead – 2026 focus

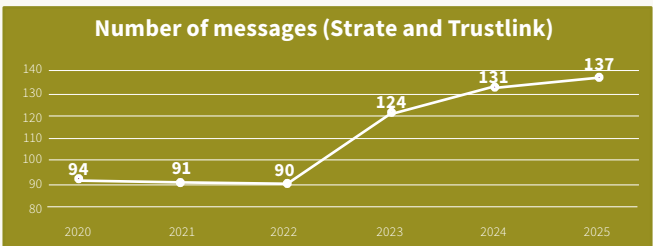
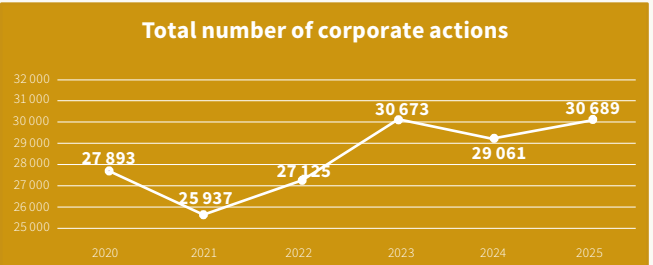
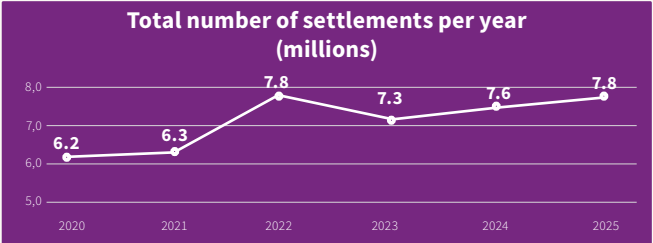
- **Driving operational excellence and resilience**, with a strong emphasis on scenario-based simulation testing to enhance preparedness and support continuity under a range of operating conditions
- **Advancing digital transformation** by exploring the responsible use of artificial intelligence, prioritising platform adoption, and further enhancing operational efficiency and scalability
- **Maintaining comprehensive market calendar support**, ensuring the continued reliability, predictability and integrity of core market operations
- **Deepening collaboration across the financial markets ecosystem** to jointly shape the future direction of South Africa’s capital markets and support ecosystem readiness
- **Strengthening risk management processes and the control environment**, with a focus on continuous improvement and ongoing assessment of the design and effectiveness of operating models and related processes
- **Elevating data management and insights** by reinforcing data integrity, completeness, accuracy and transparency to support informed decision-making and stakeholder confidence

Unpacking our progress

- 100% resilient with no level 3 or 4 incidents caused by Strate in the market
- Acceptable business resilience outcome based on our defined framework
- Ongoing market calendar support
- Consistent operational delivery across core services
- Supported the market through multiple complex corporate actions
- Implemented multiple change requests for efficiencies and improvements, regulatory compliance, revenue assurance and risk mitigation
- Successful market releases – e-Voting, BaNCS, SWIFT and Return of Issuer capabilities
- Successfully implemented the rolling of settlement changes initiative, which allows CSD Participants to settle failed and unmatched transactions as same-day transactions without incurring a penalty
- As part of a key initiative to improve the accuracy of the multiple registers Strate is responsible for and to address the FATF findings that led to South Africa’s greylisting, we successfully implemented code changes to introduce Beneficial Interest Register (BIR) mandatory data elements in compliance with Strate Rule 18, with ongoing market testing and support. We continue to monitor market readiness and compliance, with a specific focus on broker engagements
- Successfully concluded user acceptance testing and parallel testing for the BIR technical modernisation release. The changes went live in production on 7 August 2025
- Successfully enabled the South African Rand Overnight Index Average (ZARONIA) and Money Market Category IV initiative
- Strate was a key stakeholder in the OCARM Capital Markets Playbook simulation on 1 April 2025, which identified areas for improvement. The OCARM principles and operating model for the reopening of the markets are under review
- The Strate Forward Portal technical go-live took place on 14 July 2025. This portal is a secure, client-facing digital access point designed to simplify and enhance how clients and market participants interact with Strate’s services and products. Further enhancements are in progress, with roll-out planned for 2026
- In 2025, Strate successfully completed the development and testing of the SARB Triparty Collateral Management Proof of Capability (PoC). The PoC was designed to test the feasibility and market readiness of a centralised triparty collateral management solution aimed at enhancing collateral efficiency, transparency and financial stability within South Africa’s financial system. Overall, feedback was positive, and the PoC demonstrated technical feasibility and operational viability
- Successfully onboarded clients across Strate’s service capabilities
- Partnered with RMB on its BaNCS upgrade, which included market testing and support during implementation and go-live
- SAMOS V9: Market testing ran from 1 September to 3 November 2025, with a successful go-live on 24 November 2025
- The Prudential Authority’s 2025 supervisory focus (“flavour-of-the-year”) was on third-party risk management and strategic partnerships. Strate highlighted that partnering with third-party service providers is a deliberate strategic choice and a critical enabler of its strategy. As such, the effective management of these relationships is treated as a strategic imperative and receives appropriate focus and oversight. To support this, Strate has a comprehensive sourcing, procurement and third-party management framework in place, providing end-to-end governance and oversight of third-party arrangements



100% resilient
(no significant market disruption)



ET High-quality engaged talent

Why it matters most

Our success depends on our employees. Building a stable and resilient workforce – capable of executing on our strategic diversification and innovation initiatives while protecting our core operations – requires deliberate investment in talent management. We need the right individuals, in the right roles, in the right capabilities, with the right support to deliver on today’s requirements and tomorrow’s vision. Our approach centres on creating an environment where we can attract, retain and develop skilled employees. This means embedding robust succession planning, providing meaningful development opportunities and maintaining a culture where diversity and inclusion are integral to how we operate. Through our Talent Management Framework, we position ourselves to adapt to change, embrace new ways of working and maintain the expertise required of a critical market infrastructure. In an environment where we must pivot our execution strategies in response to market conditions, having engaged, knowledgeable employees who understand our purpose becomes a strategic differentiator. Our people’s ability to serve the financial markets while executing on complex initiatives is essential to our success and long-term sustainability.

Related material matters



SDGs



Related stakeholders



Resource allocation



Looking ahead – 2026 focus

- Strate will continue to strengthen its human capital by attracting, developing and retaining high-quality talent to support strategy execution, operational excellence and long-term organisational resilience. Our focus will be on building deep and future-ready capability through targeted attraction and retention of critical skills, while maintaining a strong and inclusive Employee Value Proposition that supports engagement, wellbeing and performance
- We will further develop leadership capability and succession depth for critical roles, ensuring sufficient bench strength to manage change, mitigate key person risk and enable sustainable growth. Ongoing investment in leadership, technical and digital capability programmes will strengthen intellectual capital and prepare employees for an evolving financial markets environment
- A strong emphasis will be placed on fostering a culture of continuous learning, inclusion and empowerment, supported by accredited skills development programmes, learnerships, internships and graduate initiatives aligned to B-BBEE requirements
- By promoting holistic wellbeing, psychological safety and trust, we aim to sustain high levels of engagement, resilience and productivity, enabling our people to perform at their best and contribute meaningfully to Strate’s long-term value creation

Culture survey outcomes

Strate’s overall employee engagement score can be understood through the following four categories. The average percentiles for each category are shown below:

		2024 score	2025 score
Adaptability	“Are we listening to the marketplace?”	94	97
Involvement	“Are our people aligned and engaged?”	95	98
Mission	“Do we know where we are going?”	98	99
Consistency	“Does our system create leverage?”	96	98

Regrettable talent turnover

2023	2024	2025
11%	6%	2%

Total skills spend on employees

2023	2024	2025
R3.8m	R1.3m	R3.7m

Unpacking our progress

Strate remains committed to building a resilient, future-ready workforce that supports the execution of its strategy and the protection of its core mandate. In 2025, our focus remained on strengthening human capital, deepening leadership capability, fostering a high-performance culture and ensuring alignment with evolving regulatory and operating requirements.

Diversity, inclusion and regulatory alignment

We directed our efforts towards ensuring alignment with both numerical and non-numerical diversity targets, with a particular focus on meeting the requirements of the Employment Equity Amendment Act, which came into effect on 1 January 2025. A revised Employment Equity plan, aligned to the Act and sectoral targets, was submitted, with all non-numerical barriers identified in the previous plan having been addressed.

Diversity and inclusion outcomes were further reinforced by culture survey results, which placed Strate in the 99th percentile for diversity and inclusion.

Talent development and capability building

Aligned to Strate’s talent management strategy, we continued to invest in developing and nurturing our people to support both operational excellence and strategic growth. Key initiatives included:

- The successful launch of the fourth intake of the Leadership Development Programme, in partnership with Henley Business School, commencing in 2026. The programme remains central to building future leadership capacity, with the previous three intakes achieving a 100% pass rate
- Talent development programmes and training initiatives, including leadership development and an AI and digital evolution qualification delivered in partnership with Novia One, to strengthen digital and future-focused skills
- A 20% conversion rate from the learnership programme, with two out of ten learners securing permanent employment, demonstrating Strate’s commitment to meaningful talent development and skills transfer
- Multiple training initiatives designed to enhance the knowledge, skills and competencies required to serve the financial markets effectively and with excellence

Cross-functional exposure and succession planning

To address skill concentration risk and key person dependency, Strate continued to provide employees with cross-functional work exposure, broadening skills development, increasing business acumen and enhancing organisational agility. These initiatives strengthened Strate’s ability to respond effectively to an uncertain and evolving operating environment.

A continued focus on succession planning ensured a proactive approach to preparing for the future, developing internal talent and safeguarding business continuity in critical roles. This work supports effective change management and positions Strate for sustained success.

Culture, engagement and leadership connectivity

Strate maintained a strong emphasis on employee engagement, transparency and alignment through regular, company-wide leadership connect sessions, including engagements with the CEO and executive team to share strategy, priorities and outlook.

In November 2025, Strate conducted a comprehensive culture survey to assess organisational climate, identify strengths and opportunities for improvement, and ensure the attributes that drive resilience and excellence are reinforced in 2026. The results reflected strong overall alignment, with notable outcomes including:

- Employee engagement: **97th percentile** (2024: 92nd percentile)
- Employee commitment: **94th percentile** (2024: 90th percentile)
- Risk awareness: **99th percentile** (2024: 97th percentile)
- Trust: **91st percentile** (new in 2025)
- Diversity and inclusion: **99th percentile** (new in 2025)

Wellbeing, flexibility and retention

As part of investing in employee wellness and resilience, Strate hosted its annual wellness initiative, providing access to comprehensive health screenings and support services, including health checks, dental hygiene consultations, musculoskeletal screening and live blood analysis.

Strate’s mature hybrid working model continued to provide flexibility and work-life balance, promoting a culture of trust, autonomy and collaboration. This is supported by a comprehensive Employee Value Proposition, offering an ecosystem of support to enable work life harmony.

Talent stability remained strong during the year, with regrettable talent loss stabilising at 2% for the period 1 January 2025 to 31 December 2025 (2024: 6%). Overall, Strate maintained a stable and resilient talent profile aligned to its talent management strategy.

Positioning for the future

In line with our strategic priorities, we continued to review and refine Strate-wide capability design to ensure the organisation is well positioned to protect the core while effectively managing the execution of prioritised diversification and innovation initiatives. The outcomes of this work were integrated into talent management plans, with targeted investment in strengthening risk and supervision capabilities.

SF Stakeholder focus

Why it matters most

Our role as a trusted and neutral financial market infrastructure depends on deep stakeholder relationships built through proactive engagement and genuine partnership. As a CSD, financial market infrastructure and central collateral platform providing secure market integration and data services, we have numerous touchpoints across the market and engage with a diverse range of stakeholders. Stakeholder engagement is embedded in every aspect of our value-creation strategy and processes. We place great emphasis on understanding our stakeholders’ distinct challenges and requirements. This provides valuable insights that drive innovation and enhance our offerings in support of the financial ecosystem, the broader community and the environment. By working together to address market challenges, we build solutions that serve the broader financial ecosystem. This partnership approach ensures we remain relevant, that our initiatives align with market needs and that we contribute meaningfully to achieving the FMA objectives, while supporting long-term business sustainability.

Related material matters



SDGs



Related stakeholders



Resource allocation



Looking ahead – 2026 focus

- Strate will focus on deepening stakeholder relationships and enabling ecosystem readiness to support the execution and scaling of its diversification initiatives. As the organisation transitions from capability building to value realisation, proactive stakeholder engagement will be critical to ensuring that new and enhanced service capabilities are adopted in a manner that is operationally sound, commercially sustainable and aligned with regulatory expectations.
- Engagement priorities will centre on trust, collaboration and preparedness across the financial markets ecosystem. Strate will work closely with clients, regulators and market participants to refine value propositions, operating models and pricing approaches, while ensuring appropriate governance and assurance as growth initiatives are embedded.
- Through disciplined execution of the Stakeholder Management Framework and continued collaboration across the ecosystem, Strate aims to reinforce its position as a trusted, neutral FMI and a key enabler of sustainable market development.

Client survey outcomes – our client experience survey evaluated three key areas:

Corporate narrative element	Pillars and themes of the Strate client maturity level
- Providing world-class market infrastructure to meet the highest standard - Enhancing and promoting market transparency to support informed decision-making	- Leadership and vision - Data and insights - Risk and resilience - Culture and people
Client experience principles	
- Collaboration and engagement with the market to co-create solutions that benefit all stakeholders - Prioritise and understand client needs by actively listening to their objectives and pain points - Efficient and prompt resolution of client queries to ensure smooth service delivery	

- Across all stakeholder groups, engagement outcomes in 2025 demonstrated:
- Strong relationship quality and trust
 - Constructive collaboration in shaping market solutions
 - Alignment with Strate’s strategic priorities and regulatory mandate
 - Continued stakeholder commitment to co-creating solutions that support a resilient, efficient and trusted South African FMI

Unpacking our progress

Effective stakeholder engagement is central to Strate’s ability to execute its strategy, fulfil its regulatory mandate and create sustainable value across the financial markets ecosystem. In 2025, we continued to apply our Stakeholder Management Framework through disciplined engagement, structured oversight and regular assessment of relationship quality and effectiveness.

We conducted quarterly reviews of stakeholder management practices to assess the quality of relationships, effectiveness of engagement and alignment with the Stakeholder Management Framework. These reviews informed targeted actions to strengthen trust, collaboration and value creation across key stakeholder groups.



Clients

Strate continued to apply a client engagement approach focused on addressing core client needs by building direct relationships and adopting partnership-based engagement models across service capabilities. In 2025, this approach strengthened client relationships and improved service delivery outcomes.

Client experience survey results reflected strong market satisfaction and alignment with Strate’s values and engagement principles. Increased qualitative feedback and sustained participation highlighted a highly engaged client base committed to collaboration and co-creating solutions with Strate.

To strengthen market presence and brand positioning, Strate actively participated in, hosted and sponsored key industry events, including:

- Participation as an event partner at The Network Forum Africa Meeting in London, where Strate contributed thought leadership on CSD-to-CSD links in Africa
- Hosting the ISDA Market Training Workshop to support market education and collaboration on implementing regulatory initial margin.
- Participation in SWIFT Connect Africa, S&P Global Market Intelligence, Prescient Fund Services ETF Conference, FluidRock Governance Conference, International Investment Symposium, Finance Indaba and other leading industry platforms, enabling engagement with clients, regulators, third-party service providers and fellow financial market infrastructures
- Hosting targeted issuer, ETF/ETN and cross-border removals workshops to support market growth, efficiency and the effective use of Strate’s digital and cross-border capabilities

Regulators and government

Strate maintained strong, constructive and transparent relationships with its regulators throughout 2025.

Associations and industry bodies

Strate actively contributed to regional and global industry forums to share insights and influence best practice, including participation in ACSDA, AMEDA and the World Forum of CSDs, with contributions on CSD growth, resilience, crisis management and business continuity in the post-trade industry

Shareholders

Strate met expectations against the shareholder-agreed foundational principles, which underpin sound governance, regulatory compliance, risk discipline and sustainable value creation. In support of these principles, key governance and legal initiatives progressed during the year, including the completion of a comprehensive competition law memorandum, the advancement of the Stakeholder Conflict of Interest Management Framework, and progress on the Memorandum of Incorporation (MOI) review, supported by a management workshop to define guiding principles for proposed amendments.

The REMNOMSEC provides oversight of these initiatives, with final proposals to be tabled for Board and shareholder consideration. These matters remain a focus area for 2026.

Authorised CSD Participants

Strate maintained extensive engagement with regulated entities and co-regulators to support compliance, market integrity and system resilience. Key activities included:

- Ongoing engagement with CSD Participants, brokers and nominees to support compliance with Strate Rule 18 and Beneficial Interest Register (BIR) requirements
- Conducting FSCA nominee reviews to assess readiness and obtain assurance on the accuracy, completeness and validation of beneficial ownership data in line with Strate Directives
- Coordinating on-site supervision reviews focused on compliance monitoring, corporate actions management, internal controls, high-volume trading scenarios and the effectiveness of compliance functions

Alliance and business partners

Strate maintained strong and productive relationships with its third-party service providers and business partners, supported by clearly defined contractual arrangements and ongoing performance oversight. Engagements remained collaborative and transparent, enabling consistent service delivery, access to specialised capabilities and alignment with Strate’s regulatory, operational and security requirements. These relationships continue to support operational continuity and resilience in an evolving market and technology environment.

DC FMI design and create

Why it matters most

As a trusted and neutral FMI, Strate has a mandate to achieve long-term financial sustainability for the benefit of the financial market ecosystem. Creating for the future requires designing infrastructure solutions that support revenue diversification while leveraging our existing platforms and capabilities. We are committed to serving South Africa by opening the financial market to more participants, enabling financial inclusivity and encouraging economic growth. Our business model is designed to service issuers of all security and trade types across public and private markets, enabled by our digital infrastructures and platforms. Our approach to infrastructure development focuses on solving real market needs. We design and adapt our capabilities to create opportunities for market participants while reinforcing the integrity and stability of the financial ecosystem. Each initiative we develop must deliver value aligned with the FMA objectives.

Sustainability focus: Through a shared-value approach, Strate builds partnerships that drive meaningful socioeconomic transformation. By investing in sustainable infrastructure, we strengthen local economies and livelihoods, while minimising our environmental footprint through responsible, sustainable operational practices to create long-term positive impact.

Related material matters



SDGs



Related stakeholders



Resource allocation



Looking ahead – 2026 focus

- In 2026, we will focus on advancing the Trade Repository capability – supporting the finalisation and regulatory approval of the updated Conduct Standard, completing internal development, and progressing into the system integration testing (SIT) environment – to ensure readiness for market implementation aligned to regulatory timelines
- We will enable issuers across both public and private markets through enhanced Data Services, supporting improved transparency, efficiency and access to high-quality market insights. We will continue designing and developing differentiated data products, including establishing a dedicated sales capability and expanding effective distribution channels, while maintaining robust data governance, security and integrity standards
- We will focus on embedding sustainability as a strategic enabler of resilience and value creation, strengthening environmental stewardship, advancing people and transformation outcomes, delivering measurable social impact through shared-value partnerships, and deepening governance and assurance to support market confidence and ecosystem readiness



Trade Repository Services

New service capabilities

Data Services



Unpacking our progress

In 2025, this imperative centred on advancing Data Services and progressing the establishment of South Africa’s first TR, while ensuring strong governance, regulatory alignment and ecosystem readiness.

Data Services

The Data Services business plan has been repositioned to enable a holistic data strategy for both internal and external data and insights products. The team has been restructured and re-platforming is complete, with planned enhancements. Product validation for issuer insights is in progress, and we are finalising our distribution and sales approach. An updated business case reflecting these changes was presented to the ARC in November 2025. The capability is expected to break even in 2027.

Trade Repository Services

- Since gaining a licence to operate South Africa’s first TR for OTC derivatives in 2024, Strate has progressed the design and regulatory engagement required for implementation, including leading a market-wide TR Working Group to finalise business and technical specifications aligned with global standards
- Regulators have confirmed that Conduct Standard 3 of 2018 must be updated to reflect these requirements, with the regulatory process expected to take around 12 months. As a result, the anticipated TR go-live is aligned to regulatory timelines and expected in Q1 2027. The extended implementation horizon has impacted the business case, and an updated business case was presented to the ARC in November 2025. Strate will continue to engage with the market to maintain momentum and support ecosystem readiness

Sustainability performance

In 2025, sustainability was embedded as a strategic enabler of trust, resilience and long-term value creation. We recognise that strong environmental, social, economic and governance (ESEG) practices are fundamental to maintaining confidence in our financial market infrastructure and supporting the FMA objectives.

Sustainability execution was aligned to Strate’s five strategic imperatives and focused on material matters that influence market integrity, systemic risk, transparency, interoperability and confidence in South Africa’s capital markets. ESEG considerations were integrated into strategy, enterprise risk management, governance and stakeholder engagement.

