



**NOTICE OF AGM AND PROXY FORM**

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*This notice of annual general meeting is being distributed to all shareholders, together with the JSE's integrated annual report for the year ended 31 December 2015. This notice forms part of and should be read in conjunction with the integrated annual report, and references in this notice to "the report" or "this report" constitute references to the integrated annual report.*

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## **JSE Limited**

(Incorporated in the Republic of South Africa)

(Registration number 2005/022939/06)

Share code: JSE ISIN: ZAE000079711

("JSE" or "the Company")

NOTICE IS HEREBY GIVEN that the eleventh annual general meeting (AGM) of shareholders of the JSE will be held at **15:30 on Thursday, 26 May 2016**, at the registered office of the Company, One Exchange Square, 2 Gwen Lane, Sandown, to consider and, if deemed fit, to pass the resolutions, with or without modifications, as set out in this AGM notice. This AGM notice includes the attached proxy form.

Included in this document are the following:

- The resolutions to be proposed at the meeting, together with explanatory notes, where appropriate;
- Guidance notes if you wish to attend the meeting or to vote by proxy; and
- A proxy form for completion, signature and submission, should you prefer this method of voting.

### **PURPOSE OF THE MEETING**

The purpose of the meeting is to:

- present the audited annual financial statements of the Company and its subsidiaries (the Group) for the year ended 31 December 2015, the report of the directors and the auditor's report thereon;
- elect directors of the Company;
- present the Audit Committee report;
- approve and re-appoint KPMG Inc. as the external auditors of the Company for the ensuing financial year or until the next AGM, whichever is the later;
- appoint the Audit Committee of the Company;
- consider any matters raised by shareholders; and
- consider and, if deemed fit, to pass, with or without modification, the resolutions set out below.

### **MAJORITY REQUIRED FOR THE ADOPTION OF RESOLUTIONS**

Unless otherwise indicated, in order for the Ordinary Resolutions to be adopted, the support of a simple majority (that is, 50% + 1) of the total number of voting rights exercised on the resolutions is required. In order for the Special Resolutions to be adopted, the support of at least 75% of the total number of voting rights exercised on the resolutions is required. Votes recorded as abstentions are not taken into account for the purposes of determining the final percentage of votes cast in favour of the resolutions. This is in line with the Companies Act 71 of 2008, as amended (Companies Act).

### **RECORD DATE TO RECEIVE AGM NOTICE TOGETHER WITH INTEGRATED REPORT**

The record date to determine which shareholders would receive the AGM notice together with the integrated annual report was **Friday, 4 March 2016**.

### **RECORD DATE TO ATTEND AND VOTE**

The date on which an individual must be registered as a shareholder in the Company's securities register for the purposes of being entitled to attend and vote at the meeting is **Friday, 20 May 2016** (the record date). The last day to trade to be entitled to attend and vote at the meeting is therefore **Friday, 13 May 2016**. Only persons physically present at the meeting or represented by a valid proxy will be entitled to cast a vote on any matter put to a vote of shareholders.

### VOTING PROCESS BY REGISTERED SHAREHOLDERS

If you are a registered shareholder (a shareholder who has not dematerialised your shares or who has dematerialised your shares with own name registration) as at the record date, **20 May 2016**, you may attend the meeting in person. Alternatively, you may appoint a proxy, or two or more proxies, (who need not be shareholders of the Company) to attend, participate in and vote in your place at the meeting. Any appointment of a proxy may be effected by using the attached proxy form. In order for the proxy to be effective and valid, it must be completed and delivered in accordance with the instructions contained in the attached proxy form.

### VOTING PROCESS BY BENEFICIAL SHAREHOLDERS

If you are a beneficial shareholder, but not a registered shareholder, as at the record date **20 May 2016**:

- and wish to attend the meeting, you must obtain the necessary letter of representation to represent the registered shareholder of your shares from your central securities depository participant (CSDP) or broker;
- and do not wish to attend the meeting, but would like your vote to be exercised at the meeting, you must contact the registered shareholder of your shares through your CSDP or broker and furnish them with your voting instructions;
- you must not complete the attached proxy form.

### PROXY FORMS

Proxy forms must be lodged with the Company's transfer secretaries, Computershare Investor Services (Pty) Limited at 70 Marshall Street, Johannesburg, or posted to PO Box 61051, Marshalltown, 2107, to reach them by no later than **15:30 on Tuesday, 24 May 2016**. Any forms of proxy not received by this time must be handed to the chairperson of the meeting immediately prior to the meeting. Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity must be attached to the form of proxy unless previously recorded by the transfer secretaries or waived by the chairman of the meeting.

### PARTICIPATION BY WAY OF TELECONFERENCE

Shareholders or their proxies may participate in the meeting by way of a teleconference call and, if they wish to do so:

- must contact the JSE's Investor Relations team: [ir@jse.co.za](mailto:ir@jse.co.za) or +27 (0)11 520 7000 by **no later than 15:30 on Tuesday, 24 May 2016**;
- will be required to provide reasonably satisfactory identification (such as valid passport or South African identity document or driver's licence); and
- will be billed separately by their own telephone service providers for their telephone call to participate in the meeting.

Please note that shareholders or their proxies will not be entitled to exercise voting rights at the meeting by way of teleconference call; a shareholder or proxy has to be physically present at the meeting in order to vote.

### GENERAL

Voting on all resolutions will take place by polling. Every shareholder of the Company present in person or represented by proxy shall have one vote for every share in the Company held by such shareholder.

