GEN – General – Consultation process on proposed changes to Listings Requirements regarding company secretaries and audit committee sign off

We refer you to our announcement of 17 October 2011 which invited comments on proposed changes to the Listings Requirements regarding a prohibition on the company secretary being a director of the company, in any capacity.

During the public consultation process concerns were raised such that we believe that some of the practical problems that the proposal will introduce will out way the desired benefits.

We have therefore revised our approach on this matter, as well as introduced some other changes which aim to boost corporate governance. We propose amending the Listings Requirements in four areas:

1. Requiring the board to include a statement of sign off on the competence and expertise of the company secretary (as they do for the Financial Director).
2. To ask for explicit disclosure in the AFS dealing with a company’s application of the principle of having an arms length relationship between the company secretary and that the company secretary should not be a director.
3. For official JSE documents, where the company secretary is also a director, we will prohibit that person from signing off in both capacities and instead ask for another director to also sign off.
4. To have a greater focus on the responsibilities of audit committee for a new listing.

The proposed Listings Requirements are available on the JSE’s website and interested parties are invited to submit their comments by no later than 9 May 2012. Comments can be submitted electronically to thandekam@jse.co.za.

11 April 2012