Operational resilience and environmental stewardship remained a priority. We strengthened energy resilience by enhancing our data centre backup capability to safeguard the continuity of critical market services. Environmental initiatives focused on reducing resource consumption, improving waste management and advancing renewable energy solutions, while acknowledging the complexity of achieving full carbon neutrality given the nature of Strate’s operations.

People, culture and transformation continued to underpin organisational resilience. Strate maintained a highly engaged and stable workforce, supported by leadership development, wellbeing initiatives and a strong employee value proposition. Culture survey results reflected high levels of engagement, trust and alignment with strategy. Transformation remained central to economic sustainability, with Strate maintaining level 1 B-BBEE contributor status for the fifth consecutive year, and aligning its Employment Equity Plan to the new sectoral targets that came into effect in January 2025.

Social impact was advanced through focused partnerships that delivered sustainable, infrastructure-led outcomes in education, skills development, food security and healthcare, strengthening community resilience and reinforcing Strate’s role as a responsible corporate citizen.

Governance and assurance remained foundational. In line with King IV™, Strate continued to mature its governance framework, strengthen integrated assurance and embed ethical conduct across the organisation, ensuring transparency, accountability and effective oversight of sustainability related risks.

Overall, our sustainability approach in 2025 supported the protection of Strate’s core mandate while enabling strategic execution, ecosystem resilience and long-term value creation. Sustainability remains integral to Strate’s purpose of serving the financial markets with integrity, transparency and resilience.

Sustainability value created



Business value



Social value



Employee value



Environmental value



FMI digital adoption and scale

Why it matters most

Through our digital platforms, we connect market participants in ways that promote interoperability, enhance efficiency and create transparency across the financial ecosystem. Our standardised digital environment delivers benefits to all participants – cost efficiencies, reduced operational risks through automation and improved data quality for informed decision-making. Achieving market adoption at scale of our digital infrastructures and platforms creates sustainable shared value for Strate, our stakeholders and the financial markets. This requires forging strategic partnerships with key market players to drive adoption, addressing client needs and demonstrating tangible benefits. Growing participation on our platforms will strengthen the entire ecosystem, enhancing trust and the integrity of the financial market. The evolution of our financial markets requires us to adapt, ensuring we support market developments and respond to emerging opportunities and stakeholder needs.

Related material matters



SDGs



Related stakeholders



Resource allocation



Looking ahead – 2026 focus

- Continue to support market adoption of our core platform services
- Operationalise and embed all strategic initiatives in line with approved business plans and the agreed strategic approach, with a strong focus on driving client adoption, ensuring market and ecosystem readiness, and delivering the intended sustainability and value creation outcomes

Unpacking our progress

Strate made strong progress in designing, delivering and scaling priority financial market infrastructure capabilities, with clear evidence of market demand, client adoption and improving commercial readiness across multiple service lines.

Collective investment schemes-unit trust

This capability enhances the efficiency and robustness of unit trust processing and supports greater standardisation across the value chain. This capability is a key strategic enabler for Strate's long-term business sustainability. Working closely with industry specialists and market participants, the development of the Constant Net Asset Value (CNAV) and Variable Net Asset Value (VNAV) was completed in 2025.

The capability is currently in testing and will open for market testing in Q2 of 2026. Engagement with market participants remains constructive, with CSD Participant onboarding activity underway and continued interest from the broader market.

Revenue generation is expected to commence during the 2026 financial year.

CSD-to-CSD Links: Removals

Strate continued to drive market adoption of the removals capability through targeted engagement with large issuers, including issuer sponsor breakfasts and engagements in Johannesburg, Cape Town and London. To date, five removals clients have been onboarded, with one client offboarding in Q4 2025 due to a delisting; Nepi Rockcastle was successfully onboarded in December 2025. An updated business case was presented to the ARC in November 2025, aligning expected client onboarding timelines with adjustments to the project cost base and an increase in the minimum fee. The capability is expected to become profitable in 2026.

CSD-to-CSD Links: Global Funds Access

The integration with Euroclear FundsPlace is complete, offering clients access to over 250 000 global funds. This capability is a key strategic enabler for Strate's long-term business sustainability. The first end-to-end client testing has been completed, with the commencement of all stakeholders and onboarding activities. The capability is on track to be fully operational by April 2026, including the completion of external assurance. Socialisation and engagements continue with market participants.

Collateral Services

- 38 active clients at the end of 2025 (2024: 35). New clients adopted our platform for the provision of regulatory initial margin (Reg IM)
- Average assets under management increased to R68.4 billion for 2025 (2024: R53.1 billion)
- The SARB's Triparty Collateral Management Proof of Capability (TCM PoC) was successfully executed from 17 September to 31 October 2025. The participants included the SARB's Financial Markets Department, National Payment System Department and seven banks. The outcomes of the TCM PoC and the achievement of the pre-agreed

success criteria will be presented in a business case, for approval by the Governor's Executive Committee in Q1 2026

- Strate collaborated with the JSE to enable the reporting of triparty repos via the JSE's Nutron platform. This was implemented in May 2025 but go-live is dependent on the FSCA's approval of the JSE's Rules to enable this
- Strate supported market readiness for the exchange of Reg IM through hosting the ISDA Market Training Workshop in March 2025 and the Reg IM Roundtable in July 2025, as well as facilitating operational readiness to exchange IM via our collateral platform. We onboarded three new clients for this purpose
- We continue to support the secured interbank market and share monthly insights on interbank activity, which are actively sought after. We have facilitated R15.3 trillion in secured interbank transactions since inception in February 2021. The transaction value for 2025 was R3.5 trillion (2024: R3.1 trillion)

The Afriverse

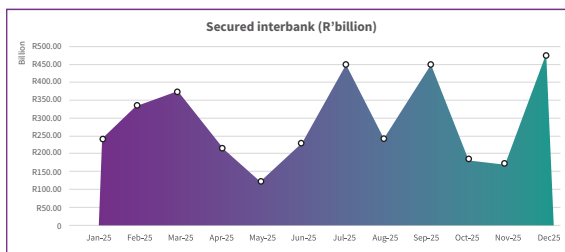
- The Afriverse is a strategic alternative to the SWIFT network, providing a private, protocol-independent communication layer for secure financial messaging across the financial markets ecosystem. During the year, Strate successfully revised the Afriverse design from a centralised hub-and-spoke model to a decentralised network of interconnected nodes, significantly enhancing resilience and redundancy by enabling individual ecosystems or payment streams to continue operating independently if disconnected from the broader network
- Implementation of the Afriverse strategy is progressing in line with the approved business plan. The revised architecture enabled Strate to participate in a proof of capability with the SARB to evaluate the Afriverse as an alternative network for high-value payments across South Africa. Market testing is expected to commence near the end of Q1 2026
- Client engagements remain positive, with a strong and growing pipeline supporting future adoption

Private markets

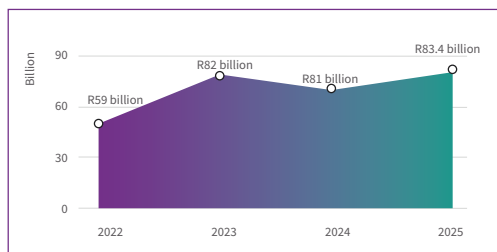
Strate continued to advance open market access and interoperability across private market platforms and assets. Client onboarding in the unlisted bonds market progressed, with total issuances increasing to R83.4 billion in 2025 (2024: R81 billion), reflecting sustained market activity. In parallel, Strate continued to contribute to proposed amendments to the Companies Act to support dematerialisation in the private markets, enabling improved efficiency, transparency and market development.

Across these initiatives, Strate demonstrated disciplined execution, strong market engagement and increasing ecosystem readiness. Multiple capabilities progressed from build-to-live operation, supported by updated business cases aligned to client demand, regulatory context and commercial sustainability. These outcomes position Strate well to convert capability into revenue and measurable value creation in 2026.

Secured interbank (R'billion)



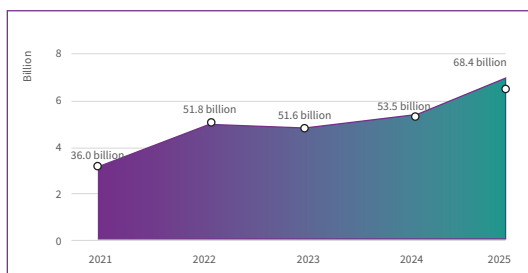
Unlisted bond market



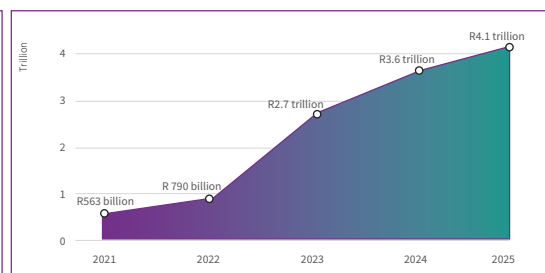
e-Voting

Strate's e-Voting platform continued to gain market share during the year, supported by a diversified client base of 42 active clients. Assets under management eligible for e-Voting increased to over R4trillion, up from R3.57trillion in 2024, reflecting sustained growth and increasing market adoption. The client pipeline remains robust, with ongoing initiatives focused on further diversifying and expanding the client base to support platform growth.

Average Collateral AUM:



e-Voting AUM that can be voted on



CHIEF FINANCIAL OFFICER’S REVIEW



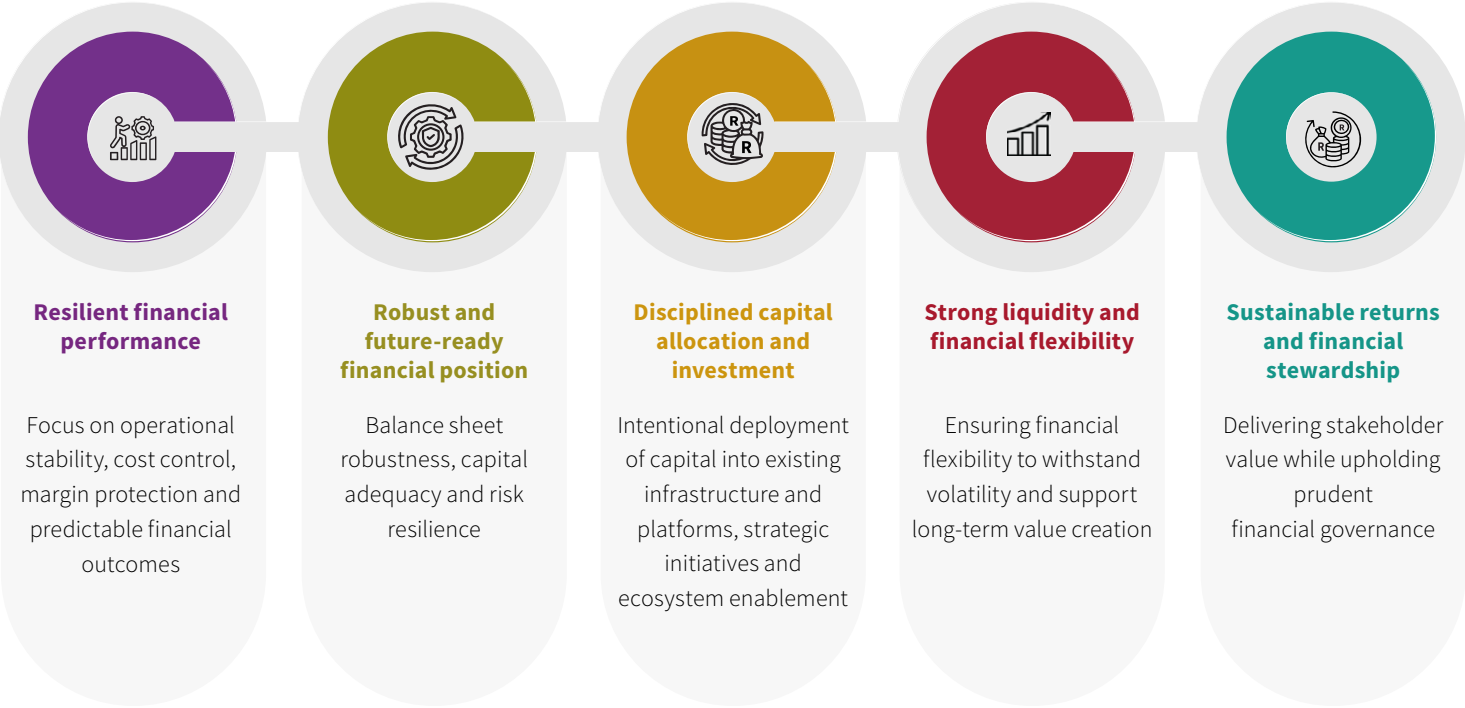
Sameera Dada
Chief Financial Officer

The 2025 financial year was marked by a gradual stabilisation in global economic conditions, albeit amid ongoing geopolitical uncertainty, trade fragmentation and heightened regulatory scrutiny of financial market infrastructure. Globally, growth remained resilient but subdued, with moderating inflation allowing for cautious monetary policy normalisation, while financial markets remained sensitive to policy shifts, geopolitical developments and financial stability risks. Against this backdrop, regulators intensified their focus on operational resilience, cybersecurity, third-party risk management and governance standards for systemically important institutions.

In South Africa, economic conditions improved modestly during the year, supported by moderating inflation, enhanced policy credibility following the adoption of a lower inflation target and improved investor sentiment. Financial market conditions strengthened, underpinned by declining bond yields, improved equity market performance, South Africa’s removal from the Financial Action Task Force greylist and a sovereign credit rating upgrade. However, structural constraints, including elevated public debt and infrastructure challenges, continued to weigh on the medium-term growth outlook.

Within this context, Strate operated in an environment of heightened regulatory engagement and evolving stakeholder expectations, balancing disciplined financial management with continued investment in resilience, modernisation and strategic initiatives to support long-term market development and value creation. In 2025, the Group delivered on its financial mandate through a solid performance and the maintenance of a stable and prudent capital base, reinforcing long-term financial sustainability.

The financial outcomes for the year are summarised under the following key financial pillars, which underpin the achievement of Strate’s strategic imperatives:



Cash generation remained stable, with net cash inflows from operations of R198 million (2024: R170 million). The Group maintained a healthy capital position, supported by a strong cash balance of R643 million (2024: R573 million) and no external debt, reinforcing financial resilience and supporting long-term sustainability.

Finances at a glance

Statement of financial position	Statement of comprehensive income
Total assets	Total income
R1 062 million	R651 million
Less	CSD Services
Total liabilities	R553 million
R172 million	Collateral Services
=	R10 million
Total equity	Integration Services
R890 million	R77 million
	Data Services
	R11 million
	Less
	Operating expenses
	R520 million
	Core: R491 million
	Prioritised growth and innovation initiatives:
	R29 million
	Less
	Unrealised forex movements
	R4 million
	Less
	Less Trustlink consolidation adjustments
	R4 million
	Add
	Net finance income
	R35 million
Less	
Taxation	
R43 million	
=	
Normalised net profit for the year	
R115 million	
Add	
SPRF transactions	
R1 million	
=	
Net profit for the year	
R116 million	

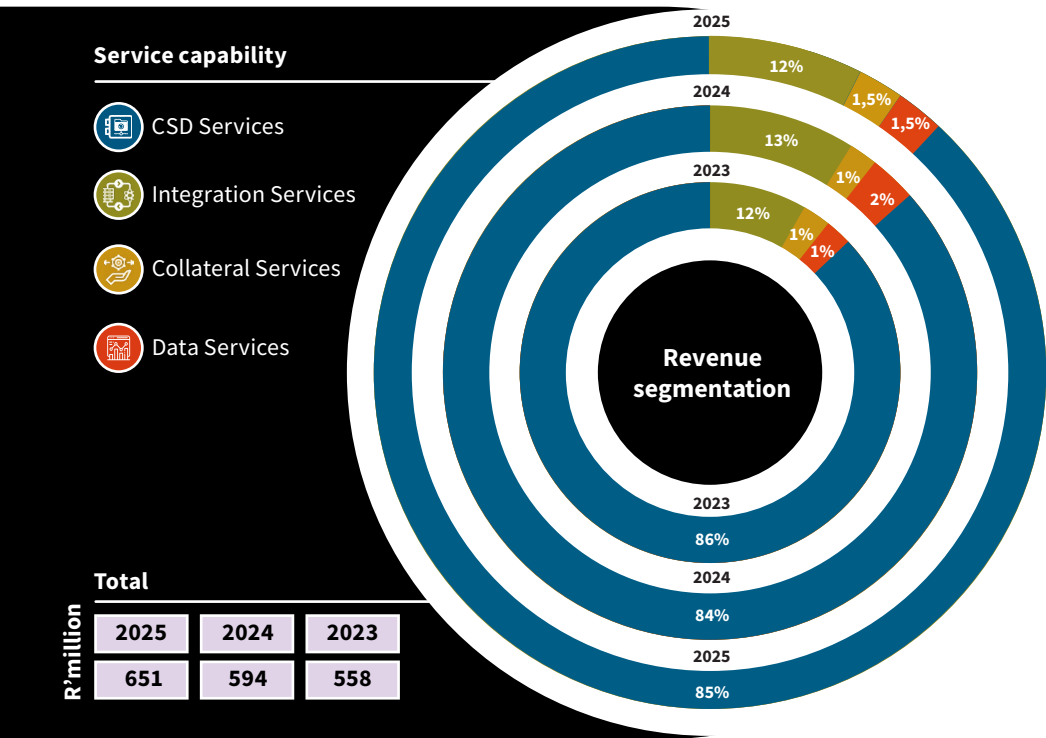
Resilient financial performance

The Strate Group delivered a strong financial performance in 2025, with normalised net profit after tax (NPAT) increasing 8% year-on-year. Normalised NPAT excludes SPRF-related financial impacts. Total revenue of R651 million grew by 10% compared to 2024, supported by heightened market volatility amid global economic uncertainty and the annual price increase. Total expenditure increased by 8% year-on-year, driven primarily by higher personnel and other operating costs, including increased technology spend to support strategic initiatives and enhance operational resilience.

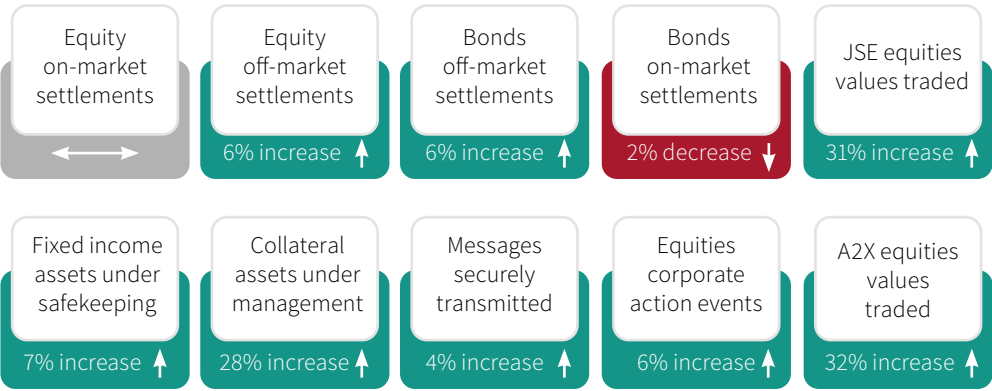
CHIEF FINANCIAL OFFICER’S REVIEW Continued

Revenue

Revenue is generated from our four service capabilities: CSD Services, Collateral Services, Integration Services (including Trustlink) and Data Services. Trade Reporting Services is yet to be operationalised. The revenue mix between the service capabilities is shown in the graphic below:

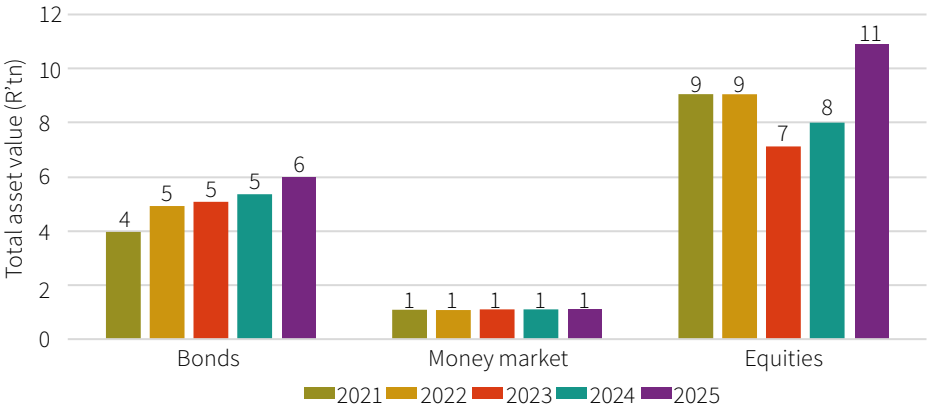


Our revenues are variable and largely driven by the trading activity of the various markets within which we operate. The key revenue drivers that we monitor relate to trade and settlement activity, issuer activity, collateral activity, messaging activity and assets under safekeeping. The year-on-year movement in our key revenue drivers was as follows:



Total assets under safekeeping were R18 trillion as at 31 December 2025 (2024: R15 trillion). Assets under safekeeping for equities increased by 29% and fixed income increased by 6% from December 2024.