All attendees and participants at the meeting will be required to provide reasonably satisfactory identification to the chairman of the meeting, and the chairman of the meeting must be reasonably satisfied that the right of that person to participate and/or vote, either as shareholder or as proxy for a shareholder, has been verified. This process may be facilitated by the transfer secretaries, Computershare Investor Services (Pty) Limited.

## Summary of resolutions being proposed at this AGM

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## Ordinary Resolutions

### Ordinary Resolution 1: Adoption of audited consolidated annual financial statements

“Resolved that the Group audited annual financial statements for the year ended 31 December 2015, the report of the directors and the auditors hereon, and the Group Audit Committee report for the year so ended, be and are hereby received and adopted.”

### Ordinary Resolution 2.1

“Resolved that Dr SP Kana be and is hereby elected as a director of the Company with immediate effect.”

#### REASON FOR AND EFFECT

Dr SP Kana was appointed as a director of the Company by the Board, subsequent to last year’s AGM. In accordance with the provisions of the Company’s memorandum of incorporation, Dr Kana is obliged to retire at this AGM.

The directors of the Company have reviewed the composition of the Board and the Board has recommended the election of Dr SP Kana. A brief curriculum vitae for Dr SP Kana is included after these resolutions.

### Ordinary Resolution 2.2

“Resolved that Mr DM Lawrence be and is hereby re-elected as a director of the Company with immediate effect.”

### Ordinary Resolution 2.3

“Resolved that Mr AM Mazwai be and is hereby re-elected as a director of the Company with immediate effect.”

### Ordinary Resolution 2.4

“Resolved that Mr AD Botha be and is hereby re-elected as a director of the Company with immediate effect.”

#### REASON FOR AND EFFECT

Messrs DM Lawrence, AM Mazwai and AD Botha are obliged to retire by rotation at this AGM in accordance with the provisions of the Company’s memorandum of incorporation. Having so retired, Messrs DM Lawrence, AM Mazwai and AD Botha are eligible for re-election as directors.

The directors of the Company have reviewed the composition of the Board and the Board has recommended the re-election of the directors listed in these resolutions. Brief curricula vitae of the directors standing for re-election are included after these resolutions.

Brief curricula vitae for the above directors follow:

2.1	<b>Dr SP Kana (Age 61)</b>	<b>Board assessment and classification:</b> Independent non-executive director
	<b>Appointed:</b> 1 July 2015	<b>Shareholding:</b>
	<b>Number of years in service as director:</b> 9 months	<ul style="list-style-type: none"> <li>None</li> </ul>
	<b>Qualifications:</b> CA(SA); MCom; PhD (Honorary)	<b>Board meetings attended in 2015:</b> 100% ( 2/2 meetings)
	<b>Experience:</b> <ul style="list-style-type: none"> <li>Suresh has contributed significantly to thought leadership in the fields of accounting, auditing and corporate governance and corporate social responsibility. He has been at the forefront of the development of corporate governance best practice, being a member of the King Committee on Corporate Governance in South Africa, and commenting on the draft Companies Act now enacted into law.</li> <li>He has vast experience in contributing to matters that affect the auditing and accounting profession and acting in the public interest.</li> <li>Suresh retired as CEO and territory senior partner of PwC Africa in 2015.</li> <li>He currently serves as an independent non-executive director on the boards of Murray &amp; Roberts Holdings Ltd and Illovo Sugar Ltd and is the chairman of Imperial Group Ltd.</li> </ul>	<b>Committee membership:</b> <ul style="list-style-type: none"> <li>Member of Audit Committee (100% attendance: 2/2 meetings)</li> <li>Invited to attend Risk Committee meetings (100% attendance: 2/2 meetings)</li> <li>Invited to attend SRO Oversight meetings (100% attendance: 2/2 meetings)</li> </ul>
2.2	<b>Mr DM Lawrence (Age 64)</b>	<b>Board assessment and classification:</b> Non-executive director
	<b>Appointed:</b> 25 April 2008	<b>Shareholding:</b>
	<b>Number of years in service as director:</b> 7 years, 11 months	<ul style="list-style-type: none"> <li>3 000 JSE Ltd shares (direct beneficial holding)</li> <li>0.003% of total issued share capital</li> </ul>
	<b>Qualifications:</b> BA; MCom	<b>Board meetings attended in 2015:</b> 75% (3/4 meetings)
	<b>Experience:</b> <ul style="list-style-type: none"> <li>David joined Investec in 1996 as managing director, Corporate and Investment Banking and is currently the deputy chairman of Investec Bank Ltd.</li> <li>David is also currently the chairman of Investec Bank (Mauritius) Ltd and of Paycorp Group (Pty) Ltd.</li> </ul>	<b>Committee membership:</b> <ul style="list-style-type: none"> <li>Member of Nominations Committee (100% attendance: 1/1 meetings)</li> <li>Member of HRSE Committee (100% attendance: 5/5 meetings)</li> <li>Member of Risk Committee (100% attendance: 3/3 meetings)</li> </ul>

