



JSE

REMUNERATION REPORT

for the year ended 31 December 2022

2022

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REPORT OVERVIEW

Report objectives

This report is intended for our shareholders. It aims to communicate the JSE Limited's (the Group or the JSE) remuneration policy and how we implemented our remuneration policy and practices in 2022. Our organisation-wide remuneration policy should be read in the context of the integrated annual report for an appreciation of how the policy gives effect to the JSE's overall business strategy.

This report serves as the report-back to shareholders at the annual general meeting (AGM) to be held on Tuesday, 9 May 2023. The following three remuneration-related resolutions will be tabled at the AGM for consideration by shareholders:

- Advisory vote on remuneration policy (AGM non-binding advisory resolution number 1). Refer to the remuneration policies on  page 9.
- Advisory vote on implementation of remuneration policy (AGM non-binding advisory resolution number 2). Refer to the implementation report on  page 27.
- Approval of non-executive director emoluments (AGM special resolution number 3). Refer to the remuneration policies on  page 24.

Various statutory disclosures, which are subject to independent audit, are contained in notes 20 and 24 of the JSE's audited consolidated annual financial statements for the year ended December 2022. For a complete view of the JSE's remuneration, shareholders are encouraged to reference these notes when reviewing this report.

The JSE strives to improve on the quality of our reporting. We welcome feedback from stakeholders on this report and invite you to contact ir@jse.co.za should you have any questions or recommendations.

 Page reference for additional reading in this report.

 Reference to online data at <https://www.jse.co.za/investor-relations/results>.

 Indicates the relevant King IV principle.

Scope and boundary

The information in this report covers the period from 1 January 2022 to 31 December 2022. It encompasses the five financial markets operated by the Group, and the investor protection funds¹ associated with its markets.

The JSE's remuneration reporting framework is informed by a range of local and international requirements, standards and guidance, including, but not limited to:

- South African Companies Act, 71 of 2008 (as amended) (Companies Act)
- JSE Limited Listings Requirements (Listings Requirements)
- King Code on Corporate Governance™ for South Africa, 2016 (King IV)²

Assurance over this report ⁰⁵ ¹⁵

The Board is responsible for the governance of remuneration at the JSE and sets the overarching remuneration philosophy for the Group. The Board is assisted in discharging its responsibility for remuneration matters by the Group Remuneration Committee (Group Remco).

Reporting suite

The JSE is committed to reporting in a transparent manner to our broad range of stakeholders. Our reporting suite is available on our website <https://group.jse.co.za/investor-relations/reporting-suite> and comprises the following reports:

Remuneration report

Sets out the JSE's remuneration philosophy and policy, and how it was implemented in 2022.

Integrated annual report

Sets out how the JSE creates value in the context of our business model, strategy, operating context, governance and operational performance.

Sustainability report

Sets out details of our journey towards delivering on our sustainability mandate and our impact on society.

Annual financial statements

Sets out our financial results, with the GAC report, directors' report and annual financial statements prepared in accordance with IFRS.

Notice of AGM and proxy form

Sets out the notice of the JSE's AGM of shareholders to be held on 9 May 2023, together with the summarised report containing the required financial disclosures.

Disclaimer

Many of the statements in this report constitute forward-looking statements. These are not guarantees or predictions of future performance. The information on which forward-looking statements were based was not audited. Like all businesses, the JSE faces risks and other factors outside of its control. This may lead to outcomes unforeseen by the Group. These are not reflected in the report. Readers are cautioned not to place undue reliance on forward-looking statements.

¹ These funds consist of the JSE Guarantee Fund Trust, the JSE Derivatives Fidelity Fund Trust, and the JSE Debt Guarantee Fund Trust.

² Copyright and trademarks are owned by the Institute of Directors in South Africa NPC and all of its rights are reserved.

Nolitha
Fakude

Chairman:
Group Remuneration
Committee



BACKGROUND STATEMENT

The JSE's remuneration philosophy is founded on enduring principles, which are applied consistently each year. This philosophy seeks to engender a culture of enterprise and delivery, and reflects our commitment to fair and reasonable pay."

Dear Shareholders

I am pleased to present the JSE's remuneration report for the year ended December 2022.

The Group Remuneration Committee (Group Remco) is responsible for the governance of remuneration for the JSE Group. The committee supports the Board by regularly reviewing remuneration policies and practices to ensure these are designed to attract high calibre talent, motivate sustained high performance and reward individual and corporate performance. Group Remco is also responsible for the disclosure of the

JSE's remuneration practices so that stakeholders can assess the effectiveness of these practices in support of sustained performance.

During 2022 Group Remco focused on translating the policy refinements approved by shareholders at the May 2022 AGM into new remuneration practices, in particular by designing a new corporate scorecard and performance assessment process, and by implementing the revised discretionary bonus funding model based on profit before interest, tax and incentives (PBITI).

Other highlights from our 2022 programme of work include an independent examination of our pay data to identify any pay disparities. The principle of equal pay for work of equal value is a key element of the JSE's value system and I am pleased that we were able to make the necessary adjustments to total guaranteed pay (TGP) for the relevant staff members where this was merited by the review.

In addition to these initiatives, Group Remco has successfully discharged the remainder of its planned activities for 2022 in line with its terms of reference <https://www.jse.co.za/investor-relations/results>.

We are of the view that our remuneration philosophy and framework remain fit-for-purpose and will continue to position the JSE as an employer of choice, able to attract and retain high-calibre talent to deliver on our purpose as a critical service provider to South Africa's financial markets.

Operating context

Exchanges and clearing houses are critical role-players in a market economy, fostering economic growth and strengthening market integrity.

As market infrastructures, they enable the efficient allocation of capital by providing the marketplaces for raising capital and to connect buyers and sellers.

As a licensed financial market infrastructure provider, it has been imperative that the JSE remained open, operational, and responsive to fluctuations and risks in the market during a period of unprecedented challenge. Our key priority as an organisation over the past three years has been to ensure the safety and health of our staff, and to enable the effective operation of the Group.

Evolving how we operate post COVID-19

- The world of work has changed in significant ways over the past three years in response to the COVID-19 pandemic. During 2022 we completed our transition to a hybrid working model, with a refreshed work environment, flexible working policies, and new audio-visual technologies in our building that enhance efficiency and effectiveness.
- This new working model is intended to enable collaborative engagements, knowledge sharing and a culture of creative thinking.
- Our staff members have embraced this more flexible workplace regime, balancing virtual work with a high proportion of in-person engagements.

Highlights in 2022 include:

Protect and grow the core business

- Introduced Transition and Sustainability Linked Bonds.
- Launched actively managed exchange-traded funds (ETFs) and certificates.
- Introduced Listing Requirements reforms.
- Obtained licence to operate as an independent clearing house and central counterparty (CCP) by the FSCA for JSE Clear.
- Maintained operational resilience and robustness, with operational availability (99.9%) above the long-term average of 99.83%.
- Maintained local market share by value traded.

Transform the business

- Launched JSE Private Placements (JPP) with 22 live deals as at year-end December 2022 and over R12 billion in investor capital onboarded.
- Launched JSE Trade Explorer to provide equity market trade analytics.
- Grew JIS and added 10 new registry clients and 11 new Share Plans clients.

Partner for a sustainable marketplace

- Returned to the office in March 2022 and successfully launched our hybrid way of work.
- Published Sustainability and Climate Change Disclosure Guidance.
- Achieved record-high Net Promoter Score (NPS).
- High levels of motivation and solid engagement scores for employees.