Assets under safekeeping



Operating expenditure

Strate’s cost base remains predominantly fixed in nature, reflecting the necessary and sustained investment required to build, maintain and operate high-capacity, secure and resilient digital platforms and infrastructure, as well as the costs associated with governing the business in line with its licensing obligations and critical role within the financial market ecosystem.

Total operating expenditure for the Group was 8% higher than the prior year, primarily driven by inflationary adjustments, continued investment in people, increased technology and resilience-related costs, and higher operating expenses associated with the execution of prioritised growth and innovation initiatives. This investment supports business diversification while maintaining the stability and reliability of the core CSD business, and contributes to de-risking the revenue base over time in support of long-term financial sustainability.

Personnel expenses increased year-on-year mainly as a result of appointments made during the year, salary adjustments to align with market benchmarks, and the annual salary increases implemented in March 2025. Technology expenses are aligned with business requirements to strengthen and secure core platforms and operating infrastructure at optimal levels, without compromising the stakeholder experience or introducing additional risk. Technology costs were higher than in the prior year, largely due to investment in the Data Services capability and regulatory requirements.

Depreciation decreased year-on-year following an amortisation adjustment. Other operating expenses increased compared to the prior year, primarily due to inflationary cost pressures and additional consulting spend incurred to address key risk areas identified during the year.

Notwithstanding these cost pressures, disciplined cost management and proactive oversight of the cost base remain a key priority, with continued focus on efficiency, sustainability and value for money as the Group executes its strategic objectives.

Robust and future-ready financial position

Strate has continued to demonstrate strong financial and risk resilience, generating sustainable cash inflows that support its mandate to operate a stable and sustainable CSD business. Following the return of R54 million to shareholders in March 2025, the Group remains fully equity-funded and is satisfied that this capital structure is appropriate in the short to medium

term. The Group’s robust balance sheet, underpinned by adequate capital levels, strong liquidity and the absence of external debt, provides resilience against financial and operational risks while maintaining the flexibility required to support ongoing operations and future strategic initiatives.

R'million	31 December 2025	31 December 2024
Assets		
Non-current assets	320	334
PPE	24	23
Intangible assets	199	204
Right of use asset (ROU)	16	28
Goodwill	72	72
Employee incentive asset	-	1
Loan receivable	4	4
Prepayments	5	2
Current assets	742	663
Trade and other receivables	77	72
Prepayments	20	15
Employee incentive asset	1	3
Taxation receivable	1	-
FEC derivatives	-	0.3
Cash and cash equivalents	643	573
Total assets	1 062	997
Equity and liabilities		
Owner’s equity	890	828
Non-current liabilities	44	66
Deferred tax	7	13
Lease liability	22	35
Employee incentive liability	15	18
Current liabilities	128	103
Employee incentive liability	61	47
Trade and other payables	46	37
Current tax payable	4	0.4
FEC derivative	0.3	-
Lease liability	8	8
Provisions	9	11
Total equity and liabilities	1 062	997

CHIEF FINANCIAL OFFICER’S REVIEW Continued

Capital management

Total capital expenditure is allocated between defending, improving, expanding and protecting our asset

As a self-funded business, Strate remains fully funded through equity, which is considered appropriate in the short to medium term. The Capital Management Framework is designed to ensure the disciplined allocation of capital to support operational sustainability and strategic growth, maintain adequate cash reserves, enable appropriate shareholder returns and promote prudent debt management.

Regulatory capital compliance is monitored through a rating framework, as reflected in the most recent MICAP submission to the regulator in May 2024. Capital ratings are determined based on available capital relative to regulatory capital requirements, with thresholds calibrated using an average month’s operating and capital expenditure, excluding discretionary spend.

Under the updated Capital Management Framework, Strate is required to maintain sufficient capital to sustain operations for 18 months under a severe stress scenario, assuming a 65% reduction in market or trading activity, while continuing to fund strategic organic growth initiatives. The regulatory capital requirement under this scenario was calculated at R297 million and will be reassessed as part of the next MICAP submission in May 2026, incorporating updated assumptions and information.

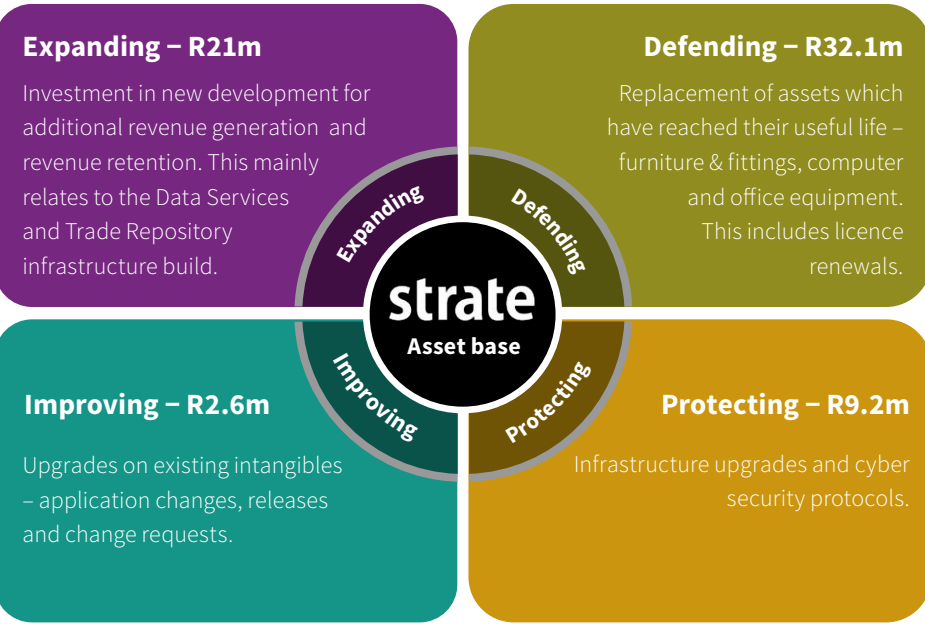
Available capital is monitored monthly, net of regulatory capital requirements and restricted cash balances related to long-term incentives and the SPRF. The target outcome is to maintain a rating of 2 (green), where available cash comfortably exceeds regulatory capital requirements. As at year-end, Strate held available cash of R542 million, providing stress-scenario coverage of approximately 32 months at a 65% reduction in market or trading activity. At a Group level, available capital increases to R581 million, noting that Trustlink is not subject to regulatory capital requirements.

Strate cash December 2025					
Strate cash balance	R604m				
Restricted cash	R62m				
Available cash	R542m				

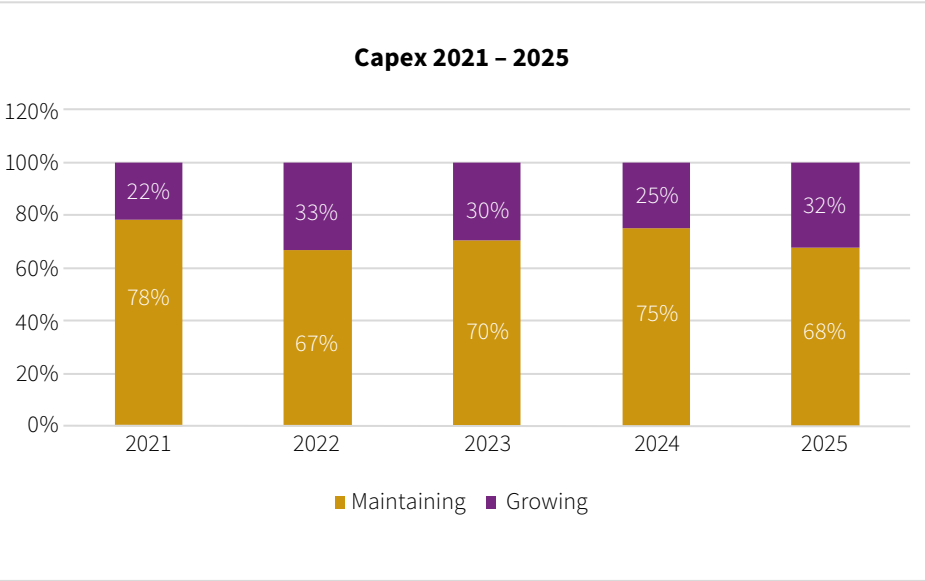
Regulatory cash					
Rating scale	-2	-1	0	1	2
Measure (available cash)	<R262m	R263m – R296m	R297m – R328m	R329m – R362m	>R363m
Stress scenario time coverage	<16 months	17 months	18 months	19 months	>20 months
Management actions	Trigger for recovery plan	Austerity measures are to be implemented to preserve funding required to maintain core services		Position to be substantiated and corrected within a three-to-six month period	No action required

Disciplined capital allocation and investment

Total capital expenditure is allocated between defending, improving, expanding and protecting our asset base, with the capex spend split as follows:

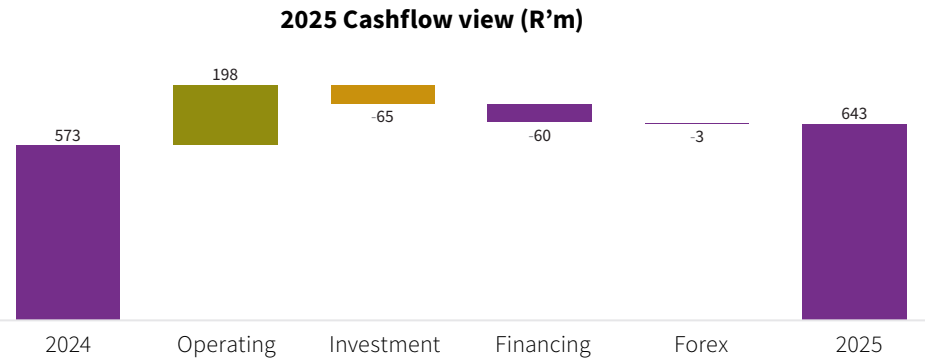


Over the past five years, the Group’s capital expenditure has been deliberately allocated to maintaining the stability, resilience and regulatory integrity of the core CSD business, while progressively investing in initiatives that support growth, diversification and long-term market development. The graph below shows the split between capital deployed to maintain the business and capital invested to grow the business over the five-year period.



Strong liquidity and financial flexibility

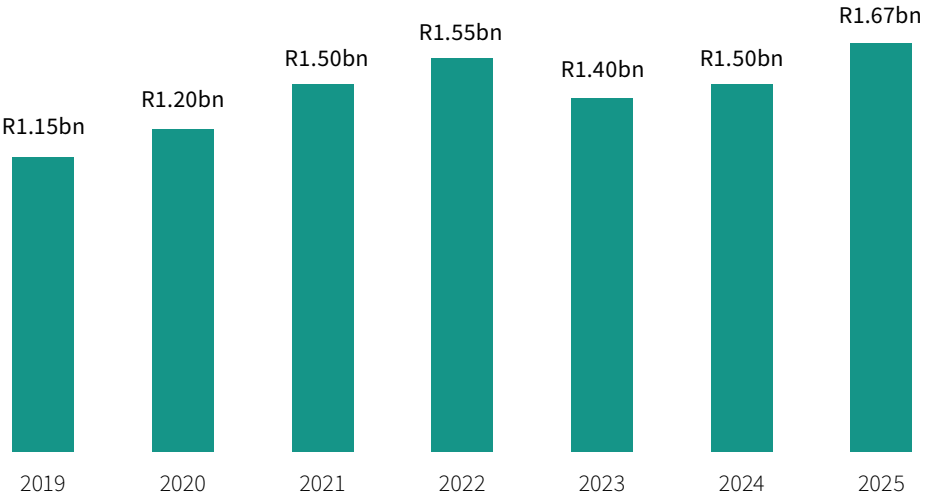
The Strate Group remains strongly cash-generative, with net cash from operating activities of R198 million (2024: R170 million). Investment activities relate to capital expenditure in equipment and intangible assets of R65 million (2024: R45 million). Financing activities relate to dividends paid of R54 million (2024: R54 million) and IFRS lease payments of R6 million net of finance charges (2024: R6 million). The forex movement relates to the revaluation of the foreign-denominated cash balances.



Sustainable returns and financial stewardship

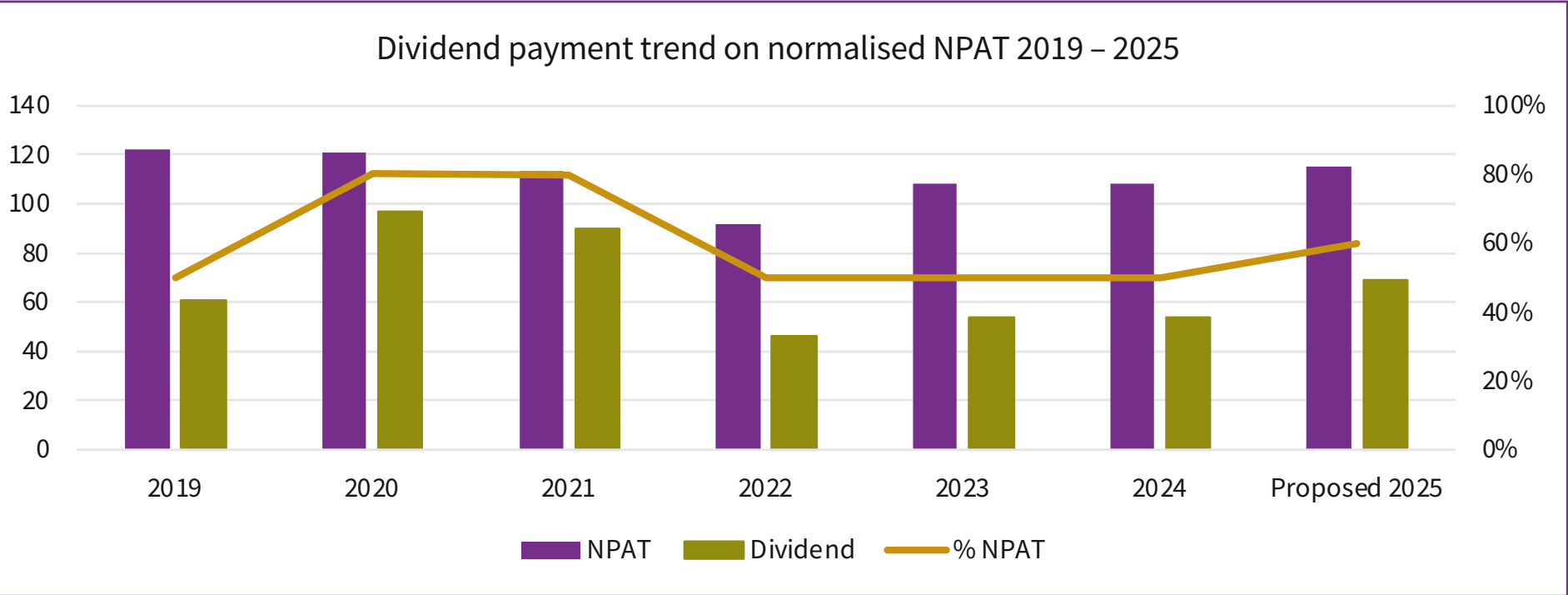
An independent annual valuation is performed using a discounted cash flow (CAPM-based WACC), corroborated by market comparables, providing an objective benchmark of Strate’s value and a consistent measure of shareholder value creation over time (including the impact of cash).

Historical valuation outcomes (including cash) are presented below:



The Strate Group valuation (including cash) shows a 45% growth between 2019 and 2025, with the PE increasing from 10.4 to 16.6 (including cash). The PE for 2025, excluding cash, is 11.2. The multiples are skewed by high cash contributions to the value. This increase, together with the return paid to shareholders through the annual dividend distribution as reflected in the graph below, is a real indicator of shareholder value creation.

CHIEF FINANCIAL OFFICER’S REVIEW Continued



Between 2019 and 2025, annual dividends ranging between R46 million and R97 million, including two special dividends, were paid to the shareholders. These dividends have brought tangible returns to investors for their investment in the Strate Group (total dividends paid out for the multi-year period were R471 million).

Other stakeholders, including employees, regulators, associations and governments, receive value from Strate through various means, including levies paid to regulators, taxes paid to revenue authorities, and salaries and benefits paid to employees. This is unpacked further in the Stakeholder section of this report.

Strong financial control environment

Strate continues to maintain a strong risk culture and effective internal financial controls, providing assurance over the integrity and reliability of the Group’s financial statements. These controls are designed to safeguard assets, ensure accurate financial reporting and maintain accountability, and are underpinned by established policies and procedures. The control environment is supported by appropriately skilled and trained employees, with clearly defined roles and effective segregation of duties.

Looking ahead

The global economic environment entering 2026 remains volatile, albeit more resilient, with easing inflation and cautious monetary policy providing some support against ongoing geopolitical and market uncertainty. In South Africa, gradual macroeconomic improvement driven by reform momentum and stabilising energy and logistics performance reinforces the importance of resilient and efficient financial market infrastructure.

Against this backdrop, 2026 represents a transition for Strate from sustained investment to value realisation. With core platforms and capabilities now established, the focus shifts to disciplined execution, scaling adoption and translating prior investments into measurable market impact and sustainable returns. Financial priorities remain centred on operational resilience, cost discipline, capital optimisation and targeted investment in data-enabled services that support long-term value creation. Our 2026 Corporate Scorecard reflects this focus, aligning financial stewardship with strategic delivery in support of South Africa’s capital markets.

Appreciation

I would like to extend my sincere appreciation to my colleagues on the Board and Executive Committee for your continued support, guidance and constructive challenge throughout the year. My thanks also go to the Finance team for your discipline, professionalism and commitment to delivering high-quality reporting and maintaining a strong control environment. To all Strate employees, thank you for your dedication to our shared purpose and for the consistent execution that underpins the stability of South Africa’s financial markets. I am also grateful to our shareholders, regulators, clients and ecosystem partners for their trust, collaboration and ongoing engagement as we continue to strengthen resilience and accelerate the impact of our investments.

Sameera Dada
Chief Financial Officer

Note

These summarised consolidated results are extracted from audited information, but are not themselves audited. The consolidated and separate Annual Financial Statements have been audited by Ernst & Young Inc and its unmodified audit report is available for inspection at the Company’s office. The directors take full responsibility for the preparation of these summarised consolidated financial results, and that the financial information has been correctly extracted from the underlying audited financial information. The preparation of the summary consolidated group financial statements was prepared under the supervision of Sameera Dada, the Chief Financial Officer of the Group. The financial information on which any forward-looking statements are based has not been audited, reviewed or reported on by the Group’s external auditors.