2.3	<b>Mr AM Mazwai (Age 44)</b>	<b>Board assessment and classification:</b> Independent non-executive director
	<b>Appointed:</b> 1 July 2005	<b>Shareholding:</b>
	<b>Number of years in service as director:</b> 10 years, 9 months	<ul style="list-style-type: none"> <li>5 000 JSE Ltd shares (direct beneficial holding)</li> <li>0.006% of total issued share capital</li> </ul>
	<b>Qualifications:</b> BCom (Hons), Stockbroker	<b>Board meetings attended in 2015:</b> 100% (4/4 meetings)
	<b>Experience:</b>	<b>Committee membership:</b>
	<ul style="list-style-type: none"> <li>Andile began his stockbroking career with Barnard Jacobs Mellet Securities as an equity sales trader then founded Mazwai Securities in 2001, a stockbroking member of the JSE.</li> <li>BJM Securities bought out Mazwai Securities and Andile was appointed joint CEO of the merged entity</li> <li>Andile is currently the chief executive of the National Stokvel Association of South Africa (NASASA).</li> </ul>	<ul style="list-style-type: none"> <li>Chairman of SRO Oversight Committee (100% attendance: 3/3 meetings)</li> <li>Chairman Investment of Funds Committee (100% attendance: 3/3 meetings)</li> <li>Member of HRSE Committee (80% attendance: 4/5 meetings)</li> <li>Member of Risk Committee (100% attendance: 3/3 meetings)</li> </ul>
2.4	<b>Mr AD Botha (Age 62)</b>	<b>Board assessment and classification:</b> Independent non-executive director
	<b>Appointed:</b> 1 July 2005	<b>Shareholding:</b>
	<b>Number of years in service as director:</b> 10 years, 9 months	<ul style="list-style-type: none"> <li>72 960 JSE Ltd shares (indirect beneficial holding)</li> <li>All 72 960 shares are held by the director's associate, in which the director has the ability to influence and control 50% of the voting rights</li> <li>0.08% of total issued share capital</li> </ul>
	<b>Qualifications:</b> BCom (Hons); BProc; Stanford Executive Programme	<b>Board meetings attended in 2015:</b> 100% (4/4 meetings)
	<b>Experience:</b>	<b>Committee membership:</b>
	<ul style="list-style-type: none"> <li>Throughout his career, Anton has served as non-executive director on the boards of various mining, industrial and financial companies in South Africa, Europe and the United States of America.</li> <li>He also served on the Boards of Business Unity SA and The Investment Analysts Society SA. He is a director and co-owner of Imalivest (Pty) Ltd.</li> <li>Anton currently holds non-executive director roles at Sanlam Ltd and African Rainbow Minerals Ltd. He is the chairman of Vukile Property Fund Ltd.</li> <li>He is also a member of the Council of the University of Pretoria.</li> </ul>	<ul style="list-style-type: none"> <li>Chairman of HRSE Committee (100% attendance: 5/5 meetings)</li> <li>Member of Audit Committee (100% attendance: 3/3 meetings)</li> <li>Member of Nominations Committee (100% attendance: 2/2 meetings)</li> </ul>

### Ordinary Resolution 3: Re-appointment of external auditors:

“Resolved that KPMG Inc. be re-appointed as the independent registered auditors of the Group for the ensuing financial year or until the next AGM, whichever is the later and that the auditors’ remuneration be left to the discretion of the Board.”

#### REASON FOR AND EFFECT

- Tracy Middlemiss, the current individual designated registered auditor, who was appointed at the 2011 AGM, will have served the maximum tenure allowed in terms of section 92 of the Companies Act at the completion of the audit of the 2015 financial year.
- The Audit Committee has recommended that KPMG Inc. be reappointed as the auditor of the Group with Joelene Pierce as the individual designated registered auditor, who will undertake the audit of the Group for the ensuing financial year or until the next AGM, whichever is the later.
- The Audit Committee also confirmed that KPMG Inc. is independent of the Company as required by section 90 of the Companies Act. The Board agreed with the Audit Committee’s assessment.
- The Audit Committee has adopted a formal policy on audit firm rotation. In terms of this policy the Audit Committee will put the JSE external audit account to tender during 2016.

### Audit Committee members:

#### Ordinary Resolution 4.1

“Resolved that Mr NG Payne be and is hereby re-elected as a member and as chairman of the Audit Committee with immediate effect.”

#### Ordinary Resolution 4.2

“Resolved that Mr AD Botha be and is hereby re-elected as a member of the Audit Committee with immediate effect, subject to the passing of ordinary resolution 2.4.”

#### Ordinary Resolution 4.3

“Resolved that Ms NP Mnxasana be and is hereby re-elected as a member of the Audit Committee with immediate effect.”

#### Ordinary Resolution 4.4

“Resolved that Dr SP Kana be and is hereby re-elected as a member of the Audit Committee with immediate effect, subject to the passing of ordinary resolution 2.1”

#### Ordinary Resolution 4.5

“Resolved that Mr AM Mazwai be and is hereby elected as a member of the Audit Committee with immediate effect, subject to the passing of ordinary resolution 2.3.”

#### REASON FOR AND EFFECT

- The Audit Committee acting as a collective should be adequately skilled to perform its role having regard to the size and circumstances of the Company.
- Individual members of the Committee therefore ought to possess appropriate qualifications, skills and experience in order to discharge their responsibilities.
- However, it is not expected that each member should possess all the required qualifications, skills and experience.
- The collective skill set includes an understanding of financial and sustainable reporting practices, internal audit controls, external audit processes, corporate law, risk management, IT governance as it relates to integrated reporting and the governance processes of the Company.
- The Board is satisfied that the proposed members meet the provisions of the Companies Act and that they are independent and therefore recommends their appointment.
- To elect, by way of separate resolutions, the above independent non-executive directors, as members of the Audit Committee of the Group for the ensuing financial year.