Group Remco areas of focus in 2022

- reviewed grading and benchmarking outcomes for all executive roles (as prepared by the committee's independent advisors), and determined the overall TGP adjustments for all staff, including for subsidiary companies JSE Clear and JSE Investor Services
- approved the corporate scorecard for 2022 and assessed corporate performance against this scorecard
- determined the annual discretionary bonus pool for 2022
- approved all LTIS 2018 share awards and critical scheme cash awards
- determined the vesting percentage for the long-term share awards vesting in 2022
- oversaw the implementation of a new detailed scorecard model and assessment process involving input on corporate performance from all Board Committees
- reviewed leadership continuity plans, and the senior talent pipeline for the Group
- monitored employment equity progress and plans, and oversaw appointments to the executive committee
- prepared a recommendation for the Board and shareholders on non-executive director fees

As an exchange, we are focused on the factors we can influence, such as maintaining fit-for-purpose regulation and promoting the country as an attractive destination for foreign capital with deep and liquid markets. The executive team continues to work on a wide range of initiatives to strengthen the JSE's role in the local capital markets, including:

- Enhancing our new private markets initiative
- Growing and supporting SMEs
- Ensuring value-adding regulatory requirements
- Advancing the JSE's Sustainability Segment
- Attracting inward listings
- Supporting SA Inc

Performance and remuneration outcomes

I am pleased to report year-on-year growth of 4% in HEPS and a strong ROE of 18%, well within our long-term target range. Our strategy to diversify revenue continues to gain traction, with non-trading revenue up 13% year-on-year to 25% of total operating revenue. The business remains strongly cash generative and this has enabled the Board to declare an ordinary dividend of 769 cents per share for 2022, resulting in a distribution to shareholders of R668 million.

These results underpin our variable reward model, which for the first time is based on PBITI rather than net profit after tax (NPAT) as per our previous practice. Group Remco approved a bonus pool for the Group of R82m (2021: 74.3m) which includes the annual discretionary bonus allocation for our wholly owned subsidiary, JSE Investor Services (with a headcount of 139 staff in 2022).

In this context:

TGP for 2022

- Group Remco approved increases to TGP of 5% for 2022 (2021: 4.5%) based on benchmarking and input from the Group's remuneration advisors. For staff earning less than R350 000 per annum, the annual TGP adjustment was significantly above inflation, as part of our approach to fair and responsible remuneration.

Corporate performance for 2022

- Assessed by Group Remco as a solid and resilient performance within the on-target performance range. Group Remco awarded a discretionary bonus pool of R82 million, aligned to 8.7% of PBITI, within the on-target range of 8% – 10% of PBITI.

Long-term performance

- Group Remco determined the vesting percentage for share awards that vested at end 2022, based on performance against pre-set corporate targets over the measurement period 2019 – 2022. The vesting for these two share allocations was assessed at 43.3% and 44% with the balance of the share awards being forfeited.

Malus and clawback

- No malus or clawback conditions were triggered in 2022.

Minimum shareholding requirements

- Compliance by executives remains on track (the CEO's first share award granted in 2020 will only vest in 2023).

TGP for 2023

- Group Remco approved a 5% increase to TGP for 2023 (2022: 5%), inclusive of a pay parity adjustment of 0.4% of payroll (R2.1 million in aggregate) to address parity adjustments where merited.

Remuneration philosophy and model

The JSE's remuneration philosophy is founded on enduring principles, which are applied consistently each year. Our remuneration philosophy applies across the organisation and informs all our remuneration policies. This philosophy seeks to engender a culture of enterprise, diligence and delivery throughout the Group, with an explicit linkage between pay and performance, in order to align the interests of staff with those of stakeholders. There has been no change in our remuneration philosophy during the year.

Our remuneration model comprises three elements, and these core elements also remain unchanged:

- **TGP** which provides a guaranteed level of earnings for all staff
- **Short-term incentive** which rewards excellent individual contributions to the corporate performance for the year through a universal discretionary bonus scheme – the size of the Group bonus pool is linked to the quality of the overall corporate performance measured by Group Remco against an annual corporate scorecard approved by Group Remco and the Board
- **Long-term incentives** – the LTIS 2018 share scheme and the Critical Skills cash scheme – which seek to incentivise and retain senior staff to deliver sustained excellent performance over time, with the vesting of these awards linked to corporate performance over longer-term performance horizons


Remuneration policy changes

Reward practices and incentive design evolve over time. During the past two years Group Remco has re-examined and refined the JSE's remuneration policies and practices to ensure these policies are anchored in a pay-for-performance model and provide appropriate levels of retention for key talent. Further impetus for change came from our institutional shareholders, specifically their requests for a more visible and direct linkage between variable pay and performance (through clear metrics, targets, and weightings for the annual corporate scorecard).

At the AGM in May 2022 shareholders approved the proposed updates to our remuneration policies, principally the introduction of:

- a new annual scorecard methodology for measuring performance and calibrating the annual discretionary bonus pool
- a new funding model based on PBITI rather than NPAT for determining the annual discretionary bonus pool and for the funding of the LTIS 2018 conditional share awards
- malus and clawback to short-term incentives (these provisions already being applicable to long-term incentives)

The objective of these policy changes was intended to achieve a balanced outcome that is fair and responsible to all stakeholders. Total reward for executives and senior staff needs to be market competitive and must be linked to clear and objective corporate performance outcomes which deliver value creation for shareholders.

The remuneration policy refinements approved by shareholders in 2022 have been applied for the 2022 year, and the outcomes are reflected in the implementation report on  pages 27 to 48.

No further changes to remuneration policy were contemplated by Group Remco during 2022.

Talent, diversity and inclusion

The JSE remains committed to attracting, developing and retaining a diverse workforce. Diversity and inclusion are important JSE values and are key to value creation as diversity of thought and perspectives enhance corporate performance outcomes.

Each year Group Remco sets aside one meeting in its annual programme for a comprehensive review of the JSE's talent management processes and plans. This session allows for a detailed engagement on the development objectives for executives and their senior staff. Opportunities for growth, secondments and structured learning are discussed and approved.

Group Remco pays particular attention to diversity as part of this review, and tests progress against the JSE's employment equity plan. Building a strong talent pipeline is a multiyear endeavour with the fruits of this work only evident over time. Steady progress has been achieved since 2019 through deliberate and thoughtful management actions, and this was clear from the calibre of the senior bench-strength reviewed by Group Remco in July 2022.

During 2022:

- Palesa Ntoagae was appointed as Director: Human Resources to fill the vacancy in this role – this was an external appointment effective January 2022.
- Qiniso Mthembu was appointed as Group Chief Risk Officer effective June 2022 – this was an internal promotion.
- Hendrik Kotze (CIO) retired from the JSE and Tebalo Tsoaeli (external candidate) was appointed as Chief Information Officer.
- Aarti Takoordeen (CFO and executive director) resigned from the JSE and was appointed as CFO at another listed company effective 1 June 2022.
- The Board appointed Fawzia Suliman as Group Chief Financial Officer (and executive director) with the appointment taking effect from January 2023.

Group Remco exercises oversight on all appointments made by the Group CEO to the executive committee.

Pay parity

The principle of *equal pay for work of equal value* is a foundational element of the JSE's reward structure. During 2022, as part of its commitment to reviewing and addressing pay parity across the organisation on an annual basis, Group Remco engaged Bowmans to examine JSE pay data and provide the committee with a detailed analysis of any disparities in employee remuneration.