MARKET IMPACT THROUGH VALUE CREATION

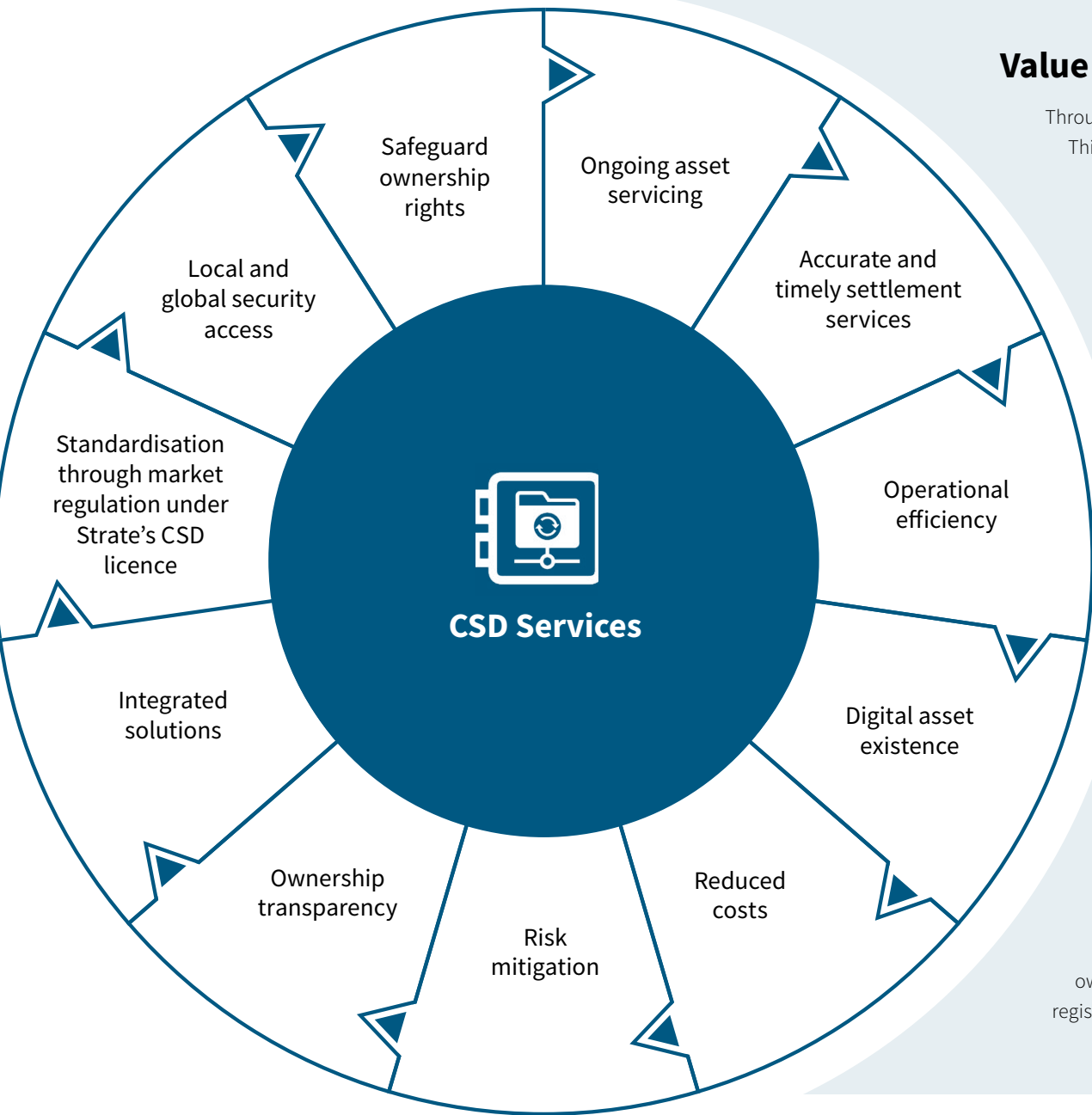
In 2025, our commitment to protecting our core while creating for the future shaped how we delivered sustainable value to the financial market ecosystem.

Through strategic execution of our business activities, we strengthened the infrastructure on which the market depends while advancing capabilities that expand access and efficiency across South Africa’s capital markets.

Value creation and impact depend on how effectively we manage our six capitals through our daily operations and strategic initiatives. By maintaining the trusted services that underpin market integrity and simultaneously building new solutions, we generate outcomes that benefit the entire ecosystem.

We measure our market impact through our contribution to a trusted and resilient financial system and our ability to achieve the objectives of the FMA: increase market efficiencies, reduce systemic risk, enhance transparency, protect investors, and support interoperability and competitiveness.

CSD Services – we safeguard ownership rights



Value created for the market:

Through our CSD Services capability, Strate supports a robust financial market ecosystem by providing resilient, digital and innovative infrastructures and related services. This enables public and private market issuers, CSD Participants, clients of CSD Participants, investors, trading venues and other market stakeholders and intermediaries.

Through our core registry services, we safeguard the legal record of ownership rights. As the market trusts us to independently and accurately hold the legal record of securities ownership, we are able to safeguard investors’ rights and contribute to upholding financial market integrity.

We offer a world-class settlement service underpinned by global standards and the highest levels of governance and compliance. When investing in our market, local and foreign investors can be confident their investment decisions are processed accurately within the expected timelines. They can also diversify their investments across the range of security and market types we service.

Our asset servicing capabilities support issuers with both standard and complex corporate activities, unlocking significant benefits and reducing risk for issuers and investors through automated registry updates. Strate offers a globally unique capability: investors can trade their entitlements before actual receipt, as our model enables payment one day after the record date. This digitised process allows continuous market liquidity, creating significant value for both issuers and investors.

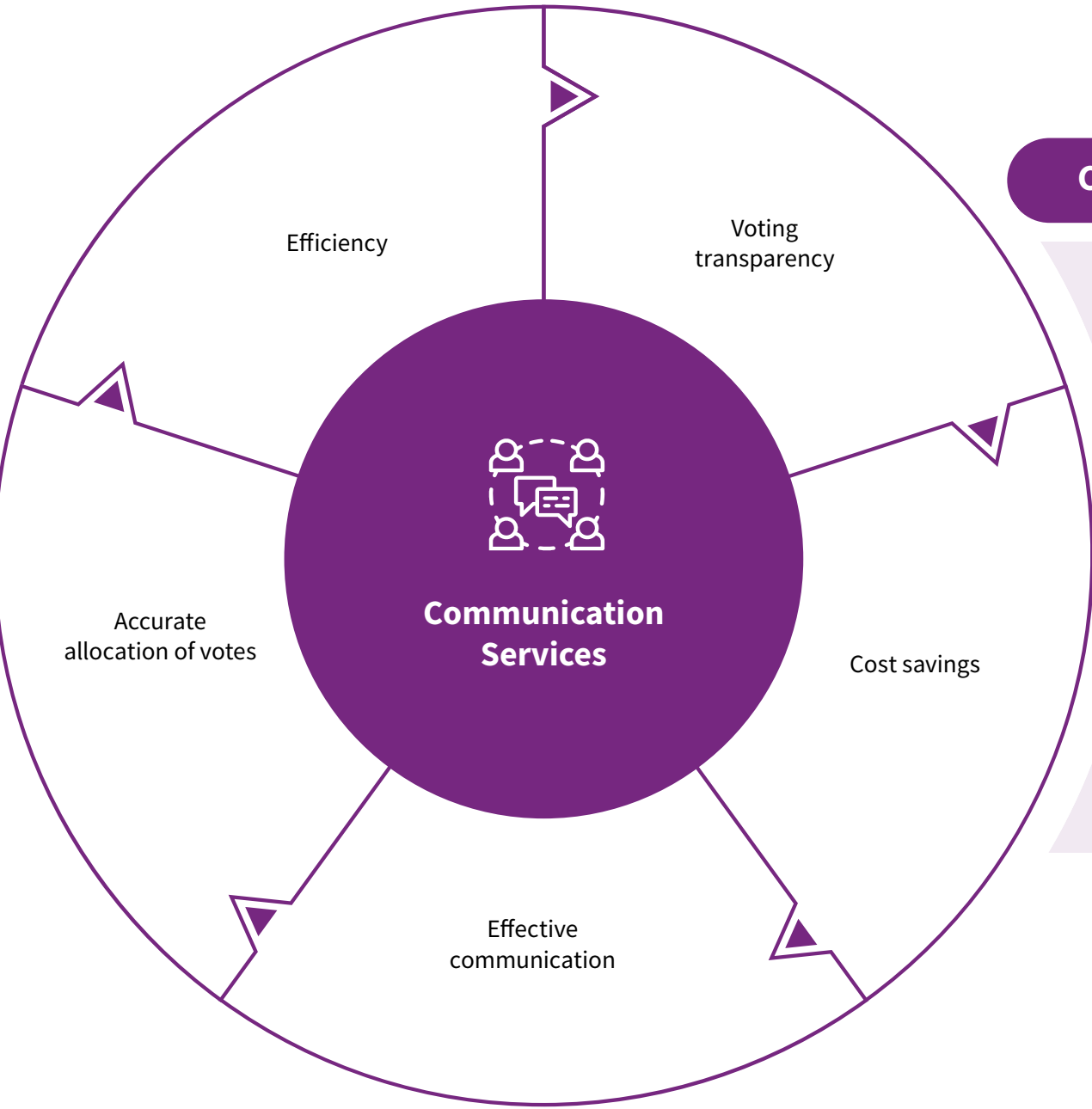
Our processes and technology, through partnerships with globally and locally recognised technology partners, make a key contribution to South Africa’s well-established, trusted capital markets. This is supported by the Thomas Murray risk rating on South Africa’s capital markets infrastructure of AA-, to which Strate is a critical contributor.

The link between Strate and Euroclear enables our CSD-to-CSD Links: Removals solution. This link allows both parties to become participants in each other’s ecosystems and facilitates the efficient transfer of securities between ecosystems. This solution enhances cross-market trading efficiency.

Through this link, we have established our Global Funds Access capability, which provides a single access point for local investors into global markets, in a standardised, efficient and cost-effective way. The link enables investor access to registry, safekeeping, settlement, asset servicing, data and integration services.

The collective investment scheme-unit trust (CIS-UT) market is an important vehicle for the South African savings and investment industry. Currently, this security type falls outside the ambit of the FMA. We aim to bring the CIS industry under section 30 of the FMA. Ultimately, this will make saving and investing more economical and accessible to all investors by providing the CIS industry with efficient, cost-effective infrastructure and services, as well as providing investor protection over ownership rights. We are enabling this by leveraging our existing CSD Services’ infrastructure and capabilities for instructions, reporting, settlement, asset servicing and registry services.

MARKET IMPACT THROUGH VALUE CREATION Continued



Communication Services – connecting issuers and investors

Value created for the market:

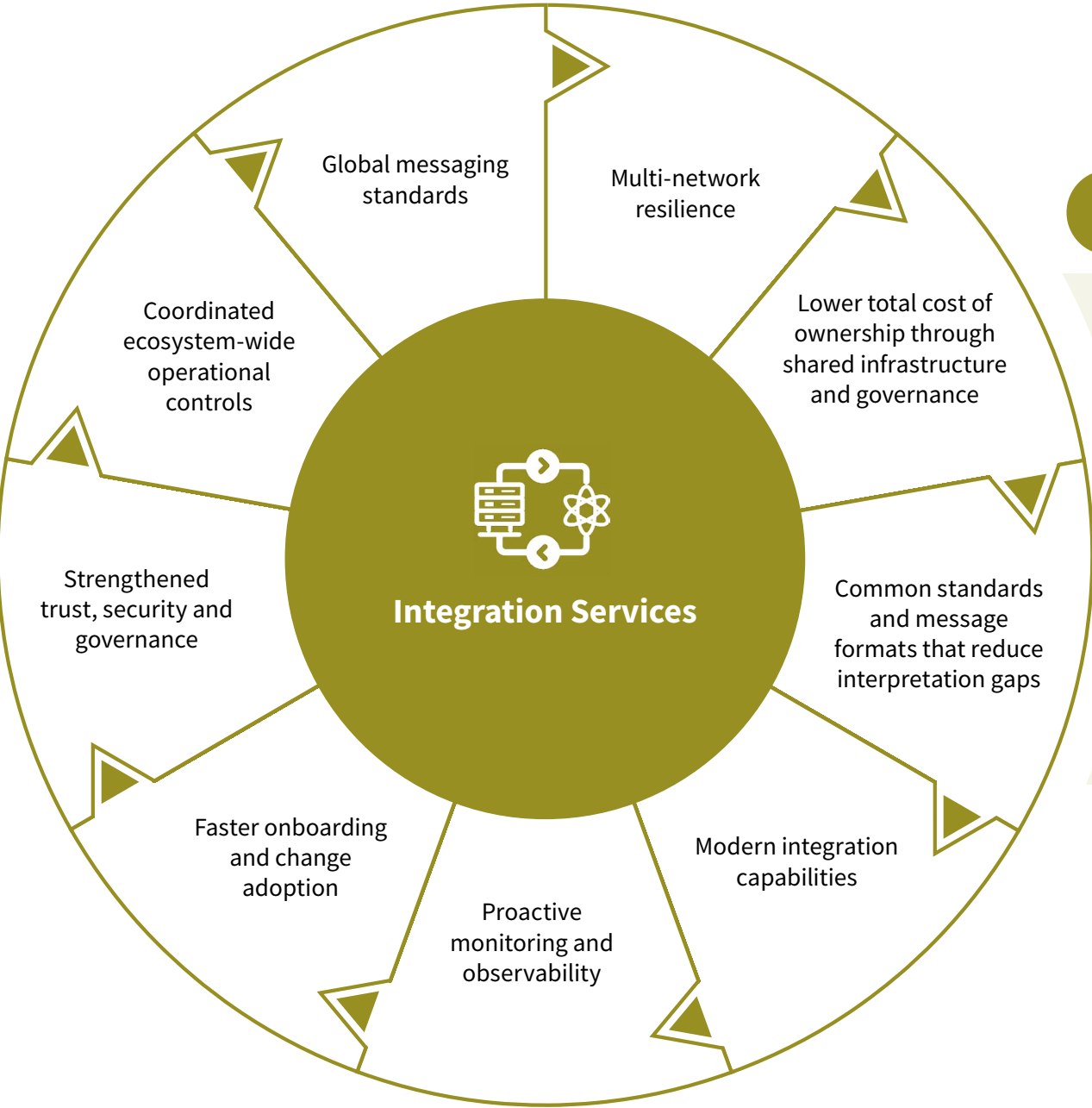
Our e-Voting solution delivers a streamlined, fully digital voting process that enhances efficiency and strengthens communication between issuers and investors during shareholder meetings. It provides tailored Code for Responsible Investing in South Africa (CRISA) reports and, through integration with Broadridge and Institutional Shareholder Services, enables foreign investors to exercise their voting rights on South African-listed assets.

Anonymised client feedback on our e-Voting platform:

“The Strate team provided exceptional support throughout the e-Voting onboarding process, which was both smooth and efficient. Their proactive, solution-driven approach, openness to feedback and consistent accessibility reflect a strong client-first mindset.”

“We are redefining the proxy voting landscape by championing digital transformation in South Africa, transitioning clients to seamless electronic voting. This evolution not only accelerates efficiency and transparency but also empowers our clients with real-time voting control, setting a new benchmark for world-class market practices in the corporate actions environment.”

MARKET IMPACT THROUGH VALUE CREATION Continued

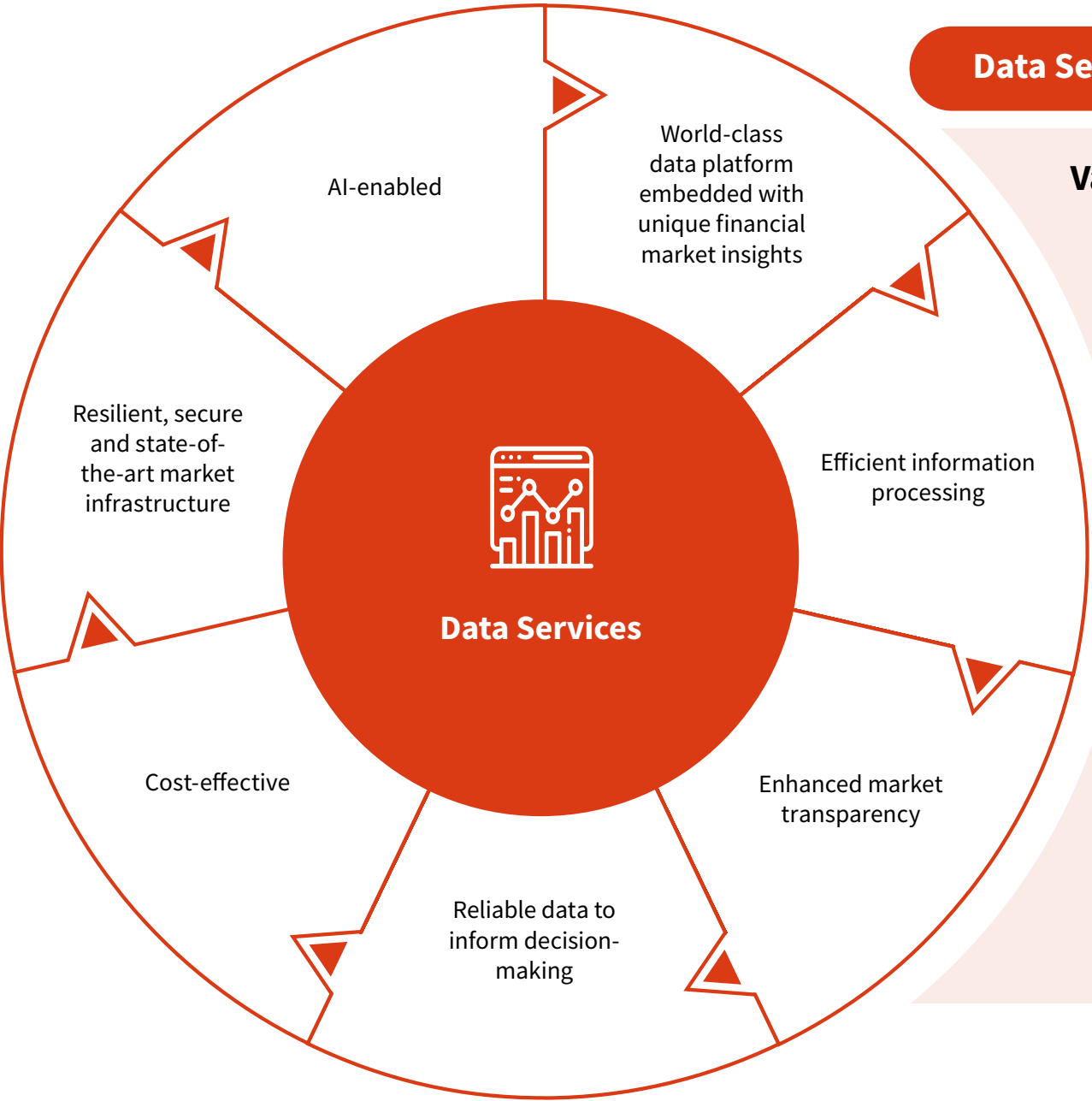


Integration Services – a cornerstone of the financial market ecosystem

Value created for the market:

Integration Services delivers a secure, centralised connectivity utility that enables consistent, high-volume financial message and data exchange across the market. By combining global SWIFT connectivity with the Afriverse’s distributed, node-based private network, the model enhances operational resilience, supports data sovereignty, reduces duplication, and ensures seamless regional and international interoperability. This modern architecture allows participants to deploy local nodes, manage regulatory and operational risk, and benefit from secure, standardised and scalable connectivity designed for both continuity and performance.

MARKET IMPACT THROUGH VALUE CREATION Continued



Data Services – enabling a data ecosystem

Value created for the market:

Strate’s mandate as South Africa’s CSD is to safeguard ownership rights, ensure market integrity and support financial stability. In fulfilling this role, Strate sits at the centre of issuance, settlement, asset servicing, ownership and, increasingly, transaction reporting. This position has resulted in Strate holding some of the most complete, trusted and systemically important datasets in the South African financial system.

Historically, data monetisation has not been a primary objective. This reflects a deliberate commitment to neutrality, market trust and the avoidance of competitive distortion. However, advances in cloud computing, analytics and AI are fundamentally changing how financial markets manage risk, meet regulatory obligations and innovate. In this environment, data quality, completeness, governance and provenance are critical enablers of stability and efficiency.

Strate’s data strategy responds by focusing on reshaping the data ecosystem. Our strategic intent is to position Strate as the trusted, neutral data infrastructure provider for the South African financial system, enabling regulators, market participants and issuers to operate from a single, authoritative version of the truth, while retaining control over their own analytics, insights and innovation.