Brief curricula vitae for the above directors follow:

4.1	<b>Mr NG Payne (Age 56)</b>	<b>Board assessment and classification:</b> Independent non-executive director
	<b>Number of years in service as audit committee member:</b> 6 years, 5 months	<b>Shareholding:</b> <ul style="list-style-type: none"> <li>None</li> </ul>
	<b>Qualifications:</b> <i>BCom (Hons), MBL, HDip Acc, CA(SA), Certified Internal Auditor</i>	<ul style="list-style-type: none"> <li>Audit Committee meeting attendance: 100% (3/3 meetings)</li> </ul>
	<b>Audit experience:</b> <ul style="list-style-type: none"> <li>Nigel is currently a member of the JSE Audit committee.</li> <li>Nigel has extensive experience in auditing, corporate governance and risk. He is a former member of the King Committee on Corporate Governance, the Institute of Internal Auditors, the Institute of Chartered Accountants, the Institute of Directors and the Institute of Directors Council.</li> <li>Nigel has also served as a partner at KPMG and as head of Internal Audit at Transnet.</li> </ul>	
4.2	<b>Mr AD Botha (Age 62)</b>	<b>Board assessment and classification:</b> Independent non-executive director
	<b>Number of years in service as audit committee member:</b> 10 years, 9 months	<b>Shareholding:</b> <ul style="list-style-type: none"> <li>72 960 JSE Ltd shares (indirect beneficial holding)</li> <li>All 72 960 shares are held by the director's associate, in which the director has the ability to influence and control 50% of the voting rights</li> <li>0.08% of total issued share capital</li> </ul>
	<b>Qualifications:</b> <i>BCom (Hons); BProc; Stanford Executive Programme</i>	<ul style="list-style-type: none"> <li>Audit Committee meeting attendance: 100% (3/3 meetings)</li> </ul>
	<b>Audit experience:</b> <ul style="list-style-type: none"> <li>Anton is currently a member of the JSE Audit committee.</li> </ul>	
4.3	<b>Ms NP Mnxasana (Age 59)</b>	<b>Board assessment and classification:</b> Independent non-executive director
	<b>Number of years in service as audit committee member:</b> 3 years, 4 months	<b>Shareholding:</b> <ul style="list-style-type: none"> <li>None</li> </ul>
	<b>Qualifications:</b> <i>CA(SA)</i>	<ul style="list-style-type: none"> <li>Audit Committee meeting attendance: 67% (2/3 meetings)</li> </ul>
	<b>Audit experience:</b> <ul style="list-style-type: none"> <li>Nomavuso is currently a member of the JSE Audit committee.</li> <li>Nomavuso served as Group Audit and Risk Head at Imperial Holdings Ltd (Imperial Group). She was also a partner on the Transnet audit.</li> <li>Nomavuso was a senior partner and a member of the executive committee of Sizwe Ntsaluba VSP. During her tenure at Sizwe Ntsaluba she specialised in consulting, internal auditing and the attest functions.</li> </ul>	

4.4	<b>Dr SP Kana (Age 61)</b>	<b>Board assessment and classification:</b> Independent non-executive director
	<b>Number of years in service as audit committee member:</b> 9 months	<b>Shareholding:</b> • None
	<b>Qualifications:</b> CA(SA) ; MCom; PhD (Honorary)	• Audit Committee meeting attendance: 100% (2/2 meetings)
	<b>Audit experience:</b> • Suresh has retired as CEO and territory senior partner of PwC Africa. He has wide experience in contributing to matters that affect the auditing and accounting profession and acting in the public interest.	
4.5	<b>Mr AM Mazwai (Age 44)</b>	<b>Board assessment and classification:</b> Independent non-executive director
	<b>Number of years in service as audit committee member:</b> 2 years, 8 months (previous appointment)	<b>Shareholding:</b> • 5 000 JSE Ltd shares (direct beneficial holding)
	<b>Qualifications:</b> BCom (Hons), Stockbroker	• 0.006% of total issued share capital
	<b>Experience:</b> • The JSE Board Investment of Funds committee, has from 2016, been incorporated into the audit committee, and as a consequence the Board recommends that Andile serve as a member of the Audit committee.  • Andile previously served as a member of the JSE Audit committee.	

#### Ordinary Resolution 5: Non-binding advisory vote on the remuneration policy of the JSE

“Resolved that the shareholders endorse the remuneration policies of the Company as set out in part A of the remuneration report, available online at <http://www.jsereporting.co.za/ar2015/remuneration.asp>.”



#### REASON FOR AND EFFECT

- The King Code on Governance for South Africa, 2009 (King III), recommends that the remuneration policy of a company be tabled for a non-binding advisory vote by shareholders at each AGM.
- This enables shareholders to express their views on the remuneration policies adopted. Ordinary Resolution 5 is of an advisory nature only and failure to pass this resolution will therefore not have any legal consequences relating to existing remuneration arrangements.
- However, the Board will take the outcome of the vote into consideration when considering amendments to the Company’s remuneration policy.

#### Ordinary Resolution 6: Authorisation of a director or the Company Secretary to implement resolutions

“Resolved that any one director of the Company or the Company Secretary be and are hereby authorised to do all such things and sign all documents and take all such action as they consider necessary to implement all resolutions passed at the meeting at which this Ordinary Resolution is considered.”