I am pleased to confirm that there is a limited degree of pay disparity between comparable employees (analysed by job grade, performance rating and tenure). In specific instances where adjustments were merited, Group Remco approved pay parity adjustments to TGP.

For the 2022 year these adjustments amounted in aggregate to R3.9 million (or 0.9% of payroll). This amount was included within the overall approved payroll lift of 5.5% for 2022.

For the 2023 year these adjustments amounted in aggregate to R2.1 million (or 0.4% of payroll). This amount was included within the overall approved payroll lift of 5.5% for 2023.

In keeping with our commitment to fair and responsible remuneration, the JSE will undertake regular checkpoints in future to ensure fairness and integrity within the JSE's pay model.

Engagement with shareholders

Group Remco embraces regular dialogue with shareholders to maintain a mutual understanding of performance and value creation by the Group and the link to the remuneration policy. The views of our institutional shareholders shared with Group Remco through a formal roadshow in 2021 informed the remuneration policy changes presented to and approved by shareholders at the May 2022 AGM.

During April 2023, Group Remco will again undertake a roadshow to institutional shareholders to gauge the views on the implementation of these policy changes and to seek fresh perspectives on the JSE's reward models and remuneration practices.

Engagement with advisors

Group Remco utilises the services of PwC Reward and Bowmans as independent reward advisors. The committee is satisfied that both firms are independent and objective and that they understand the JSE's remuneration policy and the linkages to the JSE's overall strategy.

The work undertaken by these advisors encompasses policy advice, design of remuneration schemes, grading, benchmarking and pay parity analysis, as well as advice on strategic retention matters. JSE management also utilises the services of REMchannel™ for remuneration benchmarking.

Areas of future focus

During 2023 Group Remco will focus on:

- Continued oversight of the JSE's implementation of pay parity in support of fair and responsible remuneration across the Group, particularly in our subsidiaries JSE Clear and JIS
- Enhancing our strategic retention models and continuing to oversee the JSE's talent management plans and pipeline, and employee value proposition, particularly in a post-COVID-19 world
- Monitoring the effectiveness, productivity and employee response to the JSE's new hybrid way of work
- Reviewing the effectiveness of the new corporate scorecard model and the associated metrics and targets
- Considering whether to introduce an element of deferral for annual incentives
- Monitoring compliance with the revised MSR policy for all executives
- Reviewing the total reward framework and any additional enhancements that might be required post-AGM
- Maintaining the dialogue with our institutional shareholders on remuneration matters to promote alignment with stakeholder requirements

Remuneration governance

The JSE's remuneration governance is prescribed by the Companies Act, King IV Code, JSE Listings Requirements and Group Remco's terms of reference.

Sound remuneration governance provides shareholders with the assurance that the JSE's remuneration philosophy and policies translate into remuneration outcomes that are closely linked to Group performance. The Board and Group Remco apply independent judgement in developing appropriate remuneration models and in evaluating and approving remuneration outcomes.

I am grateful for the wisdom and insights shared by committee members during the course of the year, and for the time devoted to what has been an extended agenda in 2022.

	Meeting attendance	
	Number	%
Group Remco members*		
VN Fakude (Chairman)	3/3	100
IM Kirk	3/3	100
BJ Kruger	3/3	100
N Nyembezi (retired from the Board 3 May 2022)	1/1	100
P Nhleko	3/3	100
Independence of committee: 100%		
Other invitees		
Group CEO	3/3	100
Director: Human Resources	3/3	100
Group Company Secretary	3/3	100

* All members of the committee are independent non-executive directors.

Support for AGM Resolutions

In accordance with the provisions of the King IV Code and the JSE Listings Requirements, our remuneration policy and the implementation report are tabled annually for separate non-binding advisory votes by shareholders at each AGM.

At the AGM held in May 2022 the Group's remuneration policy and implementation report for 2021 received solid support from shareholders with majority votes in favour of 87.3% and 86.3%, respectively. At the same AGM, the proposal in respect of non-executive director emoluments was also adopted by shareholders with a majority vote in favour of 88.1%. We are grateful for this support.

Looking ahead to our upcoming AGM to be held on Tuesday, 9 May 2023, we will present our remuneration policy and implementation report for 2022 (as set out in this remuneration report) for consideration by shareholders. Group Remco and the Board are of the view that the JSE's remuneration policy remains sound and aligned with the overall remuneration philosophy of the Group. In particular, we are of the view that the refinements to the policy approved by shareholders in 2022 have been implemented effectively and have enhanced the performance measurement process within the JSE while strengthening the linkage between variable pay and performance. The adjustments to improve potential reward outcomes for outstanding performance have also contributed to the retention of top performers.

To the extent that either the remuneration policy resolution or the implementation report resolution, or both, are voted against by 25% or more of the voting rights exercised at a shareholder meeting, the Board will engage with shareholders.

In addition to the advisory resolutions, we will also present a special resolution relating to proposed emoluments to be paid to the non-executive directors in 2023. This special resolution number 3 is presented to shareholders in accordance with Section 66(9) of the Companies Act, which requires that remuneration payable to directors in respect of their services as directors must be approved by special resolution of shareholders. Our fee model for non-executive directors remains unchanged, and encompasses a single annual retainer, reflective of the role and responsibilities discharged by a non-executive director. 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. We are proposing an overall 6.4% year-on-year increase to these emoluments for shareholder approval.

Group Remco is satisfied that the JSE's remuneration policy is aligned with the overall remuneration philosophy, and that the existing policies have been implemented with diligence and sound judgement, and have achieved their stated objectives for the year under review.

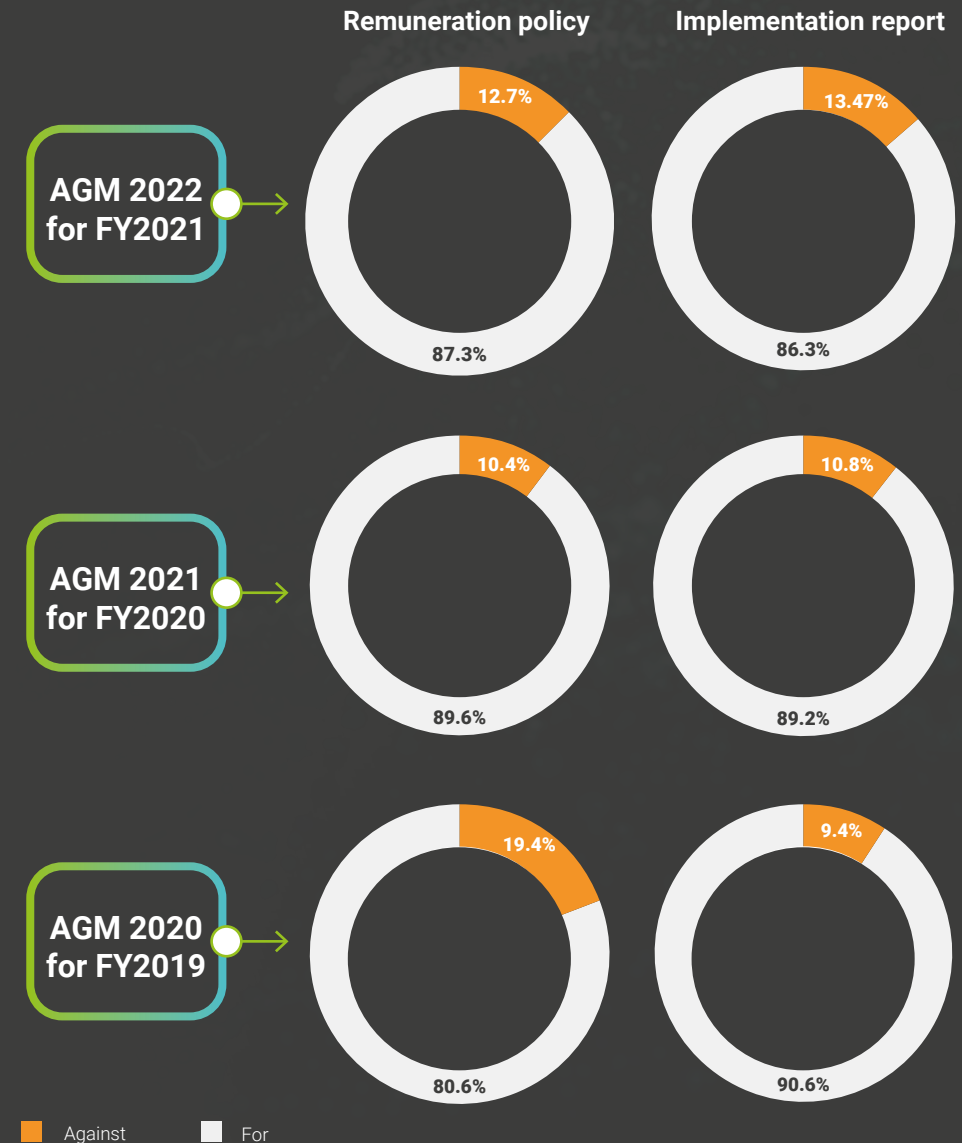
I trust that this remuneration report provides the salient information on our remuneration policy and its implementation in 2022 to inform your vote. Our AGM in May 2023 is being held in-person supported by virtual access for those shareholders unable to attend in person – this approach is intended to enable the widest possible participation by shareholders.