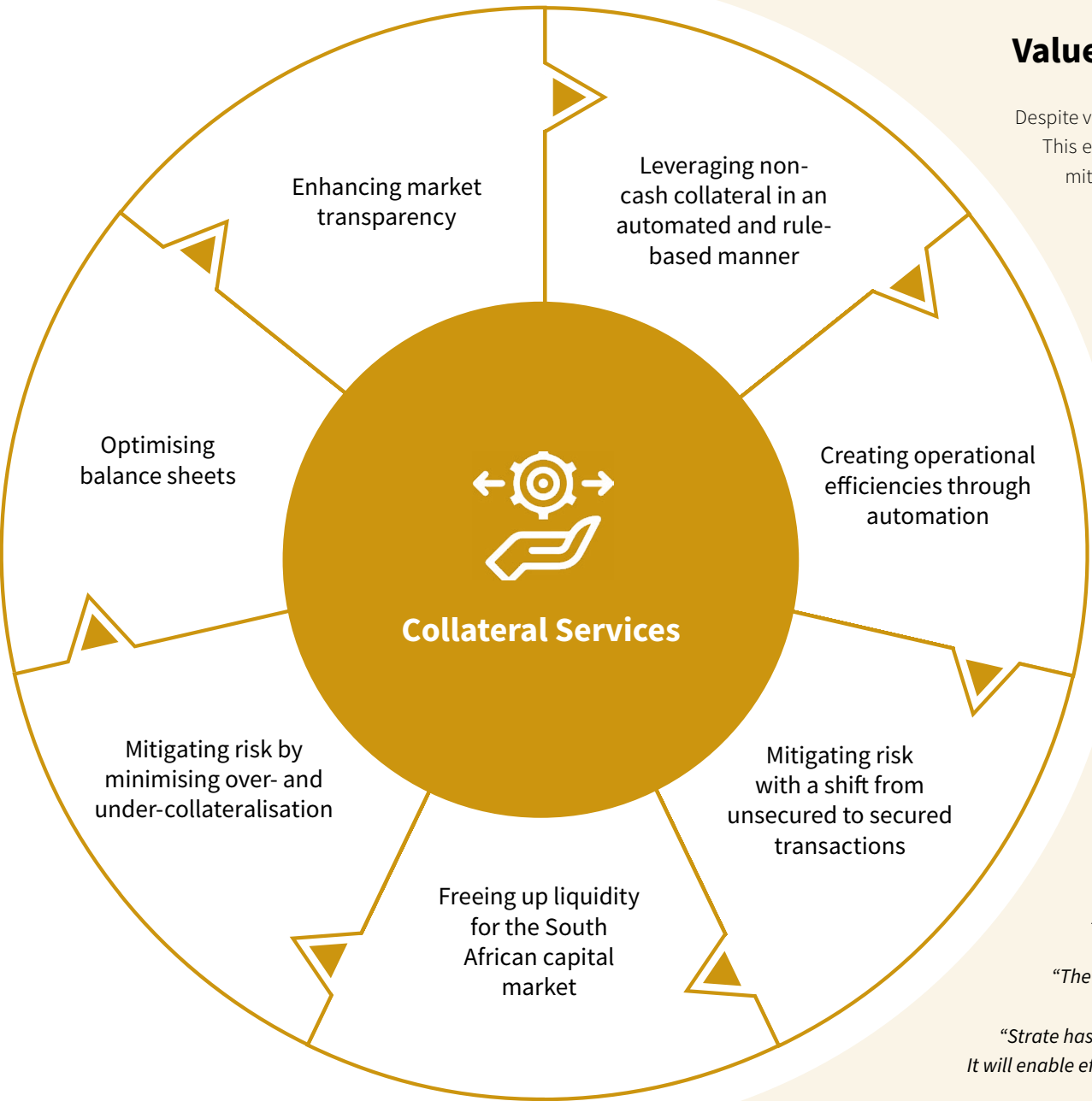
Over the past three years, Strate has made foundational investments to support this strategy, including a secure, production-scale lakehouse data platform; consolidation of registry, settlement and asset servicing data into a governed, AI-ready environment; and the award of a Trade Repository licence, positioning Strate to achieve near-complete market visibility across key OTC and securities activities.

Going forward, Strate will provide data infrastructure as a service. Stakeholders will be provisioned with secure, logically segregated data nodes, pre-populated with their legally entitled data, continuously synchronised from a central data mesh, and governed by default. Participants may enrich these environments with proprietary data and develop analytics without duplicating infrastructure or compromising integrity.

This strategy strengthens Strate’s position as essential market infrastructure rather than a competing data vendor. It reinforces trust, reduces industry-wide cost and complexity, improves regulatory insight, and enables safer innovation. By monetising enablement rather than data volume, Strate future-proofs its mandate and deepens its role as a stabilising force in an increasingly data-driven financial system.

MARKET IMPACT THROUGH VALUE CREATION Continued

Collateral Services – supporting broader economic activity



Value created for the market:

Despite volatile volumes and transactions, our secured interbank product offering continues to support banks in managing their surplus cash balances within allocated quotas. This enables them to transact in an automated, efficient and secure manner, avoiding punitive interest rates of repo less 100 basis points on excess quota balances, while mitigating credit exposure risk and complying with the Large Exposures Framework.

The visibility of the interest rates at which these trades are concluded – which we report daily to regulators and monthly to market participants via our newsflash publication – offers key benefits. The emergence of new interest rate categories and the resultant, dynamic trading activity is itself a testament to the benefits of greater transparency and insight.

We are proud of the results of our collaborative work with the SARB’s Financial Markets Department and National Payment System Department teams in developing the interim solution tested during the SARB’s Triparty Collateral Management Proof of Capability. Should the solution be implemented, it will enable banks to manage their assets in an automated, efficient way, with further opportunities to optimise other collateral obligations managed on our platform, such as regulatory initial margin and triparty repos. The SARB’s participation and the management of these assets on our platform will enable true collateral mobility, velocity and optimisation for SA Inc.

The JSE and Strate collaborated to enable the reporting of triparty repos for market participants. The solution was implemented on 19 May 2025 but go-live is dependent on the FSCA’s approval of the JSE’s rules to enable this. Once live, it will mark a significant step forward for repo market development and will enable the development of a general collateral (GC) funding market, with more transparency on the interest rates at which GC securities trade, and potentially lower funding costs as a result. The increased efficiencies through automation may reduce the cost of administration and operations for market participants, with more opportunities for optimisation of their assets.

In 2025, we played an active role in supporting the market’s readiness to comply with the mandatory exchange of Regulatory Initial Margin (Reg IM). Our collaboration with the International Swaps and Derivatives Association (ISDA) was two-fold and offered significant value to market participants: we arranged a two-day market training workshop in March 2025, facilitated by ISDA, to share their learnings from global implementations of Reg IM, and worked with ISDA to publish an addendum to the legal framework tailored to the needs of South African market participants, in compliance with South African regulations and legislation. Our second Reg IM Roundtable event in July 2025 brought together in-scope buy- and sell-side participants and regulators to collectively address the challenges surrounding implementation on 1 September and offer clarity where needed.

Anonymised client feedback on our collateral platform:

“The Strate collateral platform provides access to products that significantly reduce capital and credit exposures.”

“Strate has been instrumental in the SARB TCM project. As the triparty agent in trades between the banks and SARB, their involvement will facilitate faster movement of assets. It will enable efficacy and optimisation of assets for the banks.”

As Trade Repository Services is in the process of being operationalised, we will begin reporting on its impact in the integrated reports for future years.

We are developing an Impact Measurement Framework to systematically quantify and demonstrate the value created through our service capabilities and the impact on our clients’ businesses. This Framework will enable clearer articulation of our value proposition, support evidence-based decision-making, and inform ongoing enhancements that strengthen our impact and long-term value creation.

World-class governance practices



07

Our governance

An overview of how good governance and strong leadership support the creation and protection of shared value.

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GOVERNANCE OVERVIEW

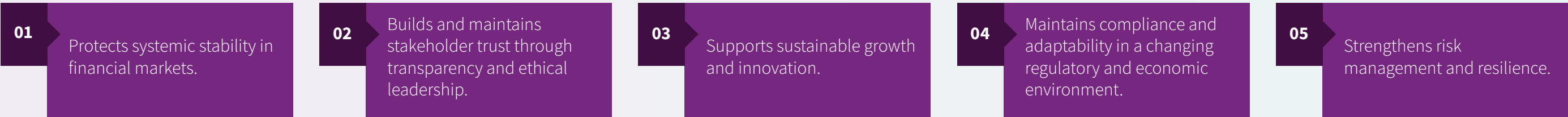
Maintaining trust and protecting value through resilient governance

Strate protects value through adhering to the highest standards of corporate governance, which encompass the processes, policies and structures that guide decision-making and behaviour within our organisation.

Strate's governance principles are designed to ensure resilience, integrity and sustainable value creation for South Africa's financial markets. This framework aligns with the Financial Markets Act and King IV™ Code of Corporate Governance, embedding risk management, compliance and ethical leadership into decision-making processes.



Why it matters:



OUR GOVERNANCE Continued

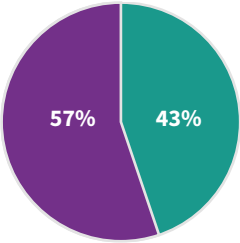
Our Board

The Board of Directors has 14 directors and two alternate directors, offering a well-rounded mix of expertise, skills, backgrounds, races and genders, along with the independence needed to fulfil its duties objectively and effectively. Most Board members are independent non-executive directors who bring varied experience. Independence is determined according to the criteria outlined in King IV™. The CEO and CFO serve as ex officio executive directors.

Well-established corporate governance practices

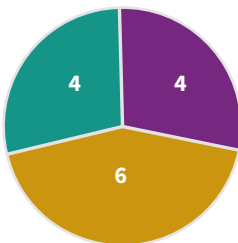
- The roles of the CEO and chairperson are separate
- The chairperson is independent
- A lead independent director has been appointed
- The majority of the Board is independent
- Annual election of independent non-executives by shareholders

Gender diversity



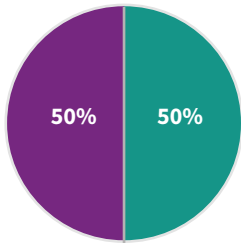
Male Female

Age



40-49 50-59 60-69

Racial diversity



Black White

Director status



Independent Non-Executive Executive

Independent non-executive directors



Nigel Payne **Chairperson**
BCom (Hons) (Rhodes) CIA, CA(SA), MBL (Unisa)
Appointed: 29 November 2001
Tenure: 24 years, 1 month

Keith Getz **Lead Independent**
BProc, LLM (UCT)
Appointed: 14 March 2014
Tenure: 11 years, 9 months

Elias Masilela
BASocSci (Swaziland), MSc Economic Policy and Analysis (Addis Ababa), Professional Certificates (Harvard)
Appointed: 1 July 2017
Tenure: 8 years, 5 months

Louisa Stephens
BBusSc (UCT), BCom (Hons) (RAU), CA(SA), CD(SA)
Appointed: 1 August 2021
Tenure: 4 years, 4 months

Helena Conradie
BSc Mathematics and Applied Mathematics (Hons), MSc Applied Mathematics (cum laude) (SU), CFA charterholder
Appointed: 1 August 2021
Tenure: 4 years, 4 months

Mathukana Mokoka
BCom (UL), PGDip (Financial Accounting)(UCT), BCom (Hons) (UND), PGDip (Auditing)(UCT), CA(SA)
Appointed: 1 August 2021
Tenure: 4 years, 4 months

Mark Murning
BCom (Wits)
Appointed: 1 August 2022
Tenure: 3 years, 4 months

Kabelo Makwane
BCom (UKZN), MBA (Wits Business School)
Appointed: 1 August 2022
Tenure: 3 years, 4 months

Executive directors



André Nortjé
BCom (Hons) Financial Management (UP), MCom Finance (cum laude)(Unisa)
Appointed: 1 August 2018
Tenure: 7 years, 4 months

Sameera Dada
BCom (Hons) Accounting (UKZN), CA(SA), MComm Accounting (Wits), PGDip Business Practice (Henley Business School)
Appointed: 1 June 2019
Tenure: 6 years, 6 months

Non-executive directors



Alicia Greenwood
BSc (Mathematics, Chemistry), PhD (Chemistry)(UCT)
Appointed: 4 November 2016
Tenure: 9 years, 1 month

Fawzia Suliman
BCom (Hons) Accounting (Wits), CA(SA)
Appointed: 12 June 2023
Tenure: 2 years, 6 months

Chris Edwards
BSocSci (Philosophy, PGDip Management) (UCT)
Appointed: 14 March 2014
Tenure: 11 years, 9 months

Louise Currie
BCom (Hons) (Unisa)
Appointed: 30 June 2023
Tenure: 2 years, 6 months

Rajesh Ramsundhar **Non-executive (alternate)**
BCom (Wits), MBA (GIBS)
Reappointed: 3 December 2025
Tenure: 4 months

Changes to the Board in 2025:

Christine Clark resigned as a non-executive director and was succeeded by Hendrik Fourie as a shareholder-nominated non-executive director on behalf of FirstRand Bank Limited, effective 10 March 2025. Hendrik has, however, resigned from the Board effective 31 December 2025 and a new FirstRand-appointed director is to be determined.

Rajesh Ramsundhar resigned as a non-executive director and was succeeded by Rato de Mendonça as a shareholder-nominated non-executive director on behalf of Standard Bank of South Africa Limited, effective 1 April 2025.

Rato de Mendonça resigned as a non-executive director, and Rajesh Ramsundhar was reappointed as a shareholder-nominated non-executive director, on behalf of Standard Bank of South Africa Limited, effective 3 December 2025.

- Audit and Risk Committee
- Ecosystem Resilience and Participant Failure Committee
- Regulatory and Supervisory Committee
- Remuneration, Nominations and Social & Ethics Committee

OUR GOVERNANCE Continued

Nominations and appointments

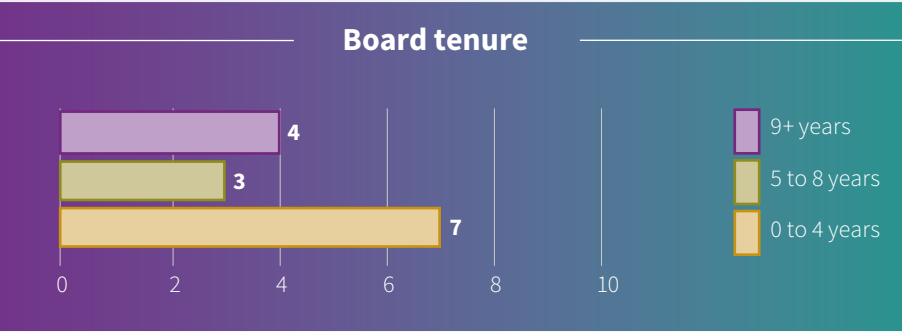
The Board has entrusted the oversight of the independent non-executive director nomination process to the REMNOMSEC, which is responsible for recommending suitable candidates. The Committee ensures that the nominations process remains formal and transparent, adhering to the Director Nomination and Appointment Policy. Prior to nominating a candidate, REMNOMSEC evaluates the collective knowledge, skills and experience required by the Board to execute its strategy, considers Board diversity, and assesses whether each candidate is an appropriate fit and meeting all relevant criteria. Upon REMNOMSEC’s recommendation, the Board presents candidates for election by shareholders at the Annual General Meeting.

Nominations for both the Board and committees are made based on performance, merit and the best interests of the Group, with due regard to age, race, gender and culture. This approach is underpinned by an assessment of pertinent skills and business, professional, industry and geographic experience to ensure genuine Board diversity.

The Board has established a gender diversity target of 30% female representation and a minimum target of 50% black directors. At present, the Board comprises 43% female and 50% black members. Efforts are underway to sustain and further these diversity objectives.

Board tenure and independence

The Board consists predominantly of non-executive directors, with the majority being independent members.

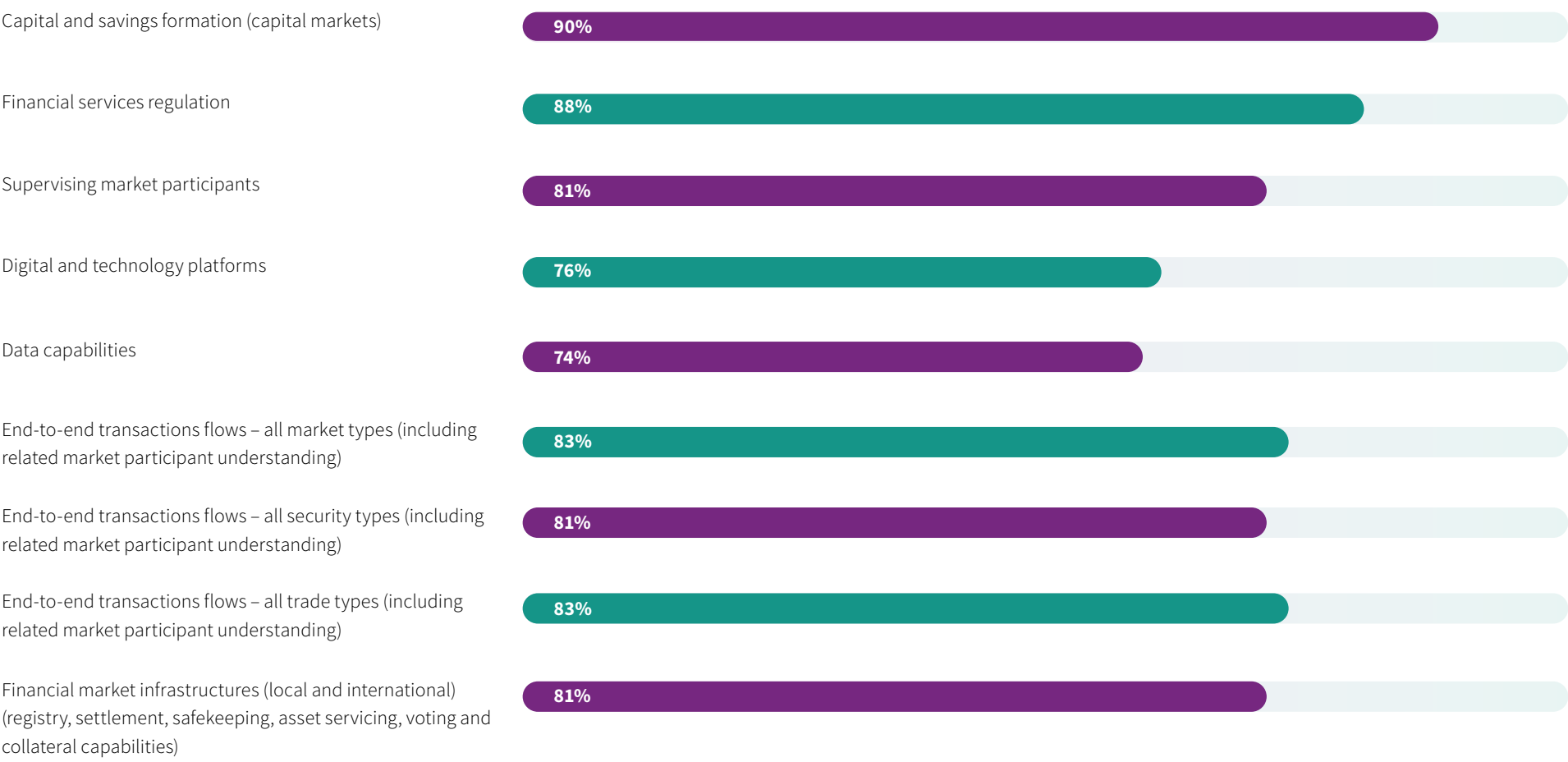


The Board is satisfied that length of service does not adversely affect the directors’ independence or decision-making abilities and that those directors continue to be independent in character, behaviour and judgement.

All directors were assessed and considered fit and proper as set out in the Financial Services Board’s Board Notice 97 of 2013.

Diversity of expertise

To maintain a stable, sustainable financial market infrastructure, the Board requires a range of skills to successfully execute its mandate. The Board is evaluated and self-assessed annually according to Strate’s industry-appropriate skills matrix:



The Board is satisfied that its members collectively possess the appropriate balance of knowledge, skills and experience to fulfil its functions.

Board and committee evaluations

To fulfil our objectives and maintain a Board that is both effective and appropriately constituted with a diverse range of skills, experience and expertise, we undertake annual evaluations covering the performance of the Board, its committees and the individual capabilities of each director.

In accordance with a formal Board evaluation methodology, an internally facilitated Board evaluation was conducted in 2025. The evaluation confirmed that the Board and its committees are performing well. Areas for improvement have been identified, and relevant measures will be put in place to support the evaluation outcomes. The Board’s composition, expertise and skills were assessed, and the outcome indicated that the Board has the necessary skills and expertise and that the committees are functioning effectively.

OUR GOVERNANCE Continued

Continuous professional development

The Director Induction Policy stipulates that non-executive directors are expected to contribute value to the Group within the shortest feasible timeframe. Upon appointment, detailed director induction sessions are held, providing new directors with an opportunity to engage with key members of management. New directors are provided with comprehensive information regarding the Group’s business, strategy, performance and insight into each business area, and the markets in which it operates.

