

# Directive of Strate Proprietary Limited

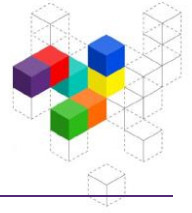
Special Gazette S9-2017

Strate Directive SC.6

Proxy Voting Procedure – Foreign Incorporated Companies – Equity Securities

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To cater for the issuing of proxy forms and proxy voting by shareholders of Foreign Incorporated Companies and holders of Depository Receipts, so as to facilitate the attendance or voting by such shareholders at general or annual general meetings of the Foreign Incorporated Companies. Note that this Strate Directive does not cater for shareholder meetings of foreign incorporated companies whose Securities have not been registered in the name of PLC Nominees<sup>1</sup>

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<sup>1</sup> Amended with effect from 23 November 2015

<sup>2</sup> 'CSD' changed to 'Strate' throughout the document with effect from 22 August 2016



## 1 INTERPRETATIONS AND DEFINITIONS<sup>3</sup>

In this Directive, any interpretation, word, or expression to which a meaning has been assigned in the Strate Rules bears a meaning so assigned to it.

‘Announcement’ means notices regarding rights and other benefits accruing to owners of Securities, which are published by Issuers, including Foreign Incorporated Companies, through the news service of the applicable Exchange, and, where provided to Strate, company reports and circulars;<sup>4</sup>

‘Broker’ means an Authorised User, being a person authorised by an Exchange in terms of the Exchange rules to perform such Securities services as the Exchange rules may permit;

‘CSA’ means Central Securities Account;<sup>5</sup>

‘Depository Receipt’ means a Security traded on a local licensed Exchange or Off-market that represents a Security, usually in the form of equity, traded on an external Exchange;<sup>6</sup>

‘End of Day’ (EOD) means the time as stipulated in the Strate Directive dealing with operational market windows in respect of any Exchange;<sup>7</sup>

‘Foreign Incorporated Company’ means those foreign incorporated companies, or Depository Receipt Issuers, granted a listing on any local licensed Exchange, and whose Securities have been Immobilised and registered in the name of PLC Nominees;<sup>8</sup>

‘Issuer Agent’ means any person appointed by a Foreign Incorporated Company, or Depository Receipt Issuer, to act as its agent in the performance of the functions set out in this Strate Directive, and includes any transfer secretary appointed by the Foreign Incorporated Company;

‘PLC Nominees’ means PLC Nominees (Proprietary) Limited Registration Number 1989/002235/07; and

‘Record Date’ means the date on which shareholders’ holdings, upon which the voting rights of such shareholders are based, are ascertained.

<sup>3</sup> ‘Rules’ and ‘Directives’ changed to ‘Strate Rules’ and ‘Strate Directives’ throughout the document and definitions amended with effect from 22 August 2016. “JSE” deleted with effect from 1 November 2017

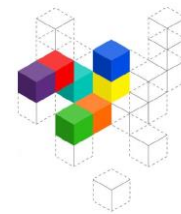
<sup>4</sup> Amended with effect from 1 November 2017

<sup>5</sup> Amended with effect from 23 November 2015. “Client Mandate” deleted with effect from 23 November 2015

<sup>6</sup> Amended with effect from 26 June 2017

<sup>7</sup> Amended with effect from 26 June 2017

<sup>8</sup> Amended with effect from 26 June 2017



## 2 PROCEDURE<sup>9</sup>

### 2.1 Announcements and Record of Holdings

2.1.1 Announcements relating to companies are obtained by Strate from the applicable Exchange, Foreign Incorporated Companies or Issuer Agents. Strate thereafter creates the shareholders meeting Announcement in the form of an MT564 message. Strate distributes the Announcement to all Participants, who are responsible for notifying their Clients. As updated or additional information relating to the shareholders meeting is published, the original Announcement is enhanced and the additions or updated information will be distributed as set out in this paragraph 2.1.

2.1.2 Strate will

2.1.2.1 provide the Foreign Incorporated Company, or the Issuer Agent, with a record of shareholders' holdings after Settlement has been concluded on Record Date;

2.1.2.2 advise each Participant of its record of shareholders' holdings per CSA after Settlement has been concluded on Record Date.

### Participants' Obligations

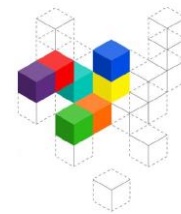
2.2 Participants must facilitate their Clients' rights to participate and vote in shareholders meetings, including:

2.2.1 notifying their Clients who hold the relevant Securities of all shareholders meetings and the cut-off time for the submission of their proxy voting instructions and requests for proxy forms; and

2.2.2 collating voting instructions received from Clients on whose behalf they hold Securities as Nominee. Participants must check the votes received against the record of shareholders' holdings to ensure that Clients do not exceed their voting rights, and reject any voting instructions received from Clients which are in excess of such Clients' voting rights.

2.3 Participants must submit voting instructions to Strate on behalf of Clients in accordance with the Clients' voting instructions and applicable law. Voting instructions must be retained in the same way and for the same period as any other instruction received from a Client.