I look forward to the engagement at the AGM and to your support for the JSE's remuneration proposals.

Nolitha Fakude

Chairman: Group Remuneration Committee

History of shareholder support



REMUNERATION ¹⁴ POLICIES

Our remuneration policies are approved by Group Remco and the Board, and set out how total reward must be managed within the Group. This policy statement is subject to a non-binding advisory vote at the AGM.

The JSE's remuneration philosophy and policy governs the remuneration of executive management (executive directors and prescribed officers) and other employees. We are committed to observing the concept of fair and responsible remuneration for executive management in the context of overall employee remuneration.

Remuneration philosophy

Remuneration is structured in a fair and reasonable manner, recognising individual contributions and collective results. There is a clear differentiation between executives and employees based on line-of-sight responsibility, accountability, competencies, work performance and scarcity of skills.

Inherent in this philosophy is the linkage between performance and short and long-term remuneration (both at an individual and corporate level).

In order to drive a pay-for-performance approach, there is also an increasing element of variable pay at senior management levels.

We aim to:

- Align pay to performance against corporate strategy
- Promote a culture that supports innovation, enterprise and the execution of Group strategy
- Align the interests of employees with attaining profitable (and sustainable) long-term growth of the business for the benefit of all stakeholders

- Offer an equitable remuneration mix that attracts, motivates and retains the appropriate calibre of executives and employees

Our remuneration philosophy accounts for:

- Reality of the JSE's size and its significant role in the South African financial sector
- Nature of the business, its risk profile, the competitive environment and financial affordability
- Balancing of rewards with the funding of capital to maintain and grow the JSE, dividend payments to shareholders and payments to wider society (through taxation and corporate social responsibility)

Our philosophy creates sustainable value as it is:

Aligned with **stakeholder interests**

Congruent with strategic **priorities and values**

Linked to corporate and **individual performance**

Competitive with market norms and benchmarks

Transparent and understandable

Fair and responsible remuneration

Policy: *The JSE applies the principle of equal pay for work of equal value, and commissions an annual independent pay parity analysis to inform adjustments to TGP.*

The JSE remains committed to attracting, developing and retaining a diverse workforce. This is a particularly important JSE value and is key to value creation as diversity of thought and perspectives enhances corporate performance outcomes.

The principle of equal pay for work of equal value is a foundational element of the JSE's reward structure. The JSE adheres to various practices in support of this principle:

- Pay structuring
 - TGP pay is determined based on clear role descriptions with grading validated by an independent remuneration advisor.
 - Pay levels and annual TGP adjustments are benchmarked against independent market data.
 - Employees earning less than R350 000 per annum receive above-inflation adjustments to TGP.
 - Overall pay ratios between executives and other employees are considered when determining annual TGP increases.
 - Annual pay parity analysis is conducted by Group Remco's independent advisor to identify any unjustifiable income disparities (including race, gender, performance and tenure), and anomalies are subject to adjustment.
- Career development
 - The JSE invests in employees through career pathing, talent mapping and providing skills development opportunities to promote progress within the JSE.
- Financial literacy
 - The JSE provides financial education, debt counselling and training on basic financial skills to assist employees in avoiding over-indebtedness.


This remuneration philosophy is expressed through a comprehensive remuneration policy, supported by specific remuneration practices.

REMUNERATION MODEL

Policy: Our remuneration model comprises three elements – TGP, annual incentives and long-term incentives – these are linked to corporate and individual performance over the relevant measurement periods to ensure that high levels of pay are awarded only for high performance and where there is sustained value creation for shareholders.

	Fixed pay	Variable pay	
Element	Total guaranteed pay and benefits	Annual incentives	Long-term incentives
Characteristics	<ul style="list-style-type: none"> Set around median for the specific role with limited exceptions as determined by Group Remco from time to time Based on the premise of equal pay for work of equal value Provides a guaranteed level of earnings 	<ul style="list-style-type: none"> Payable for the financial year Rewards high performance Linked to corporate financial performance, delivery of strategic priorities and personal performance 	<ul style="list-style-type: none"> Payable in respect of sustained corporate performance over multi-year periods Attract and retain high-performing talent and critical and scarce skills Create an “ownership culture” among senior employees Measured against pre-set financial and strategic targets
Component	<ul style="list-style-type: none"> Basic salary Defined contribution pension plan Medical aid benefits 	<ul style="list-style-type: none"> Discretionary cash bonus scheme 	<ul style="list-style-type: none"> Share scheme LTIS 2018 share scheme to retain executives and senior staff who have line of sight to strategic outcomes Cash scheme Critical skills scheme to retain senior staff with scarce or critical skills
Purpose	<ul style="list-style-type: none"> Compensate employees for work performed Attraction and retention 	<ul style="list-style-type: none"> Reward employees for the specific financial year’s corporate financial performance, delivery of strategic priorities and personal performance Attraction and retention 	<ul style="list-style-type: none"> LTIS 2018: Incentivise corporate performance and long-term shareholder value creation Critical skills cash scheme: Retention of senior employees with scarce or critical skills
Eligibility	<ul style="list-style-type: none"> All employees 	<ul style="list-style-type: none"> All employees 	<ul style="list-style-type: none"> LTIS 2018: Senior leadership group involved in strategic decision-making Critical skills cash scheme: Key employees with scarce or critical skills (that do not participate in LTIS 2018)