Directors are expected to remain informed about advancements within their respective areas of expertise. To facilitate their continuous development, we offer industry-specific updates and extend invitations to participate in quarterly training sessions. Targeted business training is also available upon request. During the reporting period, we conducted the following training and information-sharing sessions:

- Q1

 - CIS-UT and CSD-to-CSD Links: Global Funds Access service capabilities*
 - Life cycle of an equity trade
- Q2

 - Interplay between beneficial interest register and data privacy laws
- Q3

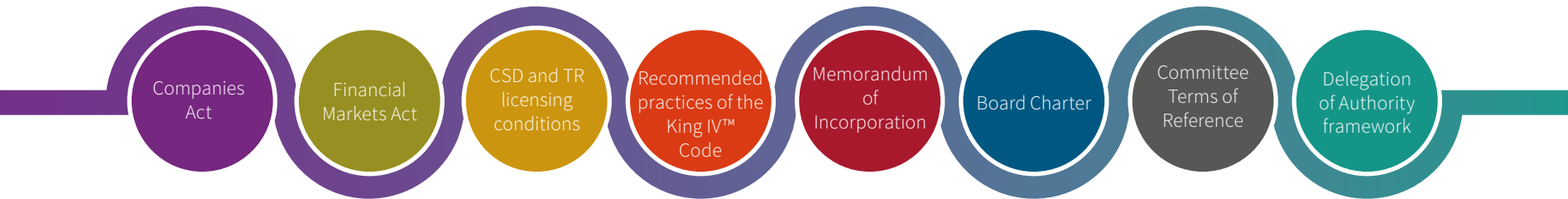
 - StrateForward platform demonstration
- Q4

 - Local CIS CNAV & VNAV*
 - CSD-to-CSD Links: Global Funds Access platform demonstration

*Regulatory and Supervisory Committee specific

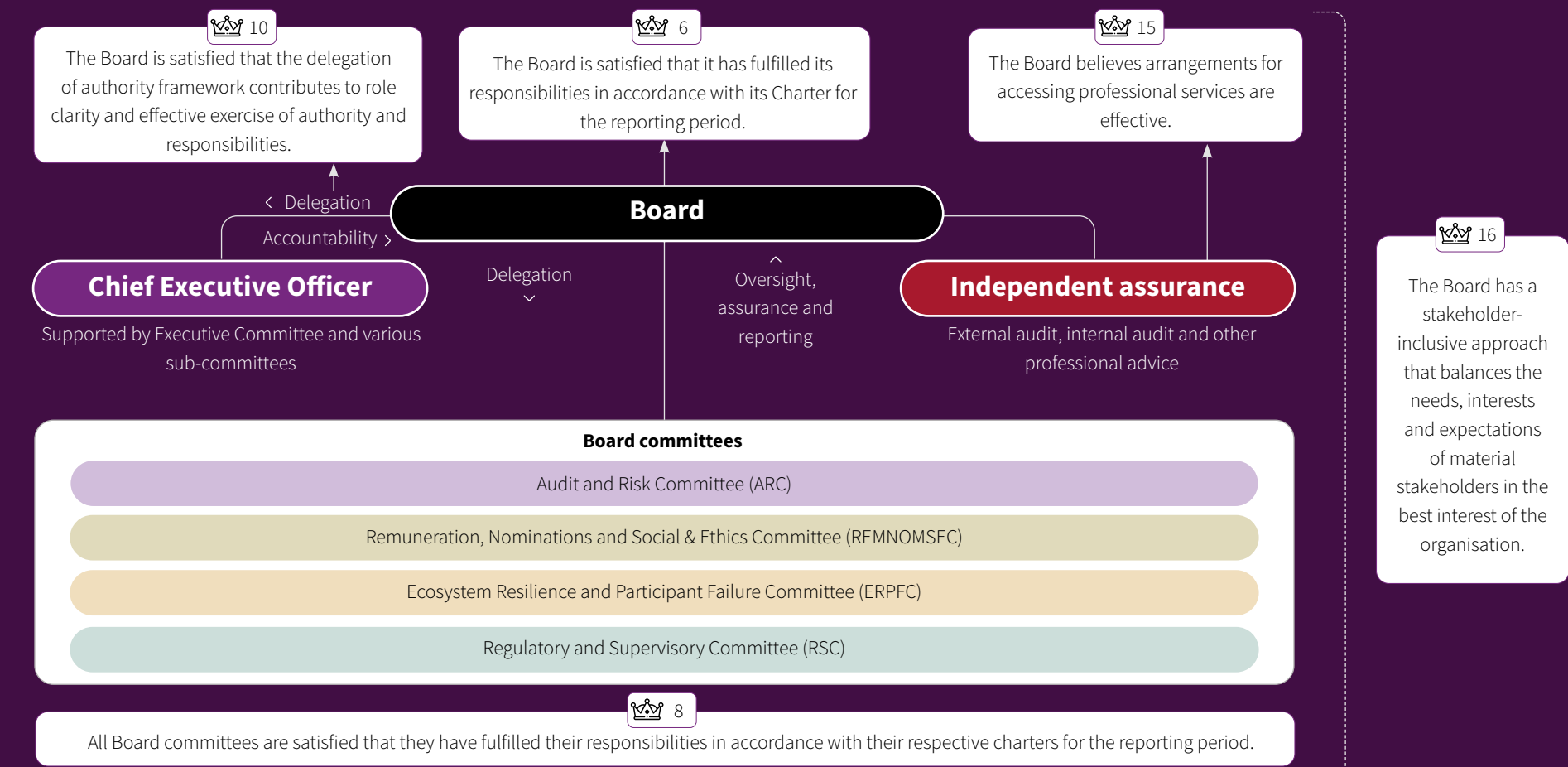
Delegation structures and governance framework

Corporate governance is designed to align corporate relationships with the organisation’s objectives in the most effective and efficient manner. By employing a constructive and forward-looking Corporate Governance Framework, the Strate Group oversees all areas of its operations to achieve its strategic goals and fulfil its purpose of *serving the financial markets*. As a private entity, Strate is dedicated to upholding robust and principled corporate governance practices, informed by:



Strate’s Governance Framework aims to promote resilient governance. The Framework’s purpose is to ensure prudent management and oversight of the Group’s business, as well as to adequately protect stakeholders’ interests as documented in the Group’s Stakeholder Management Policy. The Framework describes the governance structure and decision-making processes that apply to the Strate Group. Strate’s governance model assists the Board and management in clearly understanding the roles, responsibilities, accountabilities, information flows and guidelines that need to be considered. It also organises the strategic, operational, financial and risk management reporting processes needed to ensure the Board receives the information it requires to effect good governance in an evolving ecosystem, and that management can conduct its activities in ways that achieve Strate’s strategic imperatives and regulatory requirements.

The Board approves strategy, sets policy, ensures capital prudence and oversees the Group’s governance frameworks and control environment, ensuring that we remain resilient and protect and create value for stakeholders. The Board, supported by its mandated committees, oversees and monitors strategic execution and implementation by management:



OUR GOVERNANCE Continued

The Board promotes responsible leadership by ensuring that delegation within its structures promotes independent judgement, maintains the balance of power and effectively discharges its duties.

In delegating responsibility to management for implementing the Group's strategic objectives, the Board monitors key processes for ethical decision-making, control environments and assurance activities. The Board has delegated responsibility to the CEO for ensuring that individuals with the necessary competence, authority and adequate resources are appointed to key management functions. The Board is satisfied that the committees and management are appropriately empowered to make decisions and have clear, effective delegations to ensure the Group is managed optimally.

King IV™

The Board embraces the recommendations of King IV™. A detailed assessment of the application of the King IV™ principles and the recommended practices is performed annually. The Board is satisfied that Strate has substantially applied the requisite King IV™ principles on a fit-for-purpose basis to achieve the aspired governance outcomes of fairness, accountability, responsibility and transparency.

Refer to Strate's King IV™ application register available on our website.

In October 2025, the Institute of Directors in South Africa released the King V Report on Corporate Governance, which supersedes King IV. Strate is committed to aligning its governance framework with the King V Code to ensure continued compliance with the latest corporate governance standards. We have initiated a comprehensive gap analysis against King V's principles and disclosure requirements, and will implement any necessary enhancements to our policies and practices. This proactive approach will ensure that Strate's governance remains robust, transparent and fully aligned with the new King V guidelines in future.

Code of Conduct

The Board sets the direction for addressing the organisation's ethics, as set out in the Code of Conduct (the Code). The Code outlines the values, ethics and beliefs consistent with the defined organisational values and accepted corporate behaviours. These behaviours apply to the Board, employees and contractors, and are embedded in organisational processes, including but not limited to recruitment, performance evaluation, employee rewards and supplier procurement. The Code provides for sanctions and remedies for breaching the defined ethical standards.

The REMNOMSEC supports the Board in the oversight of ethics for the organisation. Responsibility for the implementation and execution of the Code has been delegated to management, who regularly report to the REMNOMSEC.

In addition to being bound by the Code, directors must submit a fit and proper declaration, as set out in Board Notice 97 of 2013, at the time of their appointment. These assessments are refreshed annually as part of the Board effectiveness evaluation process. Similarly, the Executive Committee and key senior management are required to submit a fit and proper declaration on an annual basis.

In terms of the Strate Rules, unresolved disputes between Strate and a licensed CSD Participant, or between Strate and an issuer, are escalated to the Ombudsman as set out in the Financial Sector Regulation Act (2017). There were no instances requiring escalation or intervention in 2025.

Prescribed officers

Only the executive directors, or their alternates where applicable, are regarded as prescribed officers of Strate.

Company Secretary

Lezanne Cilliers was appointed as Strate's Company Secretary with effect from 1 June 2021. The Board is satisfied that an arm's-length relationship was maintained between the Board and Ms Cilliers and that Ms Cilliers was not a director of any Group company in 2025. The directors have direct access to the Company Secretary, and the Board is satisfied that Ms Cilliers is suitably qualified, competent, and has the necessary skills, experience and knowledge to perform her duties as set out in section 88 of the Companies Act.

Conflicts of interest

Strate is recognised locally and internationally as a financial market infrastructure and has been a key component of the financial market ecosystem for over 27 years. The company delivers services critical to the smooth functioning of the South African financial markets, as well as markets in certain other African countries. As financial markets are symbiotic, real and potential conflicts of interest exist for stakeholders, including shareholders and clients. These conflicts could generate regulatory, commercial and strategic conflicts of interest, necessitating diligent management.

As Strate is a self-regulatory organisation, the principal CSD and the only licensed Trade Repository in South Africa, it must be perceived as independent. Any impression that Strate's governance is unduly influenced could materially encumber its ability to deliver on its strategic imperatives.

To guard Board independence and autonomy, it is imperative that the Board and management act above reproach and in line with their fiduciary duties. All directors must always act with independent minds, in good faith and for the proper purpose of the Strate Group, always prioritising its best interests with the degree of care, skill and diligence required of directors and senior leadership. To promote this concept, the first submission in each Board and committee meeting pack is an extract from common law, the Companies Act and King IV™ regarding directors' duties, to emphasise the importance of a director's responsibility and accountability towards the company.

The Board Conflict of Interest Policy and the Regulatory and Commercial Conflict of Interest Management Policy are reviewed regularly. A good governance practice is entrenched where directors and prescribed officers declare financial or other interests that may give rise to a conflict of interest on an annual basis, as and when there are changes and at the commencement of each Board and committee meeting. Directors with a conflict of interest are recused from discussions. Where a matter for consideration is likely to give rise to a conflict of interest or a potential conflict

of interest, the conflict and recusal are recorded in the minutes of the meeting, and a redacted version of the minutes is made available to the conflicted director. Board and committee packs are marked as redacted when a potential or actual conflict of interest has arisen.

Directors have equal access to non-conflicting company information and are entitled to obtain independent professional advice in line with the Board Charter. The Charter stipulates that such advice may be obtained at the company's expense, after consulting the Board chairperson.

In terms of the FMA, Strate is required to establish appropriate and effective internal governance processes to identify potential, perceived or actual conflicts of interest between its regulatory functions and its commercial services. Strate's supervisory responsibilities are segregated from the commercial activities and overseen by the Regulatory and Supervisory Committee. Strate's commercial services are encouraged to share information with Strate Supervision to support the supervision of CSD Participants. However, Strate Supervision may share information with the commercial services only in circumstances of potential systemic risks.

Dedication and focus

Governance meetings enable the Board and its committees to execute their governance and regulatory duties and responsibilities through rigorous deliberation and robust discussions. These meetings draw on management reports covering strategy, operational and financial performance, risks and opportunities, governance, compliance, legal matters, sustainability activities and other matters reserved for Board decision-making. Meeting agendas are formal and follow a pre-determined annual workplan.

The Board met four times in 2025.

Non-executive directors have direct and unfettered access to the Executive Committee and may meet with committee members independently.

Members of management and advisers attend Board and committee meetings by invitation.

OUR GOVERNANCE Continued

2025 Attendance

Certain members of management and advisers attend Board and relevant committee meetings by invitation. The Board Chairperson and the external auditors attend Audit and Risk Committee meetings by invitation.

	Board	AGM	ARC	REMNUMSEC	RSC	ERPFC	Training
Independent non-executive directors							
Nigel Payne	4/4	1/1	-	5/5	10/10	3/3	4/4
Keith Getz	4/4	1/1	-	5/5	10/10	-	4/4
Elias Masilela	4/4	1/1	-	5/5	10/10	3/3	4/4
Louisa Stephens	4/4	1/1	6/6	-	-	3/3	4/4
Helena Conradie	4/4	1/1	6/6	-	9/10	-	4/4
Mathukana Mokoka	4/4	1/1	6/6	-	-	-	2/4
Kabelo Makwane ⁵	4/4	1/1	6/6	2/2	-	-	2/4
Mark Murning	4/4	1/1	-	5/5	10/10	-	4/4
Non-executive directors							
Alicia Greenwood	3/4	0/1	-	-	-	-	0/4
Fawzia Suliman	3/4	1/1	-	-	-	-	1/4
Rajesh Ramsundhar ¹	1/1	-	-	-	-	-	0/1
Rato de Mendonça ²	1/3	1/1	-	-	-	-	1/3
Chris Edwards	4/4	1/1	-	-	-	-	1/4
Christine Clark ³ (alternate)	-	-	-	-	-	-	0/1
Hendrik Fourie ⁴	3/4	1/1	-	-	-	-	3/3
Louise Currie (alternate)	3/4	0/1	-	-	-	-	0/4
Executive directors							
André Nortjé	4/4	1/1	-	-	-	3/3	3/4
Sameera Dada	4/4	1/1	-	-	-	-	3/4

¹ Resigned from Board, effective 31 March 2025 and reappointed on 3 December 2025

² Appointed to Board, effective from 1 April 2025 and resigned effective 3 December 2025

³ Resigned from Board, effective from 10 March 2025

⁴ Appointed to Board, effective from 10 March 2025 and resigned effective 31 December 2025

⁵ Appointed as member of the REMNUMSEC, effective from 2 June 2025

OUR GOVERNANCE Continued

Board focus areas for 2025

The Board considers matters quarterly, according to the combined annual workplan, which includes the CEO’s quarterly report and committee feedback. Throughout the reporting period, the Board monitored performance in line with the strategic imperatives and the execution and implementation of the approved strategic growth and innovation initiatives. The Board is satisfied it has fulfilled its responsibilities for 2025 under the Board Charter.

Q1	Q2	Q3	Q4
- FY24 Annual Financial Statements - Capitalisation Policy - Going concern assessment and dividend proposal - Board annual declaration of interest - Board and committee evaluation reports 2024 King IV™ Assessment and Application Register 2024 Integrated Annual Report 2024 Sustainability Report - Reappointment of independent non-executive directors, Board chairperson, lead independent director, external auditor and audit partner 2024 Regulatory and Supervisory Report 2024 Corporate Performance and the 2025 Corporate Scorecard - Total variable remuneration pool - CEO performance and remuneration 2024 Remuneration and Implementation Report - Remuneration Policy - Board 2024 Statement of Satisfaction - Composition of committees - Notice of Annual General Meeting - Board Delegation of Authority 2025 Combined Annual Workplan	- Strategy, execution and performance update - Feedback from service capability owners - Local CIS update - Financial resilience review - Technology and Information Governance Framework - Technology landscape and roadmap	- Strategy, execution and performance update - Prudential Authority’s “flavour-of-the-year” Third-party risk management, including strategic partnerships - Cyber Risk Management Policy - Operational Resilience Policy - Performance Policy - Remuneration Policy - Malus and Clawback Policy - Corporate Citizenship Narrative - Code of Conduct - Group Employment Equity Plan - Director Remuneration Guide	- Strategy, execution and performance update - Competition Law advice: exchange of information between CSDs - FY26 budget - Annual salary increases including INED fee increases - Strate Rule 9 fees - CSD-to-CSD Links: Global Securities Access research mandate - Risk Management Policy - Risk tolerance and appetite - Principles for Financial Market Infrastructures Self-Assessment Review and Disclosure Framework - Audit and Risk Committee Terms of Reference - Regulatory and Supervisory Committee Terms of Reference - Ecosystem Resilience and Participant Failure Committee Terms of Reference - Remunerations, Nominations and Social & Ethics Committee Terms of Reference - Board Charter - Strate 2026 Combined Annual Workplan - Review of the company secretary’s performance

Board committees

Each Board committee has approved Terms of Reference, which are reviewed annually. The review considers developments in corporate law, current and emerging governance best practice and the contexts within which the Group operates. The Board is satisfied that the committees have fulfilled their responsibilities under their Terms of Reference for the reporting period.

ACTIONS FOR 2026

- Ongoing consideration of Strate’s business, operational and financial performance
- Oversee the execution of identified growth and innovation initiatives
- Monitor Strate’s internal and external risks and opportunities
- Ensure the requirements of the Board Charter continue to be fulfilled
- Monitor external factors that impact Strate and its ecosystem, including related actions
- Oversee the regulatory, supervisory and enforcement capabilities in terms of the FMA and the Strate Rules
- Establish and entrench frameworks for stakeholder conflicts of interest and competition management
- Review the Memorandum of Incorporation to ensure it is fit for purpose, given Strate and the ecosystem’s evolution

BOARD COMMITTEES' REPORTS

AUDIT AND RISK COMMITTEE



Chairperson: Louisa Stephens

The Committee comprised four independent non-executive directors. As a collective and having regard for Strate's size and circumstances, the Committee is deemed to be adequately skilled. All members possess the appropriate financial literacy, skills, related qualifications, expertise and experience required to discharge their responsibilities.

Six meetings were held during the reporting period, with 100% attendance.

Helena Conradie
Independent

Mathukana Mokoka
Independent

Kabelo Makwane
Independent

Mandate

- **Internal and external assurance:** ensures the effectiveness of Strate's assurance functions and services, with particular focus on integrated assurance arrangements, including external assurance service providers, internal audit, the finance function, the integrity of the Annual Financial Statements and other external reports
- **Risk and compliance:** supports the Board in the governance and oversight of enterprise risk and compliance management in all areas of Strate's operations to ensure the outcomes recommended by King IV™
- **Technology and information governance:** supports the Board in setting the appropriate strategy, approving the relevant plans and policies, and having adequate oversight of the management of technology and information, as part of Strate's ongoing activities
- **Finance:** provides financial analysis, advice and oversight of the budget, revenue, expenditure and capital to ensure that Strate is operating with the necessary financial resources and in line with its financial sustainability mandate

The Committee plays an essential role in supporting the Board to provide oversight of, among others, the effectiveness of Strate's assurance functions and services, with a particular focus on integrated assurance, the effectiveness of the finance function, risk and compliance capabilities, technology governance, and external and internal audit activities. In addition, the Committee is an important element of the Board's monitoring and control system, and makes recommendations to the Board for approval on all responsibilities that the Board has delegated to it under the Delegation of Authority. It has oversight over its statutory functions delegated in terms of the Companies Act and the recommendations of King IV™.

Board members are invited to attend committee meetings, and the Board chairperson attends as an invitee. Various members of senior management are invited to meetings to provide valuable input and reports. The external and the internal auditors are standing invitees and representatives from the Financial Sector Conduct Authority and Prudential Authority are invited to attend as observers and receive meeting packs.

The Committee does not assume the functions of management, nor does it assume accountability for the functions performed by other committees. In terms of the Memorandum of Incorporation, shareholders will be requested to approve the Committee's members at the Annual General Meeting on 5 June 2026.

- Strate (Pty) Limited Annual Financial Statements for the year ended 31 December 2024
- Going concern and dividend proposal
- Capitalisation Policy
- Reappointment of external auditor and designated audit partner
- Ratification of the revised external audit plan
- 2025 Internal audit plan
- Integrated assurance plan – 3-year view
- Audit and Risk Committee 2024 statement of satisfaction
- Audit and Risk Committee Report for the 2024 Integrated Annual Report and the Annual Financial Statements
- Technology and Information Governance Framework
- 2025 external audit fee and scope
- Consideration of assurance on non-financial information contained in the Integrated Annual Report

- Risk Management Plan
- Cyber Risk Management Policy
- Operational Resilience Policy
- FY2026 budget
- Strate Rule 9 fees
- Risk Management Policy
- Risk Management Framework
- Risk taxonomy
- Risk tolerance and appetite
- Principles for Financial Market Infrastructures Self-Assessment Review and Disclosure Framework
- Audit and Risk Committee Terms of Reference
- Strate 2026 Combined Annual Workplan
- Updates to various business cases
- Various Special Purpose Reserve Fund proposals
- Strategy for the implementation of artificial intelligence practices



- Ongoing proactive monitoring of cyber resilience and artificial intelligence practices
- Ongoing monitoring of the new initiatives and their business cases
- Ongoing monitoring of new and existing risks and opportunities
- Ongoing financial sustainability reviews
- Crisis management/recovery planning
- Improve data quality and maturity
- Monitor the risk and impact of skills, experience and capacity constraints on the business and the ability to execute on Strate's growth initiatives
- Ongoing oversight of the integrated assurance plan and activities
- Oversight of the application of King V™
- Oversight of the Market Infrastructure Capital Adequacy Process
- Oversight of resilience plans and measures

The Committee is satisfied it has fulfilled its responsibilities in accordance with its Terms of Reference and has complied with its statutory and regulatory responsibilities for 2025.

