

SECTION 7: OTHER POLICIES

V. DEALING POLICY FOR JSE STAFF MEMBERS

The purpose of this dealing policy is to set out the conditions under which JSE staff members may deal in listed securities, including JSE Limited (the “**JSE**”) shares, traded on the markets operated by the JSE

A. DEALING POLICY FOR LISTED SECURITIES OTHER THAN JSE SHARES

1. INTRODUCTION

The JSE operates financial markets that are critical to the South African economy. Furthermore, because of the JSE’s unique position of providing a trading platform for listed securities as well as acting as regulator for its markets, JSE staff members may occasionally, knowingly or unknowingly,

- (i) have in their possession material unpublished price sensitive information in relation to a JSE listed security: and/or
- (ii) have access to certain trading information in relation to listed securities traded on one of the JSE markets as a result of their position within the JSE,

that may be utilised by them to their advantage for trading purposes.

Public perception of the integrity of the JSE staff members in the operation of the JSE is extremely important. Given the JSE’s market position and its role as a self regulatory organisation, even the suggestion or the possibility of improper conduct by a member of the JSE staff could result in negative consequences to that JSE staff member and also to the JSE in general irrespective of whether the alleged conduct actually occurred or not.

Accordingly, JSE staff members, members of the Executive Committee and Members of the Board of Directors need to conduct themselves in a manner which not only protects the integrity of the JSE but which also fully complies with the provisions of the Securities Services Act, No 36. of 2004 (the “**SSA**”) in relation to insider trading and other market abuses. Breaches of the SSA are serious offences which could lead to civil liability and fines. All staff members of the JSE who intend dealing in securities should ensure that they are fully aware of the provisions of this dealing policy and the provisions of the SSA, in particular section 73, in relation to insider trading and other market abuses.

2. APPLICABILITY OF THIS DEALING POLICY

This dealing policy applies to all JSE staff members in respect of listed securities.

3. DEFINITIONS

The following terms have the corresponding meaning in this policy:

“**dealing/trading/transaction**” means any acquisition or disposal of a listed security, or any agreement or undertaking to acquire or dispose of a listed security;

“excluded divisions” means the divisions within the JSE tasked with (i) market regulation, (ii) issuer regulation and (iii) trading and market operations in the interest rate, equities, derivatives and commodities markets;

“excluded securities” means any securities which trade on the JSE where there is an underlying exposure to at least four particular securities or to a security, commodity or currency which is not traded on the JSE. Examples of securities of this nature are (i) exchange traded funds, (ii) can-do options, (iii) futures and derivatives where the contract is based on an underlying index or a basket of securities and (iv) derivative securities that are based on an underlying which is not traded on the JSE;

“JSE staff member” means any person employed by the JSE on a full time or part-time basis, or any person on a fixed term contract, an independent contractor and labour broking contractor and, includes specifically all Executive Committee members; and

“listed securities” means securities as defined in the SSA that are listed on the JSE, excluding the excluded securities.

4. DEALING POLICY IN LISTED SECURITIES BY JSE STAFF MEMBERS

4.1 **Prior Approval**

Unless otherwise provided in this dealing policy, JSE staff members, must either obtain prior written approval for every trade in listed securities executed by them or such trades must be executed by a broker or investment adviser in terms of a full discretionary mandate in accordance with 4.2 below.

For the purpose of this dealing policy, trades in listed securities executed by a JSE staff member includes trades executed on accounts either in the name of that JSE staff member or in any other name, provided the JSE staff member is responsible for placing the instructions to trade.

JSE staff members in excluded divisions should refer to 4.3 below.

Approval must be obtained by a JSE staff member in writing before any transaction takes place from the JSE staff member’s Executive Committee Member and the Director: Market Regulation or failing them, the persons acting in their positions at the time the approval in writing is sought. Such written approval is indicated by the signature of the relevant Executive Committee Member and the Director: Market Regulation on the **“Personal Dealing – Prior Approval”** form. The form is available from the Human Resources Department (“HR”) or on the JSE Intranet. In the case of Executive Committee Members, such approval must be obtained from the CEO and the Director: Market Regulation or failing them, the persons acting in their positions at the time the written approval is sought.

The written approval granted will be permission to deal only in the listed securities requested within 5 business days of the date on which written approval was granted. If a transaction is delayed or the written approval lapses for any reason whatsoever, a new application must be made as stated above. Applications must be for either a purchase or sale of listed securities. Speculative trading is not allowed, therefore

applications for a general authority for the purchase and sale in the same listed securities will not be allowed.

Dealings of a short term nature – one month or less between the purchase and sale of the same listed securities – are considered speculative and will normally not be allowed.