	Fixed pay	Variable pay	
Element	Total guaranteed pay and benefits	Annual incentives	Long-term incentives
How the pay is set	<ul style="list-style-type: none"> Structured on a total cost to company basis Benchmarked against independent market data Reflects scope and depth of role, experience required, level of responsibility and individual performance <p>Benchmarks</p> <p>Financial services industry and general corporate benchmarks are used to determine competitive guaranteed pay levels for all roles. The REMchannel™ database is used with input from independent specialists to ensure all roles are correctly sized and graded as part of the salary benchmarking process. The policy aims to move base salaries towards median, although cost considerations sometimes do not allow this. In certain instances – either for historical reasons or to retain scarce skills – salaries above median are paid.</p>	<ul style="list-style-type: none"> Group Remco determines the discretionary bonus pool based on its assessment of annual corporate performance Individual bonus awards are linked to seniority, individual performance and contribution to corporate performance <p>Performance is rewarded as follows:</p> <ul style="list-style-type: none"> Group CEO receives a discretionary bonus cash award of up to 200% of TGP based on Group Remco performance assessment Exco members receive discretionary bonus cash awards of up to 150% of TGP based on performance as assessed by the Group CEO and subject to Group Remco oversight Employees rated as 'top performers' receive discretionary bonus cash awards of between 16% and 50% of TGP Employees rated as 'meeting expectations' receive a discretionary bonus cash award of approximately one month's TGP 	<ul style="list-style-type: none"> LTIS 2018 are annual awards of JSE ordinary shares; future vesting is linked to corporate performance measured over three and four years Critical skills cash scheme is an annual cash award up to 25% of the participant's annual salary; future vesting is linked to continued employment and performance measured over a two-year period LTIS 2018 participants receive beneficial ownership of the share awards on grant date (subject to the vesting restrictions) and are entitled to dividends declared (on unvested share awards)
Performance hurdle	Not applicable	<ul style="list-style-type: none"> Fully discretionary based on Group Remco assessment of annual corporate performance Discretionary bonus pool is only awarded if pre-set financial and strategic targets are achieved (see corporate performance assessment for 2022 on pages 29 to 31) 	<ul style="list-style-type: none"> LTIS 2018: continued employment and achievement of corporate performance targets Critical skills cash scheme: continued employment, JSE's overall corporate performance and individual performance

	Fixed pay	Variable pay	
Element	Total guaranteed pay and benefits	Annual incentives	Long-term incentives
Global limits	Not applicable	<p>As from 2022 the annual bonus pool is determined as a percentage of PBITI with a pre-set range of outcomes:</p> <ul style="list-style-type: none"> • <8% of PBITI for below-target performance • 8% – 10% of PBITI for on-target performance • +10% of PBITI for above-target performance <p>The final determination of the quantum of the bonus pool rests with Group Remco</p>	<ul style="list-style-type: none"> • Aggregate cash cost of all LTIS 2018 share awards and Critical Skills cash awards may not exceed 10% of the prior year's PBITI unless otherwise determined by Group Remco
Deferral	Not applicable	<ul style="list-style-type: none"> • No deferral of annual bonus awards • When a portion of the bonus pool is paid in JSE Limited ordinary shares, the shares vest within 12 months of year-end 	<ul style="list-style-type: none"> • LTIS 2018: shares vest over three and four years • Critical skills cash scheme: cash awards vest over two years
Malus and clawback	Not applicable	<ul style="list-style-type: none"> • Applicable as from 2022 (policy update approved by shareholders at the 2022 AGM) 	<ul style="list-style-type: none"> • Applicable
Link between remuneration and Group performance  page 21 for new annual corporate scorecard model for 2022 and pages 29 to 31 for corporate performance assessment for 2022)	Not applicable	<ul style="list-style-type: none"> • Deliver on the financial, operational and strategic targets as set out in the corporate scorecard • As from 2022 a new corporate scorecard model has been applied with weighting, metrics and targets for each element of the scorecard 	<p>LTIS 2018</p> <ul style="list-style-type: none"> • Return on equity (ROE) • Growth in earnings (HEPS) • Relative total shareholder return (TSR) • Strategic metrics

Pay mix and potential remuneration

Policy: Pay mix varies with seniority, with an increasing element of variable pay at senior levels.

The Group CEO and Exco members have the largest proportion of total annual package being subject to performance hurdles. This is intended to create a significant degree of alignment with shareholder interests, with the aim of driving sustainable value creation over a longer-term horizon.

The graphs depict the potential pay mix of the Group CEO (L Fourie) for 2021 and 2022, in line with the remuneration policy. The graphs represent the potential outcomes for below target, on-target and maximum performance levels.

Group CEO: Theoretical pay for 2021 and 2022 (R'000)



¹ The on-target discretionary bonus cash award is equivalent to 125% of guaranteed pay.

² The maximum discretionary bonus cash award is equivalent to 200% of guaranteed pay, and can be supplemented with an award of JSE Limited ordinary shares at the discretion of Group Remco for exceptional corporate performance in any year.

³ The Group CEO receives an annual allocation of JSE Limited ordinary shares equivalent to 180% of guaranteed pay (2021: 150%), which award is subject to corporate performance measured over the subsequent three and four years. On-target performance over this measurement period equates to 70% of these shares vesting. Maximum performance over this measurement period equates to 100% of these shares vesting. The values in this graph are based on grant value.

Total guaranteed pay (TGP)

Total guaranteed pay (TGP) serves as compensation for work performed and is:

- linked to clear role descriptions;
- based on the principle of equal pay for work of equal value;
- benchmarked against independent market data in order to pay at market median, and validated by the JSE's independent remuneration advisors; and
- reviewed annually for all staff, with adjustments applicable from 1 January each year.

Financial services industry and general corporate benchmarks are used to determine competitive guaranteed pay levels for all roles. The REMchannel™ database is used for benchmarking.

Annual increases cater for inflation adjustments, grade changes and pay parity adjustments where applicable, as well as merit increases for top performers. Any unjustifiable income disparities (including race, gender and tenure) are subject to adjustment.

Overall pay ratios between executives and other employees are also considered when determining annual salary increments.

Group Remco considers annual TGP adjustments in November each year, with adjustments applicable from January in line with the JSE's financial year.

Annual incentives

The JSE operates a single universal annual bonus scheme. All permanent staff are eligible to participate in the scheme, with senior staff subject to higher levels of variable pay.

For 2022 Group Remco has adopted:

- A more rigorous performance scorecard model (see [page 21](#))
- A more explicit linkage between overall corporate performance outcomes and the determination of the annual bonus pool based on a percentage of PBITI, the pre-set ranges being:
 - 7% – 8% of PBITI for below-target performance
 - 8% – 10% of PBITI for on-target performance
 - +10% of PBITI for above-target performance

Long-term incentives


Policy: The JSE operates two long-term incentive schemes intended to retain senior staff and incentivise sustained value creation over longer-term time horizons:

- LTIS 2018 share incentive scheme for executives and senior staff (who have line of sight to and responsibility for delivering the JSE's strategic agenda)
- Critical Skills cash scheme for senior staff (who have scarce and critical skills and fulfil key technical, operational or support roles at the JSE)

A senior staff member may participate in either long-term scheme but not both.