## Special Resolutions

### **Special Resolution 1: General authority to provide financial assistance to subsidiaries and other related and inter-related entities in terms of sections 44 and 45 of the Companies Act**

“Resolved that the directors of the Company may, to the extent required by the Companies Act, and subject to compliance with the requirements of the Company’s memorandum of incorporation and the JSE Listings Requirements (each as presently constituted and as amended from time to time), authorise the Company to provide direct or indirect financial assistance, including by way of loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or entity that is or becomes related or inter-related to the Company or any of its subsidiaries, and/or to any member of such subsidiary or related or inter-related company or entity, all as contemplated in sections 44 and/or 45 of the Companies Act, for such amounts and on such terms and conditions as the directors of the Company may determine.”

Special Resolution 1 aims to facilitate only the JSE's normal commercial and financing activities within and amongst Group companies, and deliberately excludes from its scope any reference relating "to any person" (as provided for in section 44) as well as excluding directors and officers (as provided for in section 45) from its ambit.

In the absence of the approval of Special Resolution 1, the JSE would be unable to undertake its normal day-to-day business and financing operations within the Group. This Special Resolution 1 is in the best interests of the shareholders and the Company. Shareholders are therefore encouraged to vote in favour of this Special Resolution 1.

*The provision of financial assistance to directors and officers is addressed through the AGM Special Resolution 3, which specifically authorises financial assistance only in relation to the JSE's existing Long-Term Incentive Scheme 2010.*

A special resolution is required:

1. in terms of section 44 of the Companies Act to grant the directors of the Company the authority to authorise the Company to provide financial assistance to (amongst others) the category of persons set out in Special Resolution 1 for the purpose of, or in connection with, the subscription for any securities or options issued or to be issued by the Company or any company related or inter-related to the Company, or for the purchase of any securities of the Company or a company related or inter-related to the Company;
2. in terms of section 45 of the Companies Act to grant the directors of the Company a general authority to authorise the Company to grant direct or indirect financial assistance, including in the form of loans or the guaranteeing of their debts to (amongst others) the category of persons set out in Special Resolution 1, subject to the Board not authorising any financial assistance to any such persons unless it is satisfied that:
  - considering all reasonably foreseeable financial circumstances of the Company at that time, the Company will, immediately after providing such financial assistance, satisfy the solvency and liquidity test stipulated in the Companies Act;
  - the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company; and
  - any conditions or restrictions in respect of the granting of financial assistance set out in the Company’s memorandum of incorporation have been satisfied.

## Special Resolution 2: General authority to repurchase shares in terms of section 48 of the Companies Act

“Resolved that the directors of the Company are hereby authorised, by way of a renewable general authority which shall be valid until the earlier of the next annual general meeting of the Company or the day 15 months from the date of passing of this special resolution, for purposes of section 48 of the Companies Act, to approve the purchase of its own ordinary shares by the Company, or to approve the purchase of ordinary shares in the Company by any subsidiary of the Company, upon such terms and conditions and in such amounts as the directors of the Company may from time to time determine, including acquiring such shares from directors or prescribed officers of the Company, or persons related to such directors or prescribed officers, but subject to the provisions of the Companies Act and the JSE Listings Requirements.”

This general approval shall endure until the earlier of the following AGM of the Company or the day 15 months from the date of passing of Special Resolution 2, whereupon this approval shall lapse, unless it is renewed at such AGM. The Company will only make a general repurchase of securities subject to the following limitations, namely that:

1. The general repurchase of securities is effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
2. Authorisation thereto has been given by the Company’s memorandum of incorporation;
3. At any point in time, the Company may only appoint one agent to effect any repurchase(s) on the Company’s behalf;
4. The Company or its subsidiary may not repurchase securities during a prohibited period as defined in the JSE Listings Requirements unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation). Such a programme will be communicated to the JSE and the FSB prior to commencement of any repurchase;
5. Repurchases may not be made at a price more than 10% above the weighted average of the market value for the securities for the five business days immediately preceding the date on which the transaction is effected. The Financial Services Board (FSB) should be consulted for a ruling if the securities have not traded in such five business day period;
6. A paid press announcement containing full details of such repurchase(s) is published as soon as the Company has acquired shares constituting, on a cumulative basis, 3% of the number of shares in issue as at the date of the AGM;
7. A resolution has been passed by the directors of the Company authorising the repurchase and confirming that the Company has passed the solvency and liquidity test stipulated in the Companies Act and that, since such test was done, there have been no material changes to the financial position of the Group;
8. Any such repurchase is subject to exchange control regulations and approval at that point in time; and
9. The number of shares repurchased by the Company and its subsidiaries and held at any time shall not in any one financial year exceed 5%, in the aggregate, of the Company’s issued shares of that class, as at the beginning of the financial year.

### REASON FOR AND EFFECT

The reason for and effect of Special Resolution 2 is to authorise the Company and/or a subsidiary of the Company by way of a general authority to acquire the Company’s issued shares on such terms, conditions and in such amounts as determined from time to time by the directors of the Company, subject to the limitations set out above.

The directors of the Company currently have no specific intention to act in terms of the authority to be granted by the passing of Special Resolution 2, but will continually review the Company’s position, having regard to prevailing circumstances and market conditions, in considering whether to effect any repurchases as contemplated in Special Resolution 2.