AUDIT AND RISK COMMITTEE Continued

Governance functional areas

Assurance

The Board has delegated oversight of integrated assurance to the ARC. This ensures the arrangements enable an effective internal control environment, which supports the integrity of information used for internal decision-making by management, the Board and its committees. Strate has established an Integrated Assurance Forum (IAF) comprising first-line and second-line management, and internal and external audit. The IAF enables an integrated perspective of all assurance activities across the designated lines of defence for the Strate Group. During the reporting period, the Committee reviewed the IAF Terms of Reference and the Integrated Assurance Framework.

To successfully inform management about risk management, stakeholder management, technology, remuneration, governance, supervision and compliance, the ARC plans assurance activities to encompass all functional areas of the Group.

The Board is satisfied that the integrated assurance model incorporates and optimises the various assurance services and functions so that, taken as a whole, they support the organisational objectives.

Internal audit

Strate's internal audit function is fully outsourced to PricewaterhouseCoopers (PwC). In 2025, PwC was responsible for reviewing and providing assurance on the adequacy of the internal control environment, in accordance with an agreed internal audit plan and approved Internal Audit Charter. Quarterly internal audit reports were presented to the ARC.

PwC has unrestricted access to the ARC and its chairperson. To ensure that independence is maintained, PwC can also address the Committee in private sessions without management present. These sessions did occur during the reporting period.

Each year, the Committee examines and assesses the independence, efficacy, performance and expertise of the internal audit function. PwC must provide Strate with evidence of its quality assurance reviews for the internal audit services it renders.

The International Standards for the Professional Practice of Internal Auditing (ISPPA) Standard 1312 recommends an external review every five years. PwC underwent the most recent review in 2022 and received the highest rating possible under the Institute of Internal Auditors Quality Assurance Review rating system, "Generally Conforms". The individual internal audit team members belong to various institutes. Through the IAF, we confirm that their membership is in good standing for the period in which they served Strate.

The Committee's assessment of PwC highlighted no concerns. In line with Strate's integrated assurance plan moving to a three-year focus, the ARC reappointed PwC as Strate's internal auditors for a three-year cycle, beginning in 2025.

Risk management

The Board is ultimately responsible for risk governance. According to the Risk Management Framework, regular evaluations of each risk category's posture and performance in relation

to predetermined risk tolerance levels are carried out, taking into account both present and potential hazards.

The Board has assigned oversight of Strate's risk management function to the ARC, which fulfils an oversight role regarding:



Refer to page 29 for our material matters and page 35 for our risk management process.

Compliance

Strate has a decentralised approach to the governance of compliance. The Board has nominated the ARC to oversee compliance and the Compliance function for the Group. The ARC chairperson reports to the Board on Strate's compliance status, as quarterly compliance reporting forms an integral part of risk management.

Strate takes an integrated approach to monitoring adherence to regulatory requirements. Findings are reported both to management and the Board through the various governance structures. From time to time, Strate commissions internal audits to provide additional assurance.

Integrated Annual Report and Annual Financial Statements

The Committee reviewed the 2025 Integrated Annual Report and the Annual Financial Statements for the period ending 31 December 2025, taking into account potential risks and factors that could affect the integrity of the report and the financial statements.

As in previous years, the Committee agreed that the 2025 Integrated Annual Report's non-financial reporting did not require independent assurance.

The Committee recommended the Integrated Annual Report and Annual Financial Statements for the period ended 31 December 2025 to the Board for approval.

CFO and Finance function

After considering the CFO's and the Finance function's competency, the Committee is confident that Sameera Dada, the CFO, has the knowledge and experience necessary to fulfil her duties and that the Finance function's efficacy and quality, as well as the sufficiency of its resources, are appropriate.

Process, Risk Management and Compliance

After considering the competency of the Process, Risk Management and Compliance functions, the Committee is confident that division heads have the knowledge and experience necessary to fulfil their duties and that the functions' efficacy and quality, as well as the sufficiency of their resources, are appropriate.

External audit

Ernst & Young Inc. (EY) has served as Strate's external auditor since 2017. The Committee is satisfied, after careful review, that EY remains independent of both Strate and its management.

The Committee assessed both the external audit firm and the designated audit partner's suitability and found no concerns. The ARC's annual effectiveness review confirmed the external auditor delivered a high-standard audit. The external auditor provided immaterial non-audit services during the reporting period. The external auditors have unrestricted access to the ARC and its chairperson. To ensure that independence is maintained, EY can also address the Committee in private sessions without management present.

Shareholders will be asked to approve the reappointment of EY for the ensuing year and Kholofelo Sekoaila as the designated audit partner at Strate's AGM scheduled for June 2026.

Information, technology and cyber governance

The governance of information, technology and cyber has been delegated to the ARC, which is responsible for ensuring that the appropriate system security, data integrity and business continuity processes are in place.

The Technology and Information Governance Framework articulates the business value that technology and data management deliver to the organisation by providing a structured assessment of the significant investment made into technology. This includes the evaluation of cyber and data-related risks, operational expenditure and business continuity, as well as the objective monitoring and measurement of projects throughout their life cycle.

In response to the risk of increased cyber threats, Strate continually enhances its cyber resilience and readiness and has increased its focus on overall cyber awareness within the organisation. An artificial intelligence strategy was developed in 2025, which will be refined based on the organisation's need and use of the evolving technology.

In line with King IV™, the following governance components are recognised:

- Leadership: the Board's responsibility for technology and information governance
- Structures: governance at all levels in the organisation
- Framework: the management of technology and data
- Arrangement: relevant principles, policies, processes and practices
- Integration: integration of technology and data into the corporate fabric

AUDIT AND RISK COMMITTEE Continued

Going concern

The going concern assumption was reviewed by management during the year. The Committee reviewed documentation supporting management’s assumption and recommended the assessment to the Board for approval.

The Group remained sufficiently capitalised, solvent and liquid.

Effectiveness of internal controls

Strate must maintain a robust and efficient internal control environment.

After considering information and management explanations, reviewing the integrated assurance report, and discussing audit findings with the internal and external auditors, the ARC concludes that Strate’s system of internal controls is appropriate and effective.

Strate has voluntarily adopted JSE Listing Requirement 3.84(k) concerning internal financial controls. Under this requirement, the CEO and CFO signed responsibility statements contained in the company’s Annual Financial Statements for the year ended 31 December 2025, certifying that the necessary internal financial controls are in place to ensure the financial statements are presented fairly and that no known facts have been omitted or false statements have been made.

Assessment of technology and data management governance

The Head of Technology and Data Management is a permanent invitee to the ARC and presents the technology and data dashboard biannually. The technology and data dashboard highlights the following:

Adherence to policies and procedures	Service availability and description of major incidents	Health and lifespan of Strate’s core applications	Usage and lifespan of underlying infrastructure
Health assessment of third-party service providers	Disaster recovery capability and testing	Data security and governance	

Ongoing focus areas:

Maintenance and enhancement of applications	Maintenance and enhancement of the data platform	Enhance contingency processes	Strengthen overall IT and data management maturity
Strengthen cyber resilience practices	Automation of data insights and other processes	Use of artificial intelligence	

New business

The FMA, particularly s61, restricts a licensed CSD from conducting any additional business, function or service not provided for under s30 of the FMA. The Board has tasked the ARC with reviewing all new business proposals and ensuring decisions and recommendations fall within the ambit of the MOI and that the necessary engagement with the regulator has taken place. For the period under review, the Committee considered and approved updates to the following business cases and a research mandate:

- Updated Data Services business case
- Updated CIS-Unit Trust business case
- Updated CSD-to-CSD Links: Global Funds Access business case
- Updated CSD-to-CSD Links: Removals business case
- Updated Trade Repository business case
- CSD-to-CSD Links: Global Securities Access research mandate

Special Purpose Reserve Fund

All fines collected by Strate Supervision in its supervisory role are allocated to the Special Purpose Reserve Fund (SPRF), which is maintained separately from Strate’s finances. The use of these funds is dictated by the objectives of the FMA and described in more detail in Strate Rule 12.12.

The Committee considers proposals for the use of these funds, which may only be used for the benefit of the financial markets in one or more of the following ways:

- To fund or subsidise the costs of training or exams provided to the financial markets
- To fund special projects that would benefit the financial markets

Strate does not in any way benefit from the use of these funds.

The following SPRF proposals were approved in 2025:

- ISDA market training workshop concerning the implementation of Regulatory Initial Margin (Reg IM) in the OTC derivatives market
- Consulting fees for Participant Failure Managers
- Participant Failure Manual market training
- ISDA and market roundtable discussion which focused on operational and legal readiness for the implementation of Reg IM
- Regulatory and Supervisory Indaba preparations
- ICMA Repo Guide

On behalf of the Board, I would like to express my sincere gratitude to my fellow Committee members for their efforts and contribution during the year, as well as to management, the internal and external auditors, and the user community for their ongoing support.

Louisa Stephens

Audit and Risk Committee Chairperson

REMUNERATION, NOMINATIONS AND SOCIAL & ETHICS COMMITTEE

Chairperson: Keith Getz

The Committee comprises four independent non-executive directors. As a collective and having regard for Strate’s size and circumstances, the Committee is deemed to be adequately skilled. All members possess the appropriate knowledge, skills, qualifications and experience required to discharge their responsibilities.

Five meetings were held during the reporting period, with 100% attendance.



Nigel Payne
Independent

Elias Masilela
Independent

Mark Murning
Independent

Mandate

- **Remuneration:** ensures that the Strate Group adopts responsible, fair and transparent remuneration policies, structures and practices
- **Nominations:** oversees the nomination, election and appointment processes for Board members, and ensures the Board has the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively
- **Social & Ethics:** fulfils the statutory duties set out in Regulation 43 of the Companies Act
- **Compliance:** oversight and monitoring of compliance concerning regulatory matters relevant to the ambit and reach of the REMNOMSEC

The Remuneration, Nominations and Social & Ethics Committee (REMNOMSEC) plays an essential role in supporting the Board by overseeing and monitoring the Group’s remuneration, director nominations process and social and ethics agenda. The Committee recommends to the Board for approval the responsibilities delegated to it under the Delegation of Authority, as well as those required by the Companies Act and the recommendations of King IV™.

Board members are invited to attend Committee meetings. The CEO participates as a voting member only for social and ethics matters. Various members of management, such as the CFO, the head of Human Capital and the Social & Ethics officer, attend meetings by invitation to provide valuable input and reports. Representatives from the Financial Sector Conduct Authority and the Prudential Authority are invited to attend as observers, with access to meeting packs.

The Committee does not perform management functions, which remain the responsibility of the executive management team and other managers. Conversely, management does not assume accountability for the functions performed by the REMNOMSEC or other Board committees.

Shareholders will be requested to approve the Committee’s Social & Ethics Committee members at the Annual General Meeting in June 2026.

- 2024 Board and committee evaluations
 - 2024 Sustainability Report
 - 2024 Remuneration & Implementation Report
 - Board and Committee compositions
 - Oversee the implementation of the Remuneration Policy and practices
 - Corporate performance deliverables for 2025 and performance cycle review
 - Relevant policies (Performance Policy, Remuneration Policy, Malus and Clawback Policy, Corporate Citizenship Narrative, Code of Conduct, Director Remuneration Guide, Board Delegation of Authority)
 - Update on the sectoral targets and Employment Equity Plan
 - CEO and executive performance review
- CEO and executive management salaries and variable compensation pool
 - Annual salary increases for employees and INEDs
 - Oversee social and ethics activities
 - Legal and regulatory compliance, including whistleblowing reports and occupational health and safety (OHS) obligations
 - Transformation strategy and B-BBEE achievements
 - Succession planning for the CEO and executives
 - REMNOMSEC Terms of Reference
 - 2025 corporate scorecard



- Non-executive remuneration benchmarking
- Review and revise Board and committees’ succession plan
- Review formal succession plan for CEO, CFO and members of the Executive Committee
- Ongoing monitoring of Strate’s social responsibility impact
- Ongoing monitoring of fair and responsible remuneration
- Ongoing monitoring of executive and corporate performance
- Monitoring of the development of frameworks for managing stakeholder conflicts of interest and competition
- Develop and refine the necessary skills and experience within the business and Board to enable Strate’s growth initiatives
- Oversight of the application of King V™

The Committee is satisfied it has fulfilled its responsibilities in accordance with its Terms of Reference and has complied with its statutory responsibilities for 2025.

REMUNERATION, NOMINATIONS AND SOCIAL & ETHICS COMMITTEE

Continued

Governance functional areas

Remuneration

The Committee helps the Board ensure that the Group remunerates fairly, responsibly and transparently, as a responsible corporate citizen. It oversees the implementation of the Remuneration Policy and practices, and makes recommendations to the Board in line with its Terms of Reference and Delegation of Authority.

Strate’s Remuneration Policy is underpinned by a philosophy that balances outcomes-based performance rewards with protecting the company’s core business and enabling long-term business sustainability.

Refer to the Remuneration and Implementation Report for more information.

Nominations

The Board has entrusted the Committee with the responsibility of identifying potential Board and committee candidates. The Committee oversees the nomination, election, and appointment of members. The Board then presents the recommended Board, ARC and REMNOMSEC (Social & Ethics) candidates to shareholders for approval at the AGM.

The Committee is tasked with ensuring that the Board maintains an appropriate balance of expertise, skills, experience, diversity and independence to fulfil its governance duties objectively and effectively. Additionally, the Committee conducts regular evaluations of the Board’s performance.

The Committee is mandated to monitor and ensure appropriate succession planning is developed and documented for the CEO and Board members.

Refer to the Remuneration and Implementation Report for more information.

Social & Ethics

As a statutory social and ethics committee, the REMNOMSEC fulfils the duties set out in regulation 43 of the Companies Act. The Committee oversees reports on organisational ethics, responsible corporate citizenship, sustainable development and stakeholder management. The Committee monitors the development and implementation of Strate’s transformation strategy and objectives, as well as occupational health and safety matters.

The Committee assists the Board in implementing and monitoring strategies that facilitate sustainable social and economic development, and in integrating ethics and transformation across the organisation. The Committee makes recommendations on good corporate citizenship and stakeholder management to the Board as deemed appropriate.

Refer to the Sustainability Report for more information.

Compliance

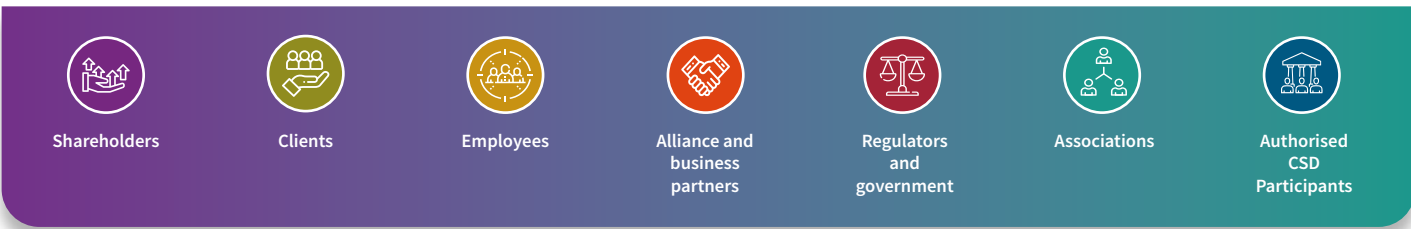
Strate’s compliance governance is decentralised. The Audit and Risk Committee, as the Board-nominated committee, oversees compliance and Strate’s compliance capability. The REMNOMSEC is responsible for oversight and governance relating to implementing regulatory requirements within the assigned regulatory universe. To this end, the Committee reviews applicable legal and regulatory requirements and monitors compliance to support and enable Strate’s commitment to ethical and good corporate citizenship practices.

Refer to the Audit and Risk Committee Report for more information.

Stakeholder relationships

The Board is dedicated to executing its duties in the best interests of the Group and in a stakeholder-inclusive manner, as set out in King IV™. The Board considers the legitimate and reasonable needs, interests and expectations of all material stakeholders in the execution of its duties. By following this approach, the Board gives parity to all sources of value creation, including social and relationship capital embodied by stakeholders, rather than prioritising only the interests of financial capital providers.

The Group has adopted a formal Stakeholder Management Policy that applies to internal and external stakeholders. The REMNOMSEC oversees the implementation of the Policy, which is supported by a Stakeholder Management Framework. The material stakeholder groups have been identified as:



The Group’s continued growth and long-term sustainability depend on our engagements with, understanding of, and response to our stakeholders’ expectations and requirements for growth.

On behalf of the Board, I would like to express my sincere gratitude to my fellow Committee members for their efforts and contributions during the year, as well as to management for their ongoing support.

Keith Getz
Remuneration, Nominations and Social & Ethics Committee Chairperson

ECOSYSTEM RESILIENCE AND PARTICIPANT FAILURE COMMITTEE

Chairperson: Nigel Payne



As per its Terms of Reference, the Committee comprised four ex officio members, namely the chairpersons of the Board, the RSC and ARC, as well as the CEO of Strate. The Committee is chaired by an independent non-executive director.

Three meetings were held during the reporting period, with 100% attendance.

Elias Masilela
Independent

Louisa Stephens
Independent

André Nortjé
Executive

Mandate

In terms of Strate Rule 16, the Committee oversees the performance of Strate’s functions when insolvency proceedings commence against a CSD Participant.

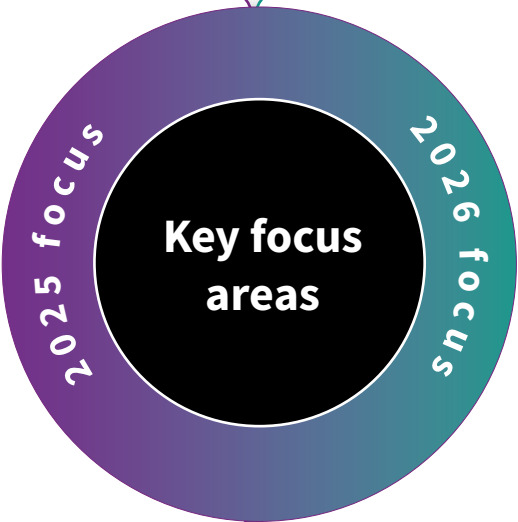
The role of the Committee is to:

- Oversee the securities services of a Participant when insolvency proceedings commence against that Participant
- Ensure the performance of securities services and incidental matters is conducted in an orderly and minimally disruptive manner, in accordance with the Act, Strate Rules, Strate Directives and other Strate procedures
- Oversee the functions relating to:
 - The enhancement, maintenance and protection of the resilience of the CSD ecosystem and the broader ecosystem as it relates to Participants, issuers and clients of Participants
 - The execution of activities that maintain or restore the resilience of the CSD ecosystem if a specific or systemic event is imminent or has occurred

The Committee does not perform the functions of management, nor does it assume accountability for the functions performed by other committees.

The Board approved the Committee’s name change and expanded mandate to include oversight of ecosystem resilience in 2024. The Committee, through management, identifies risks and emerging risks that could threaten Strate’s ecosystem’s resilience. It proactively manages and mitigates weaknesses identified through the contingency review by considering mechanisms to enhance resilience, including collaborative efforts with ecosystem stakeholders such as Participants, the FSCA, the PA, the National Payment System Department and other regulatory bodies, as appropriate. The Committee oversees activities relating to the development and execution of Strate’s Recovery Plan and Strate’s Wind-down Plan, where applicable.

- Committee report for inclusion in the 2024 Integrated Annual Report
- Committee annual workplan
- Participant Failure Manual
- Ecosystem Resilience and Participant Failure Committee Terms of Reference
- Monitoring Participant Failure Manager training
- Monitoring the development of a market-wide Participant failure simulation plan



- Monitoring of market-wide Participant failure simulation
- Ongoing monitoring of enhancement, maintenance and protection of the resilience of the CSD ecosystem and the broader ecosystem as it relates to Participants, issuers and clients of Participants
- Expand oversight to keep pace with our evolving ecosystem landscape as we enter new markets

The Committee is satisfied it has fulfilled its responsibilities in accordance with its Terms of Reference and has complied with its responsibilities for 2025.

On behalf of the Board, I would like to express my sincere gratitude to my fellow Committee members for their efforts and contribution during the year, as well as to management for their ongoing support.

Nigel Payne
Ecosystem Resilience and Participant Failure Committee Chairperson

REGULATORY AND SUPERVISORY COMMITTEE

Chairperson: Elias Masilela

The Committee comprised five independent non-executive directors. As a collective and having regard for Strate’s size and circumstances, the Committee is deemed to be adequately skilled. All members possess the appropriate knowledge, skills and experience required to discharge their responsibilities.