LTIS 2018

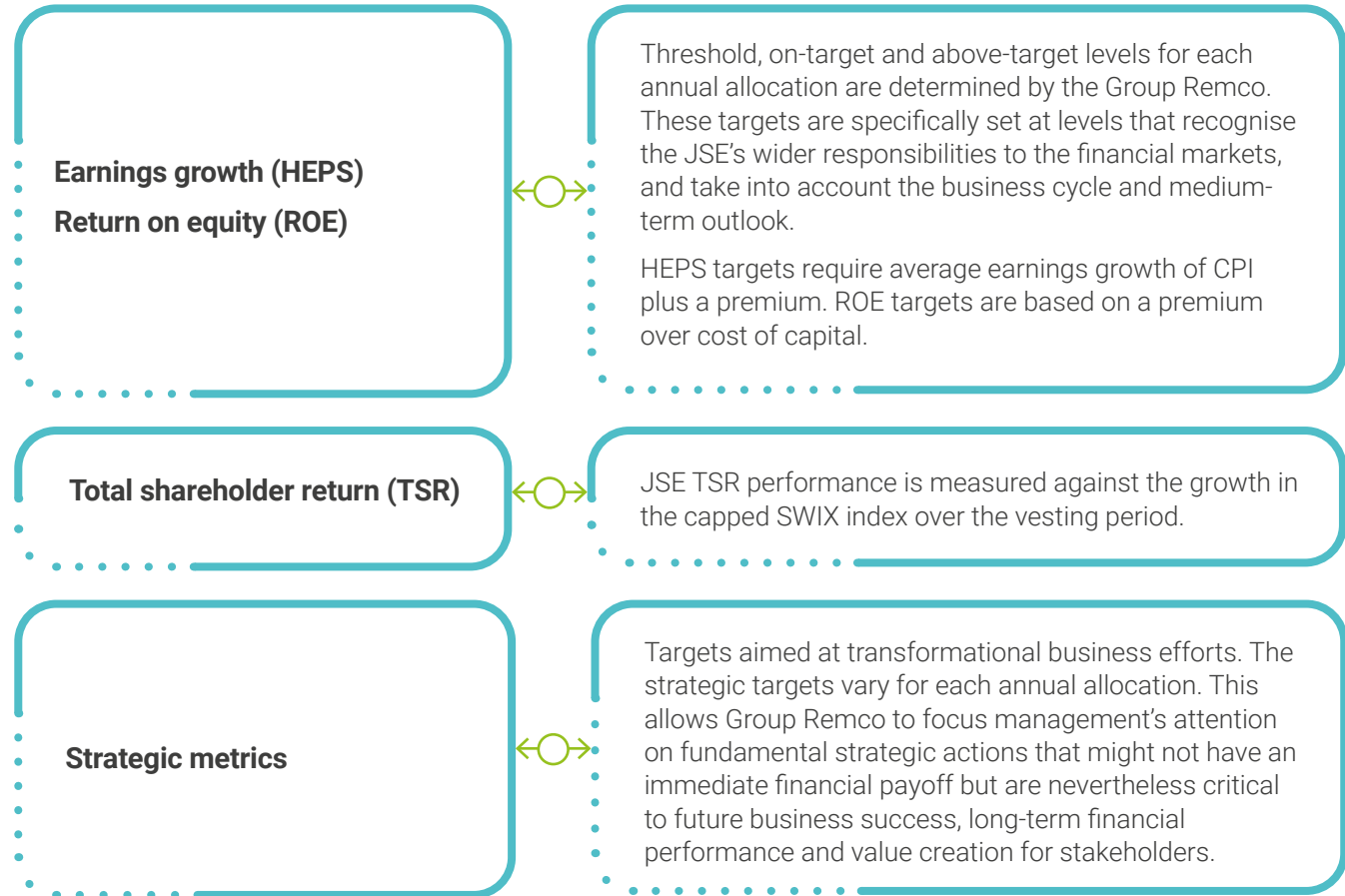
The LTIS 2018 scheme was approved by shareholders at the AGM held in May 2018. The scheme is a full-value, performance share scheme. Scheme participants receive an award of JSE Limited ordinary shares on an annual basis. Vesting of the awards is linked to continued employment (or be a “good leaver” as defined) and the JSE achieving corporate performance targets over each vesting period. Scheme participants have immediate beneficial ownership from the date of the award, but subject to restrictions.

Share awards are forfeited if either the employment requirement or the corporate performance targets are not met. All participants are subject to malus and claw-back provisions in respect of awards granted under LTIS 2018. For more detail, refer to the remuneration model on  page 11.

In order to make the share awards, the LTIS 2018 Trust acquires a specific number of JSE Limited ordinary shares in the open market on behalf of participants. The Trust is funded by the JSE and there is no fresh issue of shares (nor any gearing).

The LTIS corporate performance metrics are designed to incentivise management to pursue balanced, sustainable growth in shareholder value with due regard for the JSE’s wider responsibilities to the South African financial markets. A basket of four metrics was selected by Group Remco and endorsed by the Board, which metrics are aimed at driving earnings growth, encouraging an optimal balance sheet structure, generating returns for shareholders and focusing management on strategic business development objectives.

Group Remco is mindful of the schemes’ dilutive effect and that they represent a transfer of value from shareholders to employees (as would any incentive scheme). Accordingly, various limits apply to the schemes in order to restrict the size of awards, both in aggregate and to individual participants.



Vesting

Each share award vests in two tranches – 50% vests over three years and 50% over four years. Performance metrics are identified and disclosed at grant date, with automatic forfeiture should targets not be achieved, and with no retesting in subsequent periods. Vesting takes place on a straight-line basis between the threshold and above target levels.

The Board remains satisfied that a three to four-year vesting horizon is appropriate for the JSE business and is in line with competitive practice in South Africa.

LTIS 2010/2018 limit	Description
Aggregate limit: number of shares	Over any rolling four-year period, dilution may not be more than 2.5% of issued share capital.
Aggregate limit: cash cost	The Board is mindful of the cash cost of the scheme, and exercises discretion on the cash cost of each aggregate annual allocation. The aggregate rand value of awards is limited to no more than 10% of prior year's PBITI (previously 10% of NPAT) unless otherwise determined by Group Remco
Annual award individual limit	<ul style="list-style-type: none"> Group CEO allocation limit of 180% of TGP Exco allocation limits vary with roles between 100% and 140% of TGP Senior employee allocation limit of 45% of TGP <p>Remco approved selected changes to these individual allocation percentages during the year, following input from the independent advisors to the Committee.</p>

Allocations granted to date under LTIS 2018

Five allocations have been awarded to date under LTIS 2018, with Allocation 5 awarded in March 2022. These allocations vest over three and four-year horizons, based on continued employment by the scheme participants and the achievement of corporate performance targets. These corporate performance are summarised in the table below. Changes in the performance targets over time are determined by Group Remco and reflect expected changes in the economic outlook. Group Remco considers independent advice from its advisors, PwC Reward and Bowmans when making these adjustments to performance targets.

	ROE (average over vesting term)	HEPS (average over vesting period)	TSR	Strategic metric
Assessment criteria	Non-discretionary	Non-discretionary	Non-discretionary	Group Remco discretion
Weighting	45%	20%	10%	25%
Allocation 2 (awarded 2019; measurement to Dec 2021 and Dec 2022)				
Allocation 3 (awarded 2020; measurement to Dec 2022 and Dec 2023)				
Threshold target	16%	CPI	Equal to average growth in capped SWIX ¹	Deliver a future-fit JSE assessed against various requirements relating to culture, structure and operations.
On-target	20%	CPI + 1.71%	Straight line between threshold and above target	
Maximum	23%	CPI + 3%	At least one standard deviation over average historical return in capped SWIX	
Allocation 4 (awarded 2021; measurement to Dec 2023 and Dec 2024)				
Allocation 5 (awarded 2022; measurement to Dec 2024 and Dec 2025)				
Threshold target	16%	CPI	Equal to average growth in capped SWIX ¹	Deliver market data strategy and the medium-term business cases for JIS and Globacap.
On-target	18.28%	CPI + 1.71%	Straight line between threshold and above target	
Maximum	20%	CPI + 3%	At least one standard deviation over average historical return in capped SWIX	

¹ Capped version of the all share index.