### Statement by directors of the Company in respect of Special Resolution 2

The directors undertake that, after considering the effect of the general repurchase under Special Resolution 2, they will not effect any such repurchases unless:

- the Company and the Group will be able to repay their debts as they become due in the ordinary course of business for a period of 12 months following the date of such repurchase;
- the share capital and reserves of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months following the date of such repurchase;
- the working capital of the Company and the Group will be adequate for ordinary business purposes for a period of 12 months following the date of such repurchase;
- the Company and the Group’s assets, as fairly valued, will exceed the liabilities of the Company and the Group, as fairly valued, for a period of 12 months following the date of such repurchase. For this purpose, the assets and liabilities will be recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements that comply with the Companies Act.

### Special Resolution 3: Specific financial assistance in respect of the JSE Long Term Incentive Scheme 2010 ("LTIS 2010")

"Resolved that, the Company and its subsidiaries be and are hereby authorised, in terms of sections 44 and 45 of the Companies Act, for a period of two years from the passing of this special resolution, to provide direct and/or indirect financial assistance to the JSE LTIS 2010 Trust, and to the directors and prescribed officers of the Company or any of its subsidiaries participating in LTIS 2010, for the purpose of and/or in connection with the acquisition of ordinary shares of the Company from time to time or otherwise as may be required for the operation and administration of LTIS 2010, subject to the provisions of the Companies Act."

#### REASON FOR AND EFFECT

In the ordinary course of business, and specifically in connection with the operation of the LTIS 2010, the directors will be required to authorise the Company to provide financial assistance to the JSE LTIS 2010 Trust, *inter alia*, for the purpose of, and/or in connection with, the acquisition of ordinary shares in the Company on behalf of LTIS 2010 participants from time to time. Sections 44 and 45 of the Companies Act require, *inter alia*, that:

- the provision of financial assistance by the Company to the JSE LTIS 2010 Trust and, indirectly, to directors and prescribed officers of the Company or any of its subsidiaries, being related / inter-related persons of the Company; and
- the provision of financial assistance for the purpose of, or in connection with, the acquisition of securities of the Company,

must be approved by a special resolution of shareholders adopted within the previous two years. Accordingly, the directors propose for approval a special resolution granting the Company and its subsidiaries the authority to provide the required financial assistance for purposes of LTIS 2010. Additional information on LTIS 2010 is outlined in the online remuneration report which can be found at [http://www.jsereporting.co.za/ar2015/download\\_pdf/remuneration-report-2015.pdf](http://www.jsereporting.co.za/ar2015/download_pdf/remuneration-report-2015.pdf)



The reason for and effect of Special Resolution 3 is that the Company will be authorised to continue funding the JSE LTIS 2010 Trust (and, indirectly, the directors and prescribed officers of the Company or any of its subsidiaries) for a period of two years, to an amount as determined by the Board in accordance with the LTIS 2010 rules, in order for the Trust to acquire in the open market at the then ruling price the required number of ordinary shares in the Company on behalf of LTIS 2010 participants to satisfy the requirements of LTIS 2010 and to otherwise fund the operations of the JSE LTIS 2010 Trust in administering LTIS 2010.

At a JSE share price of R125 per ordinary share, the estimated cash cost that would be incurred to acquire the maximum permissible number of shares for allocation to selected JSE staff during 2016 would amount to R67.8m. The maximum permissible number of shares for allocation in any year is limited, in terms of the scheme rules, to 0.625% of issued share capital, being in aggregate 542 750 JSE ordinary shares. The Board is under no obligation to award the maximum permissible number of shares (in aggregate) to scheme participants in any year. For the first six years of the scheme, the Board has not awarded the maximum permissible number of shares in any year, with the average annual allocation being 0.48% of the issued share capital (or approximately 417 000 shares per annum). The financial assistance under this Special Resolution 3 will be provided out of the existing working capital of the JSE.

The Board will not authorise any such financial assistance unless it is satisfied that:

- considering all reasonably foreseeable financial circumstances of the Company at that time, the Company will, immediately after providing the financial assistance, satisfy the solvency and liquidity test stipulated in the Companies Act;
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company; and
- any conditions or restrictions in respect of the granting of financial assistance set out in the Company's memorandum of incorporation have been satisfied.

### Special Resolutions 4.1 and 4.2: Non-executive director emoluments

"Resolved that the Company be and is hereby authorised, in terms of section 66(9) of the Companies Act, for a period of two years from the passing of these resolutions, to pay remuneration to its non-executive directors for their services as directors:

- 4.1 in respect of the period from 1 January 2016 to the date of the AGM of the Company to be held during 2017 (2016 period) as set out in the "2016" column in the table below; and
- 4.2 in respect of the period from 1 January 2017 to the date of the AGM of the Company to be held during 2018 (2017 period), as set out in the "2017" column in the table below, provided that the remuneration approved in terms of this special resolution 4.2 will override the remuneration approved in terms of special resolution 4.1 to the extent of the overlap between the 2016 period and the 2017 period."

#### PROPOSED NON-EXECUTIVE EMOLUMENTS FOR 2016 AND 2017 PERIODS

	Existing approved emoluments		Proposed emoluments for approval by shareholders	
	2014 R	2015 R	2016 R	2017 R
All inclusive annual fees				
Chairman	1 640 000	1 716 000	1 850 000	2 000 000
Non-executive director	278 300	290 000	310 000	325 000
Lead independent director	83 490	87 000	93 000	97 500
Audit Committee chairperson	280 000	300 000	320 000	343 000
Audit Committee member	120 000	130 000	145 000	160 000
Nominations Committee member	52 500	55 000	57 500	60 000
HR, Social & Ethics Committee chairperson	210 000	220 000	235 000	250 000
HR, Social & Ethics Committee member	105 000	110 000	117 500	125 000
Risk Committee chairperson	210 000	220 000	245 000	280 000
Risk Committee member	105 000	110 000	122 500	140 000
SRO Oversight Committee chairperson	210 000	220 000	235 000	250 000
SRO Oversight Committee member	105 000	110 000	117 500	125 000
Ad hoc meeting fee (per meeting)	23 000	24 000	24 000	24 000

The proposal for the **2016 and 2017** periods translates into a projected cumulative fee expense of R7.6m (2016) and R8.2m (2017) representing a year-on-year increase of 7.8% and 7.3% respectively, calculated on a like-for-like basis.