Ten meetings were held during the reporting period, with 98% attendance:

- Four standard meetings
- Six special purpose meetings



- Nigel Payne**
Independent
- Keith Getz**
Independent
- Helena Conradie**
Independent
- Mark Murning**
Independent

Mandate

Oversees the regulatory, supervisory, investigative and enforcement functions of Strate in terms of the Financial Markets Act (FMA) and the Strate Rules and Directives, as a self-regulatory organisation (SRO). Principal functions of the Committee include:

- Recommending to the Board the approval, suspension or termination of CSD Participants
- Recommending the issuing or amending of depository rules and approving Strate Directives
- Supervising Participants’ compliance with the FMA and Strate Rules and Directives
- Enforcing depository rules and directives
- Assisting the FSCA to enforce the FMA and manage systemic risk to the financial markets

Refer to the 2025 Regulatory and Supervisory Report for details regarding the regulatory, supervisory and enforcement activities undertaken by the Committee during the reporting period.

Members of the Board are invited to attend Committee meetings. Various members of management attend by invitation as required. Representatives from the Financial Sector Conduct Authority and the Prudential Authority are invited to attend as observers and receive meeting packs.

The following management structures support the Committee in delivering its mandate:

- Supervision
- Legal
- Risk Management
- Compliance
- Operations

- The implementation of Strate Rule 18 has materially strengthened market integrity, with observable improvements reflecting a more robust and embedded compliance culture across the market. The Committee oversaw the interactions with the broker community and regulators, where concerns were raised about the implementation process.
- Continued to review and enhance the Regulatory and Supervisory Framework to ensure it remains fit for purpose, supporting both current regulatory and supervisory capabilities and anticipated future growth.
- Reviewed matters arising from the liaison with the FSCA and other regulatory authorities on Strate’s regulatory and supervisory functions and its enforcement .
- Increased collaboration with regulators on policy matters.
- Monitored market resilience while advancing initiatives that strengthen South Africa’s position in the global financial landscape.
- Ongoing directive refresh.
- Reviewed the process of identifying risks and exposures that arise from the supervision and enforcement of Strate Rules and Directives.
- Monitored Strate Supervision’s oversight of Participants’ compliance.
- Expanded the role and mandate of the Head of Regulation and Supervision.



- Increase emphasis on core regulatory outcomes, prioritising market-wide economic impact, while streamlining engagement with co-regulators.
- Prioritise support for Strate’s strategic growth initiatives, including GFA and CIS service capabilities.
- Oversee the hosting of a Regulatory and Supervisory Indaba to enhance collaboration with the market and initiate conversations on how to evolve the regulatory regime.
- Oversee the continued investment in digital supervisory solutions, including the ongoing development and delivery of the Supervision Amalgamated System.
- Oversee the refining of a risk-based approach for market supervision and enforcement.
- Ongoing directive refresh project.
- Increase collaboration with regulators on principle-based regulation.
- Focused engagements and market education.
- Review the Committee’s mandate to identify areas for improvement.

REGULATORY AND SUPERVISORY COMMITTEE Continued

Conflict of interest

The Committee ensures that any conflicts of interest between Strate’s commercial interests and its regulatory functions under the FMA are eliminated or appropriately mitigated. It conducts ongoing assessments of potential conflicts of interest in accordance with the Regulatory and Commercial Conflict of Interest Management Policy.

Participants

- We continue to strengthen our relationships with our Participants
- Strate Supervision has concluded Participant on-site reviews. The reviews focused on the effectiveness of compliance monitoring, compliance risk management, adequate management of corporate actions, internal controls, processes to trace untraceable clients, management of higher-than-normal trading volumes and the effectiveness of the Strate compliance officer function. Several special purpose committee meetings were held to consider disciplinary measures concerning breaches of Strate Rules and Directives

Nominees

- Conducted FSCA nominee reviews to assess compliance. The reviews aimed to obtain assurance regarding the nominees’ ability to provide accurate, complete and validated beneficial interest input files in line with Strate Directives SA.7 and SA.8
- Allan Gray Nominees (RF) Ltd was approved and recognised as a FSCA nominee. No nominee terminations were noted for the year under review

Strate Directives

The following Directives were amended or introduced in 2025:

- Directive SA.10 – Risk Management
- Directive SC.2 – Operational Market Windows – Off-Market - Equities
- Directive SH.3 – Operational Market Windows for Open Market – Equities – CTSE
- Directive SL.3 – Operational Market Windows and Distributions Processing – GFA
- Directive SE.3 – Operational Market Windows – Money Market Securities
- Directive SE.4 – Trade Reporting, Commitment and Settlement – Money Market Securities
- Directive SE.5 – Processing of Capital Events – Money Market Securities
- Directive SF.9 – Fines schedule – Beneficial Interest Register (BIR)
- Directive SA.9 – Accounts administration
- Directive SB.1 – Procedure for Dematerialisation and Re-materialisation of Securities
- Directive SL.1 – Operational Market Windows and Distributions Processing – Collective Investment Schemes (CNAV)
- Directive SL.2 – Operational Market Windows and Distributions Processing – Collective Investment Schemes (VNAV)
- Directive SB.2 – Procedures for Dematerialisation and Re-materialisation of Bond Securities – Withdrawal
- Directive SB.3 – Registers and Central Securities Accounts Administration – Bond and MM Securities – Withdrawal
- Directive SA.2 – Requirements for Financial Soundness
- Directive SZ.1 – Interpretation and Definitions

Strate Supervision Risk Tiering Model

The Strate Supervision Risk Tiering Model (SRTM) was developed to embed a risk-based approach to regulation by measuring risk using defined parameters. It categorises regulated entities into tiers, which helps establish a risk-weighted approach to managing the risks they may pose to the ecosystem.

Using the SRTM enables Strate Supervision to make robust and timely risk assessments of regulated entities and to develop appropriate supervision strategies and plans to address risk.

Beneficial Interest Register disclosures

As part of a broader initiative to strengthen the accuracy and reliability of market registers, Strate implemented system enhancements to introduce mandatory BIR requirements. The market invested significant effort in implementing Strate Rule 18 and Directive SA.8, resulting in meaningful improvements in beneficial interest reporting and overall market transparency. The implementation process was initially met with resistance. However, we have made progress, reflecting growing market alignment and operational maturity. This progress has been underpinned by ongoing and constructive engagement with regulated entities and co-regulators, including the FSCA, the PA and the JSE, aimed at positively influencing market behaviour.

The Committee continued to deliver on its mandate to maintain an efficient, robust and resilient financial market infrastructure, in terms of the FMA. It worked with stakeholders across South Africa’s financial markets to collaboratively strengthen the financial market ecosystem and improve efficiencies in ways that ultimately benefit end investors.

The Committee will continue to operate within its Terms of Reference and ensure its meetings address all matters reserved for its consideration.

On behalf of the Board, I would like to express my sincere gratitude to my fellow Committee members for their efforts and contribution during the year, as well as to management for their ongoing support. More importantly, I thank the industry for embracing the underlying need for stability.

Elias Masilela

Regulatory and Supervisory Committee Chairperson

08 OUR STRATEGIC OUTLOOK

2025 was a year of disciplined execution, operational resilience and collaborative progress. Under the theme “Protecting our core while creating for the future”, we focused on strengthening our foundation, embedding our core capabilities and delivering on our strategic imperatives. This approach reinforced our purpose of serving the financial markets and created long-term, sustainable value for all stakeholders.

We are entering a new chapter: Strate 2.0.

Strate 2.0 represents a strategic evolution: a shift from building capabilities to embedding, scaling and unlocking their full value. Strate 1.0 focused on establishing the infrastructure and service capabilities required to support a modern financial market. Strate 2.0 is about accelerating adoption, deepening integration and working with the market to realise the full benefits of what we have built.

Our 2026 theme, “Accelerating impact. Expanding possibility”, captures this momentum. It reflects our ambition to scale innovation, deepen stakeholder value and extend our role as a trusted enabler of a more connected, transparent and resilient financial ecosystem.

This next phase is underpinned by our internal enablement platforms, which are the critical capabilities that support the delivery of our market-facing services. These include data and technology, client engagement, regulatory and supervisory oversight, risk management, talent and training, financial sustainability, product and service development, governance, and infrastructure such as CSD-to-CSD Links, integration and the Trade Repository. These platforms are not always visible to the market, but they are essential to ensuring that our services are secure, scalable and future-ready.

Importantly, Strate 2.0 is about enabling transformation across the ecosystem, not just within Strate. At its core, the financial market is defined by issuers (who seek to raise capital) and investors (who deploy capital), and our role as an intermediary is to bring these groups together with trust and efficiency. As our solutions are adopted and scaled, they are enhancing how market participants operate, engage and grow. From digitised shareholder engagement to automated collateral management and global fund access, our platforms are helping stakeholders modernise their business and operating models, reduce risk, improve efficiency and unlock new sources of value. In doing so, Strate is contributing to a more agile, inclusive and competitive financial market ecosystem.

To broaden the base of issuers and investors participating in our markets, we will continue to focus on key levers: stimulating public market listings, enabling new private issuances, supporting the introduction of new security types, expanding access to foreign markets, and leveraging integration and data to unlock new value. These levers, combined with our strategic partnerships and regulatory alignment, position Strate to play a catalytic role in market development.

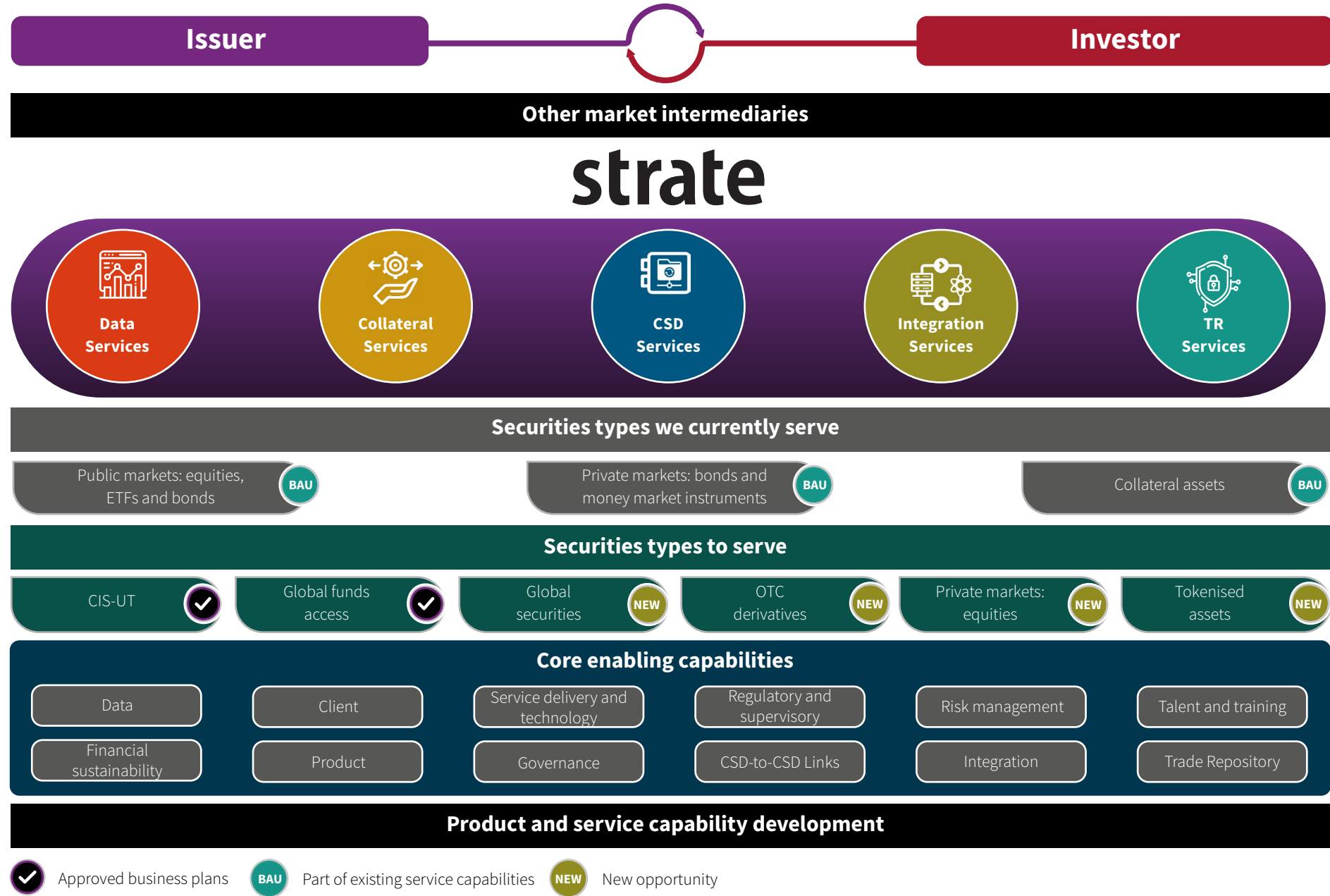
Long-term value creation requires future-focus, responsive strategic planning and careful consideration of resources. We believe that Strate’s strategy positions us to create long-term value. We translate our vision into action by making our purpose of serving the financial markets, the foundation of our strategy and the guiding principle behind everything we do.

Our strategy is built on three pillars:

Robust	Agile	Forward-looking
We continually test our strategy against future scenarios and emerging risks.	Our strategic pathways are flexible, allowing us to adapt to change and learn as we go.	We remain attuned to global trends and market shifts to ensure our strategy stays relevant and future-ready.

We are committed to partnering with our stakeholders to co-create compelling, collective value propositions aligned with the objectives of the Financial Markets Act – delivering outcomes such as efficiency, fairness, transparency, investor protection and systemic stability wherever issuers and investors interact, whether on public exchanges or in private markets. By staying committed to these outcomes and our purpose, we will unlock new opportunities, scale adoption and deliver measurable impact.

The graphic below outlines our opportunity set and the core capabilities that position Strate to realise the full potential of Strate 2.0:



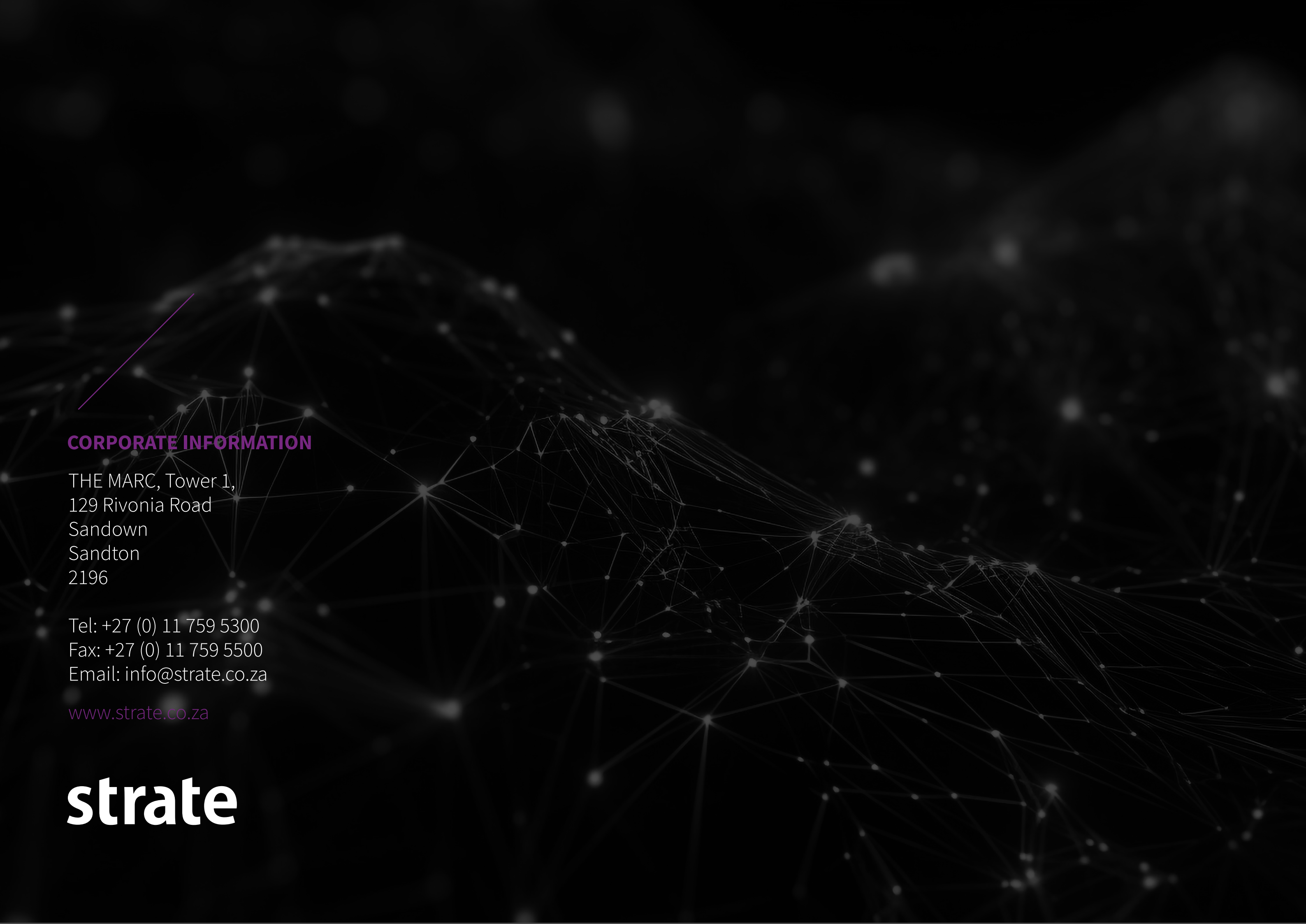
09 ACRONYMS AND DEFINITIONS

A2X	A2X Markets
ACSDA	Americas' Central Securities Depositories Association
AGM	Annual General Meeting
AGOA	African Growth and Opportunity Act
AI	Artificial Intelligence
AMEDA	Africa and Middle East Depositories Association
ARC	Audit and Risk Committee
BIR	Beneficial Interest Register
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
CIS-UT	collective investment scheme-unit trust
CNAV	constant net asset value
CPMI – IOSCO	Committee on Payments and Market Infrastructures and the International Organisation of Securities Commissions
CRISA	Code for Responsible Investing in South Africa
CSD	Central Securities Depository
CSTE	Cape Town Stock Exchange
DC	Financial market infrastructure design and create
DS	Financial market infrastructure digital adoption and scale
DvP	Delivery-versus-Payment
EE	employment equity
ERM	enterprise-wide risk management

ERPFC	Ecosystem Resilience and Participant Failure Committee
ESEG	environmental, social, economic and governance
ET	High-quality engaged talent
ETF	exchange traded fund
EY	Ernst & Young Inc.
FATF	Financial Action Task Force
FMA	Financial Markets Act
FMI	financial market infrastructure
FSCA	Financial Sector Conduct Authority
GC	General Collateral
GFA	Global Funds Access
IAF	Integrated Assurance Forum
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
ISDA	International Swaps and Derivatives Association
ISO	International Organisation for Standardisation
ISPPIA	International Standards for the Professional Practice of Internal Auditing
ISSA	International Securities Services Association
JSE	Johannesburg Stock Exchange
King IV™	King IV Report on Corporate Governance for South Africa, 2016
KRI	key risk indicator

LEI	Legal Entity Identifier
MOI	Memorandum of Incorporation
NPAT	net profit after tax
NPS	National Payment System
ODPs	OTC Derivative Providers
OE	Operational excellence
OTC	over-the-counter
OHS	Occupational Health and Safety
PA	Prudential Authority
Participant	CSD Participant
POC	Proof of Capability
PFMIs	Principles for Financial Market Infrastructures
PwC	PricewaterhouseCoopers
Reg IM	Regulatory Initial Margin
REMNUMSEC	Remuneration, Nominations and Social & Ethics Committee
ROU	right-of-use asset
RSC	Regulatory and Supervisory Committee
SARB	South African Reserve Bank
SCCL	Standing Committee on Company Law
SDGs	Sustainable Development Goals
SF	stakeholder focus
SIT	System Integration Testing

SPRF	Special Purpose Reserve Fund
SARB	South African Reserve Bank
SCCL	Standing Committee on Company Law
SDGs	Sustainable Development Goals
SF	stakeholder focus
SIT	System Integration Testing
SPRF	Special Purpose Reserve Fund
SRO	self-regulatory organisation
SRTM	Strate Supervision Risk Tiering Model
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TCS	Tata Consultancy Services
The Code	Code of Conduct
TR	Trade Repository
TRR	Technical Reporting Requirements
TCM POC	Triparty Collateral Management Proof of Capability
TRWG	Trade Repository Working Group
VNAV	Variable Net Asset Value
WACC	weighted average cost of capital
WFC	World Forum of CSDs
ZARONIA	South African Rand Overnight Index Average



CORPORATE INFORMATION

THE MARC, Tower 1,
129 Rivonia Road
Sandown
Sandton
2196

Tel: +27 (0) 11 759 5300
Fax: +27 (0) 11 759 5500
Email: info@strate.co.za

www.strate.co.za

strate