Critical skills cash scheme

The critical skills cash scheme has no impact on issued scheme capital dilution and is not intended to increase the overall cash cost of the JSE's LTI schemes beyond the 10% of PBITI guideline.

OTHER POLICY MATTERS

Minimum shareholding requirement

Policy: A minimum shareholding in JSE Limited shares must be maintained by executives whilst in the employ of the JSE.

Key features of this minimum shareholding requirement (MSR) policy:

- Applies to executive directors and prescribed officers of the JSE.
- Shares must be held in own name, and unvested share awards under any long-term incentive scheme may not be included.
- Structured as a percentage of total guaranteed pay (TGP), which translates into a number of JSE shares to be held by the executive from year to year.
- Percentage of TGP to be held in shares is linked to the award multiples under the LTIS 2018 scheme from time to time
- A rolling compliance period applies, being five years from the date that a long-term share award granted to an executive vests for the first time in the hands of the executive.
- Executives must steadily increase their shareholdings across the compliance period as share awards vest in their hands, being 20% of the MSR percentage per annum for the five years of the compliance period.
- Where an executive does not meet the MSR at the end of the rolling compliance period, there is mandatory deferral of 100% of all future vesting of long-term share awards into the MSR until compliance is achieved.
- As the first share awards granted to the Group CEO will only vest for the first time from 2023, those awards and the awards vesting in 2024 will need to be retained (post payment of income tax) towards meeting the Group CEO's MSR requirement.

Changes in policy

During 2021 Group Remco reviewed and revised the MSR policy, which changes are applicable for 2022:

- Now applicable only to executives rather than all LTIS participants
- MSR percentages aligned to the share award percentages applicable to executives – that is, the quantum of the MSR to be held by an executive is the same as the annual share award granted to the executive
- A rolling compliance period introduced
- Clarified the requirement to steadily build up a shareholding over the compliance period
- Sanction introduced for not meeting the MSR

Malus and clawback

Policy: All annual and long-term incentive awards are subject to malus and clawback provisions.

Malus means the adjustment to an award of variable remuneration, such as an annual bonus or long-term incentive, before it has vested. Clawback means the recovery of variable remuneration which has already been paid.

The trigger events for the application of malus or clawback in respect of JSE variable remuneration include:

- Material failure or error that was caused by or ought reasonably to have been prevented by management
- An event or facts that negatively impacted the JSE in a material manner that was caused by or ought reasonably to have been prevented by management
- Gross negligence or fraudulent behaviour
- Participant received performance counselling during the retention period

Any of the above events can lead to forfeiture of annual cash bonus awards, long-term critical skills awards or long-term share awards prior to vesting, or repayment after vesting as per the terms and conditions of the relevant incentive award.

Changes in policy

During 2021 Group Remco reviewed and revised the malus and clawback policy, which changes are applicable for 2022:

- Now applicable to all incentive awards, including annual cash bonus awards, long-term critical skills cash awards and long-term share incentive awards

Outside appointments

Policy: Employees are not entitled to accept outside Board appointments to any listed company so as to avoid any real or perceived conflict of interest. They are, however, entitled to accept appointments to non-listed public or private companies or non-governmental organisations, where the time commitment is reasonable and subject to the prior approval of the Group CEO, or the chairman of the JSE Board (in respect of any appointments relating to the CEO). Fees earned from such non-executive appointments are payable to the JSE.

Service contracts

Policy: All executives are employed on standard employment agreements, not fixed-term contracts. A specific service contract applies for the role of Group CEO.

These employment agreements provide for a notice period of three months and entitle the employee to standard JSE benefits and participation in the JSE's short and long-term incentive schemes, subject to the rules of these schemes from time to time.

There is a shorter notice period for executives who are dismissed following the results of disciplinary proceedings. There are no contracted balloon payments payable to executives upon termination.

Employees are required to retire at age 65.

Annual incentives are not subject to deferral. The treatment of deferred elements of long-term incentives in the event of terminations, are highlighted in the table below.

	No fault terminations (retirement, retrenchment, disability or death)	Resignations and terminations
Unvested LTIS 2018 awards	Must be retained in the scheme and will vest in the normal course according to the pre-set vesting dates (subject to corporate performance over that future period)	Forfeited
Critical skills cash scheme awards		

No additional provisions exist for a change of control of the JSE, save for the termination of employment in accordance with the prevailing JSE policy.

Detail of the service contract for the Group CEO is set out below and overleaf.

Group CEO service contract

The Group CEO is the only employee with a specific service contract. The contract contains a six-month notice period and a one-year restraint of trade.

The agreed restraint of trade precludes the Group CEO from being engaged by any stock exchange, bond or futures market, or any clearing house, depository or stock-broking business carried on in South Africa for a period of one year from the date of termination. Group Remco is of the view that this restraint is fair and reasonable in order to protect the strategic proprietary interests of the JSE. The restraint of trade was settled in JSE Limited shares which will vest only if the restraint is exercised by the JSE at the end of the CEO's employment with the JSE.

Summary of remuneration structure

Guaranteed pay	Annual incentive	Minimum shareholding requirement (MSR) for CFO	Long-term incentive
<ul style="list-style-type: none"> Graded as Patterson F-Band Benchmarked against independent market data (REMchannel™ data for financial services) at 75th percentile Structured on a cost-to-company basis and comprises basic salary and pension plan and medical aid contributions Provides a guaranteed level of earnings <div data-bbox="114 831 526 1013" style="border: 1px solid #00a651; padding: 5px; margin-top: 10px;"> <p>Implementation of this remuneration structure for the Group CEO in 2022 is set out in the Implementation report (see page 41 on executive director performance)</p> </div>	<ul style="list-style-type: none"> Participates in the discretionary bonus scheme Performance is assessed annually by Group Remco against corporate scorecard and personal objectives Group Remco's performance assessment of Group CEO is endorsed by the Board Awards are payable in cash, calculated as a percentage of guaranteed pay Performance levels (% of TGP): <ul style="list-style-type: none"> Below target: discretion applied from 0% to 125% On-target: range applies from 125% Above-target: discretion applied up to maximum of 200% For exceptional corporate performance in any year, the discretionary bonus award may be scaled beyond 200% of annual guaranteed pay, subject to the size of the discretionary bonus pool with the percentage over 200% payable in JSE Limited ordinary shares No deferral of awards 	<ul style="list-style-type: none"> MSR policy for executives requires an executive to hold shares in JSE Limited in own name For the Group CEO this shareholding in own name must equal 180% of guaranteed remuneration and must be held within five years of the first vesting of shares under the JSE's LTIS 2018 scheme As a new employee, the Group CEO will not have any LTIS 2018 share awards vesting until Q1 2023 Accordingly a specific MSR arrangement applies to the Group CEO: <ul style="list-style-type: none"> must retain all shares vesting in 2023 and 2024 in respect of her awards under LTIS 2018 in support of her MSR (after settling any tax due from the proceeds of the vesting event in 2023 and 2024) 	<ul style="list-style-type: none"> Participates in LTIS 2018 Share awards granted annually at 180% of guaranteed pay Awards vest over three and four-year time horizons subject to continued employment and meeting pre-set corporate performance targets measured over the vesting period No retesting of performance Share awards are forfeited if performance conditions not achieved (the first share awards, which were granted to the Group CEO in 2020, will vest in 2023 subject to corporate performance measured over that vesting period)

PERFORMANCE MEASUREMENT

Scorecard 2022

Policy: Group Remco has adopted a new scorecard format with weightings, metrics and targets which applies for 2022

To enhance our performance measurement process, and with input from our shareholder engagements in 2021, we have reformulated the annual scorecard to more closely align to our strategic priorities and address all our material matters. These strategic priorities address:

- enhancements to the JSE's core business and diversifying into new growth market segments and leveraging opportunities;
- operational resilience in relation to building robust and scalable systems, operations and a competitive business model; and
- operational stability and efficiencies in our cost base, knowledge management and systems.