4.2 **Discretionary Managed Accounts**

A JSE staff member may also trade in listed securities by appointing a broker or investment adviser to buy or sell listed securities on behalf of the JSE staff member on a full discretionary mandate.

In order to qualify as a full discretionary mandate under this dealing policy, the JSE staff member must have no discretion or influence whatsoever over the decisions of the broker or investment adviser to trade in listed securities for the account of the JSE staff member. Such dealings do not require prior written approval as contemplated above.

In the event that a JSE staff member has a discretionary managed account, full details of such mandate and portfolio must be delivered to HR on a bi-annual basis, being by 1 March and 1 September of each year.

4.3 **JSE staff members of Excluded Divisions**

The provisions of 4.1 above do not apply to JSE staff members in the excluded divisions. JSE staff members in the excluded divisions will only be permitted to trade in listed securities by appointing a broker or investment adviser to trade in listed securities on behalf of the JSE staff member on a full discretionary mandate.

In the event that such a JSE staff member wishes to operate a full discretionary managed account, the mandate must be approved by JSE staff member's Executive Committee Member and the Director: Market Regulation or failing them, the persons acting in their positions at the time the approval in writing is sought. Full details of such mandate and portfolio must be delivered to HR on a bi-annual basis, being by 1 March and 1 September of each year.

4.4 **Excessive Trading**

Approval for excessive trading (more than 20 separate transactions per 30 calendar days) will not be allowed, except under a discretionary managed account as contemplated in 4.2 and 4.3 above.

4.5 **Monitoring and investigations by the JSE**

The JSE may, at any time and without notice to the relevant JSE staff member, conduct any audit or investigation it deems necessary into JSE listed security transactions whether for the purpose of determining compliance with this dealing policy, the SSA or otherwise.

For this purpose, each JSE staff member authorises the JSE to have access to any securities investment accounts in the JSE staff member's name, or in which the JSE staff member has a beneficial interest.

4.6 Sanctions for JSE Staff Members

Failure to comply with this dealing policy is an act of serious misconduct that could result in one or more of the following sanctions:

- being subject to disciplinary proceedings which could result in the JSE staff member being dismissed from the employ of the JSE; and/or
- civil and/or criminal prosecution.

B. DEALING POLICY IN JSE SHARES BY JSE STAFF MEMBERS

1. INTRODUCTION

The purpose of this dealing policy is to set out the conditions under which JSE staff members may deal in JSE shares.

It is the intention of this dealing policy to obtain the correct balance between encouraging investing in JSE shares and ensuring that the public perception of the integrity of the JSE and JSE staff members are not compromised in any way.

The following key principles underpin this dealing policy:

- material non-public price sensitive information in relation to the JSE must always be treated with the utmost confidentiality;
- no JSE staff member is permitted to deal in JSE shares, if that JSE staff member is in possession of material non-public price sensitive information in relation to the JSE; and
- in the event that the confidentiality of material non-public price sensitive information cannot not be maintained or if there is a suspicion that the confidentiality has been breached, the JSE staff member must inform the Company Secretary, or failing him/her the Director: Market Regulation, as a matter of urgency.

All staff members of the JSE who intend dealing in JSE shares should ensure that they are fully aware of the provisions of this dealing policy and the provisions of the SSA, in particular section 73, in relation to insider trading and other market abuses.

2. DEFINITIONS: DEALING POLICY IN JSE SHARES

The following terms have the corresponding meaning in this policy:

“closed period” means notwithstanding the provisions of the JSE Listings Requirements -

- from 1 December of each year up to the date of the earliest publication of the preliminary report, abridged report or provisional report (the **“financials”**) of the JSE;
- from 1 June of each year up to the date of publication of the interim results of the JSE; and
- any period when the JSE is trading under a cautionary announcement.

“closely connected persons” means -

any person connected to a JSE staff member such that the JSE staff member has influence over that person’s judgement in respect of his or her dealing.

To assist with determining whether or not a person is a **closely connected person** to a JSE staff member, categories of persons that constitute closely connected persons are set out below:

- The JSE staff member’s spouse, a person cohabiting with the JSE staff member as a spouse and, if under the age of 21, any child, stepchild and adopted child of either party;
- Any company in which the JSE staff member and/or closely connected person is beneficially interested, directly or indirectly, in 35% or more of the voting equity capital or is able to influence or direct investment decisions by such entity; and
- Any estate or trust where the JSE staff member is a representative (including but not limited to an executor or trustee) of that estate or a trust, whatever his interest, if the JSE staff member is not relying entirely on the advice of another person from whom it is appropriate to seek advice in dealing in securities as substantiated by a written discretionary managed account mandate.

This definition is not exhaustive and may in individual circumstances be extended to apply to persons who can, otherwise than specified above, reasonably be said to fall within a JSE staff member’s sphere of influence.