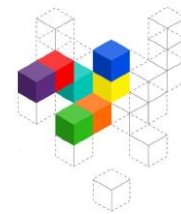
<sup>9</sup> Section amended with effect from 1 November 2017



- 2.4 Where Clients on whose behalf Participants hold Securities as Nominee wish to attend a shareholders' meeting in person, Participants must, by the cut-off time stipulated in the relevant Announcement sent by Strate, inform Strate of the Clients' requests for proxy forms or other necessary documentation in accordance with applicable law, and provide Strate with the following information in respect of such Clients:
- 2.4.1 Full Name;
  - 2.4.2 Identification or passport number;
  - 2.4.3 Number of Securities held; and
  - 2.4.4 CSA number in Strate in which the Client's Securities are held.
- 2.5.1 Participants must aggregate their Clients' voting instructions, and provide Strate with one consolidated voting instruction per CSA by the time stipulated in the relevant Announcement. This consolidated voting instruction must be sent by email to [CorporateActions@strate.co.za](mailto:CorporateActions@strate.co.za) and must contain the number of Securities for which voting instructions have been received in each way per resolution. Subject to 2.10 below, Participants must provide the Foreign Incorporated Company, or the Issuer Agent, with information relating to their Clients' voting instructions where written permission has been received from such Clients.
- 2.5.2 Participants must ensure that the number of Securities for which voting instructions have been received per resolution plus the number of Securities for which proxy forms have been requested by the Participant to enable a Client to attend a shareholders' meeting in person, in accordance with this Directive, do not exceed the Record Date shareholders' holdings in that specific CSA.
- 2.5.3 Where Participants provide Strate with further voting instructions, the Participant must indicate whether these instructions replace or are in addition to, the earlier voting instructions.
- 2.6 Participants must notify all their Clients who hold the relevant Securities of all shareholders' meetings and the cut-off time for the submission of their proxy voting instructions and requests for proxy forms, or other necessary documentation in accordance with applicable law, to enable a Client to attend a shareholders' meeting in person.

## Brokers' Obligations

- 2.7 Where Brokers are Clients of Participants, Brokers may only submit voting instructions in accordance with their Clients' voting instructions and applicable law. Voting instructions must be retained in the same way and for the same period as any other instruction received from a Client.



- 2.8 Where Clients on whose behalf Brokers hold shares as Nominee wish to attend a shareholders' meeting in person, Brokers must, by the cut-off time stipulated by their Participants, inform Strate of the Clients' requests for proxy forms, or other necessary documentation in accordance with applicable law, and provide Strate with the following information in respect of such Clients:
- 2.8.1 Full Name;
  - 2.8.2 Identification or passport Number;
  - 2.8.3 Number of Securities held; and
  - 2.8.3 CSA number held at Strate.
- 2.9.1 Brokers must aggregate their Clients' voting instructions and provide Strate with one consolidated voting instruction per Nominee, per CSA, by the time stipulated by their Participants. This instruction must be sent by email to [CorporateActions@strate.co.za](mailto:CorporateActions@strate.co.za) and must contain the number of shares for which voting instructions have been received in each way per resolution. Subject to 2.10 below, Brokers must provide the Foreign Incorporated Company, or the Issuer Agent, with information relating to their Clients' voting instructions where written permission has been received from such Clients.
- 2.9.2 Brokers must ensure that the number of shares so voted per resolution plus the number of shares for which proxy forms, or other necessary documentation in accordance with applicable law, have been requested by the Broker to enable a Client to attend a shareholders' meeting in person, in accordance with this Directive, do not exceed the total holdings in that specific CSA. Brokers must not duplicate voting by sending voting instructions both to Strate and their Participant.
- 2.9.3 Where Brokers provide Strate with further voting instructions, the Broker must indicate whether these instructions replace or are in addition to, the earlier voting instructions.

### Foreign Incorporated Companies' Obligations

- 2.10 Where a Foreign Incorporated Company requests Strate for information relating to shareholders' voting instructions received in terms of 2.12 below, such request must be submitted in writing to Strate on an official company letter and duly signed.

### Strate and PLC Nominees

- 2.11 Strate will receive and accept proxy voting instructions from Participants and Brokers until the cut-off time stipulated in the relevant Announcement sent by Strate. The eligible proxy voting instructions will be verified against the number of shares held in the stipulated CSA in Strate or in Participants' Subregisters, as advised in terms of paragraph 2.1 above.
- 2.12 The eligible voting instructions will then be aggregated by Strate, and PLC Nominees will complete proxy forms and submit them to the respective Foreign Incorporated Company or its Issuer Agent in terms of the relevant Announcement sent by Strate.



- 2.13 PLC Nominees will issue proxy forms to Participants and Brokers for all the Participants' and Brokers' Clients whose requests to attend the shareholders' meeting in person have been received by Strate in accordance with this Directive and before the cut-off time stipulated in the relevant Announcement sent by Strate.
- 2.14 Neither Strate nor PLC Nominees will be held liable where any voting instructions or requests for the issue of proxy forms, or other necessary documentation, are received by Strate after the cut-off time stipulated in the relevant Announcement sent by Strate.

### **Issuer Agents**

- 2.15 The Foreign Incorporated Company or Issuer Agent must ensure that the total number of shares for which proxy forms have been signed by PLC Nominees do not exceed the shareholders' holdings of PLC Nominees on the register on the date of the shareholders' meeting.

### **Depository Receipts**

- 2.16 The above provisions are subject to the provisions of the relevant deposit agreement in respect of Depository Receipts.