#### REASON FOR AND EFFECT

The reason for and effect of Special Resolutions 4.1 and 4.2 is to authorise the Company to pay remuneration to its non-executive directors for their services as directors, subject to the limitations set out above.

Section 66(9) of the Companies Act requires that remuneration payable to directors of a company in respect of their services as directors must be approved by special resolution of shareholders, adopted within the previous two years.

The Board has resolved, on the recommendation of the Human Resources, Social & Ethics Committee, to propose for approval this special resolution authorising the payment of emoluments to the non-executive directors of the Company for their services as directors, in accordance with the existing all-inclusive fee model, and an increase in such emoluments for the 2016 and 2017 periods. Once approved by shareholders, the emoluments payable for the relevant period will be applied retrospectively to 1 January of each period.

#### Notes:

- At the AGM held in April 2012, shareholders approved a single-fee model for non-executive director emoluments, rather than the previous model of annual fixed retainers and a fee per Board or Board Committee meeting attended. The role of a non-executive director, especially within financial services companies, extends substantially beyond attendance at meetings. Emoluments should therefore be a function of Board and Board Committee membership rather than a reward for attending meetings. A single annual retainer, reflective of the role and responsibilities being discharged by a non-executive director, also has the advantages of being administratively simpler, being easy to understand and allowing for clear comparisons by shareholders from year-to-year.
- The Board has also proposed an ad hoc meeting fee, which will not apply to scheduled or special meetings of the Board or any Board Committee, but is intended to cater for circumstances outside the normal course of business.

- Furthermore, the Board is of the view that the annual fee to be paid to a Board Committee chairperson should be reflective of the role and additional time commitment expected of a chairperson. The Board proposes to retain its guideline that a chairperson of a Board Committee receive an annual retainer equal to twice the annual fee earned by a Board Committee member, save for the Audit Committee chairperson, whose retainer should approximate 2.5 times that of an Audit Committee member, given the additional responsibilities borne by an Audit Committee chairperson.
- Finally, the Board is proposing to continue the existing practice for the lead independent director on the Board to be formally recognised by shareholders through payment of an annual fee. Research suggests that fees for lead independent directors in South Africa are usually calculated as a premium on the annual retainer, with market data indicating a 30% premium being paid where this role is in effect. Anton Botha has served as lead independent director for several years at the request of the Board.
- Non-executive directors do not receive short-term incentives, nor do they participate in the JSE's long-term incentive schemes. There is no requirement for non-executive directors to hold a minimum shareholding in the JSE in order to qualify for Board membership, and there are no provisions for emoluments or other payments in respect of loss of office. Non-executive directors are, however, encouraged to hold shares in the JSE Limited equal to 1 times their annual retainer in terms of a policy on non-executive director emoluments adopted by the Board.
- Out-of-pocket expenses, such as travel and accommodation costs, incurred by non-executive directors in the execution of their responsibilities are also re-imbursed on request.

### ADDITIONAL INFORMATION IN RESPECT OF SPECIAL RESOLUTIONS

In compliance with 11.26 of the JSE Listings Requirements, the following information, some of which may appear elsewhere in the integrated report, is provided for purposes of the general authority set out in Special Resolution 2:

- Major shareholders: refer to **page 120** of the integrated annual report;
- Share capital and reserves of the Company: refer to **note 20 on page 97** of the integrated annual report; and
- Material change and responsibility statement: refer to paragraphs below.

### OTHER BUSINESS

To transact such other business as may be transacted at an AGM.

### DIRECTORS' RESPONSIBILITY STATEMENT

- The directors, whose names are given on **pages 34-35** of the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to these resolutions and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this special resolution contains all information required by law and the JSE Listings Requirements.

### NO MATERIAL CHANGES TO REPORT

Other than the facts and developments reported on in the integrated annual report, there have been no material changes in the financial position of the Company and its subsidiaries since the date of signature of the audit report and the date of this notice.

Copies of the JSE's integrated annual report for the year ended 31 December 2015 may be obtained from the JSE's Investor Relations Division.

By order of the Board  
 GA Brookes  
 Group Company Secretary  
**11 March 2016**



## FORM OF PROXY

### JSE Limited

(Incorporated in the Republic of South Africa)

(Registration number 2005/022939/06)

Share code: JSE ISIN: ZAE000079711

("JSE" or "the Company")

To be completed by registered certificated shareholders and shareholders who have dematerialised their shares with own name registration.

All other dematerialised shareholders must contact their central securities depository participant (CSDP) or broker to make the relevant arrangements concerning voting and/or attendance at the meeting.

This form of proxy relates to the eleventh annual general meeting of shareholders of the JSE to be held at the offices of the JSE at One Exchange Square, 2 Gwen Lane, Sandown, on Thursday, 26 May 2016, at 15:30 and is for use by registered shareholders whose shares are registered in their own names by the record date, **20 May 2016**.