“dealing/trading/transaction” means any acquisition or disposal of a JSE share, or any agreement or undertaking to acquire or dispose of a JSE share;

“JSE share/s” means any securities issued by the JSE from time to time and includes single derivatives such as warrants, options and futures and the like issued over JSE shares by third parties;

“JSE staff member” means any person employed by the JSE on a full time or part-time basis, or any person on a fixed term contract, an independent contractor and labour broking contractor and, includes specifically all Executive Committee members and members of the Board of Directors;

“open period” means

- the period commencing on the date of publication on SENS of the financials of the JSE and ending on 31 May of each year; and
- the period commencing on the date of publication of the interim results of the JSE and ending on 30 November of each year.

“prohibited period” means –

- any period when there exists any matter, which constitutes material non-public price sensitive information in relation to the JSE; and
- any period when the JSE is trading under a cautionary announcement.

The prohibited period may be extended or shortened or another prohibited period may be introduced at any time on notice from the CEO or Chairman of the JSE. Notification of such change will be sent by the Company Secretary to staff members via email. Changes to the prohibited period are effective immediately upon the giving of such notice.

3. DEALING IN JSE SHARES

3.1 **Period during which dealing may occur**

A JSE staff member is only permitted to deal in JSE shares in an open period.

In exceptional circumstances, a JSE staff member may obtain prior approval in terms of 3.3 below to deal in JSE shares in a period other than an open period provided that no JSE staff member may be permitted to deal during a closed period.

3.2 **Notice of open periods**

Notice of the commencement and closure of an open period will be sent by email to the JSE staff member by the Company Secretary.

3.3 **Prior approval**

A non-executive Director of the JSE may not deal in JSE shares without obtaining the prior written approval of the Chairman of the Board of the JSE or, failing him, the CEO. In his own case, the Chairman must receive approval from the Board's designated lead independent Director failing him/her, the CEO. A written record of such approval must be provided to the Company Secretary for record keeping purposes. Written confirmation from the JSE that such approval has been recorded must be given to the Director concerned.

An Executive Committee member may not deal in JSE shares without obtaining the prior written approval of the CEO and the Director: Market Regulation. A written record of such approval must be provided to the Company Secretary for record keeping purposes. Written confirmation from the JSE that such approval has been recorded must be given to the Executive Committee member concerned.

JSE staff members may not deal in JSE shares without obtaining the prior written approval of their respective Executive Committee member and the Director: Market Regulation. A written record of such approval must be provided to the Company Secretary for record keeping purposes. Written confirmation from the JSE that such approval has been recorded must be given to the JSE staff member concerned.

3.4 **Public disclosure of dealings in JSE shares**

Each Director and Executive Committee member is required to provide the Company Secretary with full details of all changes to that Director's or Executive Committee member's interest in JSE shares registered in the name of the Director or Executive Committee member or held, directly or indirectly, on behalf of the Director or Executive Committee member. The details must be provided as soon as reasonably possible after the date of the change and in any event

no later than 24 hours after the change, and in such form as to allow the JSE to comply with the obligation of issuers under the Listing Requirements to make such information public.

3.5 **Dealings by closely connected persons and investment advisers**

A JSE staff member must prohibit (by taking the steps set out below) any dealing in JSE shares during a period other than an open period:

- by or on behalf of any closely connected persons of his/hers; and/or
- by any broker or investment adviser dealing on his/her behalf or on behalf of any closely connected person where either he/she or any other closely connected person has funds under management with that investment manager.

A JSE staff member must advise in writing -

- all closely connected persons and investment advisers of the periods during which they cannot deal in JSE shares; and
- that, investment advisers must advise him/her immediately after they have dealt in JSE shares in order to enable compliance with this dealing policy.

3.6 **Monitoring and investigations by the JSE**

The JSE may, at any time and without notice to the relevant JSE staff member, conduct any audit or investigation it deems necessary into JSE share transactions whether for the purpose of determining compliance with this dealing policy, the SSA or otherwise.

For this purpose, each JSE staff member authorises the JSE to have access to any securities investment accounts in the JSE staff member's name, or in which the JSE staff member has a beneficial interest.

3.7 **Sanctions for JSE Staff Members**

Failure to comply with this dealing policy is an act of serious misconduct that could result in one or more of the following sanctions:

3.7.1 in respect of a Director of the JSE:

- being removed from the JSE Board of Directors;
- being sanctioned in the manner contemplated in the JSE Listing Requirements; and
- civil and/or criminal prosecution, including a fine; and

3.7.2 in respect of an Executive Committee member and JSE staff members:

- being subject to disciplinary proceedings which could result in the said person being dismissed from the employ of the JSE; and
- civil and/or criminal prosecution.