Terms used in this proxy form have meanings given to them in the notice of annual general meeting to which this proxy form is attached. Please print clearly when using this form and see the instructions and notes at the end of this form for an explanation of the use of this proxy form and the rights of the shareholder and the proxy.

I/We

(Name in block letters)

of

(Address)

being the holder(s) of

JSE shares, hereby appoint (see note 1 overleaf)

or failing him/her

the chairman of the annual general meeting, as my/our proxy to attend and speak for me/us on my/our behalf and to vote or abstain from voting on my/our behalf at the annual general meeting of the JSE Limited to be held at One Exchange Square, 2 Gwen Lane, Sandown, on Thursday, 26 May 2016, at 15:30.

I/We desire to vote as follows:

	For	Against	Abstain
<b>Ordinary business</b>			
<b>Resolutions 1 to 6 require the support of a simple majority (that is, 50% + 1) of the votes exercised in respect of each resolution in order to be adopted</b>			
<b>1</b> Adoption of annual financial statements and reports			
<b>2.1</b> To elect Dr SP Kana as a director			
<b>2.2</b> To re-elect Mr DM Lawrence as a director			
<b>2.3</b> To re-elect Mr AM Mazwai as a director			
<b>2.4</b> To re-elect Mr AD Botha as a director			
<b>3</b> To re-appoint KPMG Inc. as external auditors for the ensuing year			
To elect/re-elect the following non-executive directors of the Company to serve as members of the Audit Committee for the ensuing year:			
<b>4.1</b> Mr NG Payne – Audit Committee chairman			
<b>4.2</b> Mr AD Botha			
<b>4.3</b> Ms NP Mnxasana			
<b>4.4</b> Dr SP Kana			
<b>4.5</b> Mr AM Mazwai			
<b>5</b> Non-binding advisory vote on the remuneration policy			
<b>6</b> Authorisation of director or company secretary to implement resolutions			
<b>Special business</b>			
<b>Items 7 to 11 (referred to as Special Resolutions 1 to 4.2) require the support of at least 75% of the votes exercised in respect thereof in order to be adopted</b>			
<b>7</b> Special Resolution 1: Authorising the provision of financial assistance in terms of section 44 and 45 of the Companies Act			
<b>8</b> Special Resolution 2: General authority to repurchase shares			
<b>9</b> Special Resolution 3: Authorising the provision of specific financial assistance for purposes of the JSE LTIS 2010 long term incentive scheme			
<b>10</b> Special Resolution 4.1: Proposed non-executive director emoluments for 2016			
<b>11</b> Special Resolution 4.2: Proposed non-executive director emoluments for 2017			

Signed at \_\_\_\_\_ on \_\_\_\_\_ 2016

Signature

(Authorised representative of shareholder) or (individual shareholder)

Please read the notes to the proxy overleaf.

## NOTES TO THE PROXY FORM

A registered shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space(s) provided overleaf, with or without deleting "the chairman of the annual general meeting", but any such deletion must be initialled by the shareholder. Should this space be left blank, the proxy will be exercised by the chairman of the meeting. The person whose name appears first on the form of proxy and who is present at the meeting will be entitled to act as proxy to the exclusion of those whose names follow.

A shareholder's voting instructions to the proxy must be indicated by the insertion of an "X", or the number of votes exercisable by that shareholder, in the appropriate spaces provided overleaf. Failure to do so will be deemed to authorise the proxy to vote or to abstain from voting at the meeting as he/she thinks fit in respect of all the shareholder's exercisable votes. A shareholder or his/her proxy is not obliged to use all the votes exercisable by him/her or by his/ her proxy, but the total number of votes cast, or those in respect of which abstention is recorded, may not exceed the total number of votes exercisable by the shareholder or by his/her proxy.

A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.

To be valid, the completed forms of proxy must be lodged with the transfer secretaries of the Company, Computershare Investor Services (Pty) Limited, 70 Marshall Street, Johannesburg, or posted to PO Box 61051, Marshalltown, 2107, to reach them by no later than 48 hours before the meeting.

Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the transfer secretaries or waived by the chairman of the annual general meeting.

The proxy form must be dated and signed. The completion of any blank spaces overleaf need not be initialled. Any alterations or corrections to this form of proxy must be initialled by the signatory/ies.

The chairman of the annual general meeting shall be entitled to decline or accept the authority of a person signing the proxy form under a power of attorney or on behalf of a Company unless his/her power of attorney is deposited at the offices of the Company or that of the transfer secretaries not later than 48 hours before the meeting.

The proxy appointment in terms of the proxy form shall remain valid only until the end of the particular meeting referred to therein.

### SUMMARY OF THE RIGHTS OF A SHAREHOLDER TO BE REPRESENTED BY PROXY IN TERMS OF SECTION 58 OF THE COMPANIES ACT

At any time, a shareholder may appoint any individual, including an individual who is not a shareholder of the Company, as a proxy to:

- participate in, and speak and vote at a shareholders' meeting on behalf of the shareholder; or
- give or withhold written consent on behalf of the shareholder to a decision contemplated in section 60 of the Companies Act.

A shareholder of the Company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.

A proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restriction set out in the instrument appointing the proxy.

Irrespective of the form of instrument used to appoint a proxy, the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in the exercise of any rights as a shareholder; the appointment is revocable unless the proxy appointment expressly states otherwise; and if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and to the Company. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the shareholder.