Weighting have been assigned to each element of the 2022 scorecard.

Specific metrics and targets have been identified for each of the four strategic priorities, and these are categorised into:

- On-target performance level
- Above-target performance level
- Performance modifiers (issues that will negatively impact the annual performance rating)

Group Remco applied the new scorecard and performance methodology for the 2022 year with the aim of linking STI rewards for 2022 more closely to specific performance levels delivered during the financial year.

The Group scorecard for 2022 was approved by the Board in November 2021 and is articulated in the accompanying table.

Strategic priorities 2022

Group scorecard¹ 2022

Generate sustained, high-quality earnings (weighting: 45%)

On-target deliverables for FY2022:

1. Balanced operating leverage on reported results.
2. Reported HEPS growth over the prior reporting year.
3. Reported NPAT margin of 26% to 28%.
4. Reported return on equity (ROE) range of 17% to 18%.

Protect and grow our core business (weighting: 20%)

On-target deliverables for FY2022:

1. Overall annual operational/systems stability of 99.7% (SLA to the market).
2. Overall number of material P1 incidents (whether technology, business or data related)².
3. Commence the asset class migration in line with the project plan approved by the Board (excludes BDA).

Transform our business (weighting: 20%)

On-target deliverables for FY2022:

1. Meet the acquisition business case targets for JIS and Globacap and the proposed business targets for 2022.
2. Drive the 2026 market data strategy.
3. Progress core products and services.
4. Implement the SME Accelerator platform.

Partner for a sustainable market-place (weighting: 15%, split equally between talent/stakeholders and sustainability)

On-target deliverables for FY2022:

1. Talent and stakeholders:
 - Achieve an employee culture engagement score in line with the financial services industry average for 2022.
 - Maintain or improve the customer NPS compared with the 2021 score.
 - Operate successfully using a hybrid working model (measured through an employee engagement survey).
 - Minimise attrition rate for critical talent as agreed by the Board.
2. Sustainability:
 - Maintain a Level 2 BBBEE scorecard rating.

¹ The Group CEO is assessed by the Group Remuneration Committee (GRC) based on both the performance of the JSE against the 2022 corporate scorecard and on the impact of the Group CEO's leadership on the JSE.

² The GRC agreed on the number of priority 1 incidents and the precise definition of a priority 1 incident in 2022.

Scorecard 2023

Looking forward to the year ahead, our 2023 scorecard includes initiatives that address all our material matters. The Group scorecard for 2023 was approved by the Board in March 2023 and is articulated below. We have assigned weightings as well as on-target deliverables, above-target deliverables, and performance moderators for the four categories of the scorecard.

Generate sustained, high-quality earnings

Weighting: 45%

On-target deliverables

- Positive operating leverage on reported results for FY2023
- Reported NPAT growth of CPI over reported results for FY2022
- Reported NPAT margin of 29% for FY2023
- Reported ROE of 19% for FY2023

Above-target deliverables

- Positive operating leverage of 2% or better on reported results for FY2023
- Reported NPAT growth of CPI+2% over reported results for FY2022
- Reported NPAT margin of >29% for FY2023
- Reported ROE of >19% for FY2023

Performance moderators

- Restatement of earnings (misrepresentation)
- Breach of Group risk appetite on earnings and capital

To take account of the uncertainty in market conditions, the financial scorecard measures will be aligned to a rolling forecast to be approved by the Board in H2 2023.

Protect and grow our core business

Weighting: 20%

On-target deliverables

- Overall annual operational/systems stability of 99.7% (SLA to the market)
- Deliver asset class upgrade on STT platforms in 2023 in line with project plan approved by Board (subject to Bond CCP and levies bill)
- Progress core products and services
- Delivery against planned systems maintenance initiatives
- Initiate and progress an organisation-wide programme of work on automation

Above-target deliverables

- Overall annual operational/systems stability > 99.8% (SLA to the market)
- Deliver asset class upgrade on STT platforms in 2023 under budget (subject to Bond CCP and levies bill)

Performance moderators

- Extended market-facing service interruptions or loss of sensitive data
- Breach of risk appetite on operational resilience
- Significant penalties imposed by Information Regulator or FCSA in relation to a Data incident
- Significant cyber breach with market-facing impact

Transform our business

Weighting: 20%

On-target deliverables

- Achieve the JIS growth strategy
- Drive the IS 2026 growth strategy
- Progress delivery on market data of prioritised asset classes into the cloud
- Launch the JSE Market Data Shop in the cloud
- Progress enablement of new markets

Above-target deliverables

- Exceed on-target growth strategies for JIS
- Drive the 2026 IS growth strategy (targets in addition to on-target performance)
- Transition of history for essential data sets within the Market Data Lake
- Launch XBRL for JSE-listed company results
- Realise revenue from new data services of an agreed amount with Board
- Deliver prioritised real-time market data over the cloud

Performance moderators

- An impairment on JIS
- Failure to deliver all phases of the Market Data Lake in the Cloud

Partner for a sustainable marketplace

Weighting: 15%

On-target deliverables

- Maintain a staff culture engagement score in line with the 2022 score
- Maintain a client NPS survey score in line with the 2022 score
- Maintain a regrettable attrition ratio below our risk appetite
- Execute the core elements of the SME incubator support model and expand the service proposition for SMEs
- Maintain a BEE scorecard rating of level 2
- Meet on-target performance levels for selected key metrics in Sustainability dashboard

Above-target deliverables

- Improve on the 2022 staff culture engagement score
- Improve on the 2022 Client NPS score
- Fully implement Incubator support model with all elements and partnerships in place
- Improve BEE scorecard rating as determined by Group Remco
- Deliver above-target performance levels on a majority of the selected key metrics in Sustainability dashboard

Performance moderators

- Significant decline in staff culture engagement score
- Significant decline in BEE scorecard rating
- Significant decline in client NPS survey score

NON-EXECUTIVE DIRECTOR EMOLUMENTS

POLICY: *Non-executive director emoluments take the form of an annual retainer, reflective of the role and responsibilities discharged by a director and are not related to the number of meetings attended. The role of a non-executive director extends substantially beyond attending meetings, with directors accountable for the strategic direction of the company and its overall governance and results. Emoluments proposed for 2023 are in line with the approved policy and are subject to shareholder approval at the AGM to be held on Tuesday, 9 May 2023.*

Board chairman Paid a single annual retainer that encompasses the responsibility for leading the Board and serving on various Board committees. The Board chairman also chairs the Group Nominations & Governance Committee.

Board committee chairmen Paid a premium set at twice the fee for a committee member, as compensation for the additional responsibilities and time commitment expected of their roles. The premium for the Group Audit Committee chairman is up to 2.5 the retainer paid to a member of the Group Audit Committee.

Lead independent director Paid a premium of 30% of the annual non-executive director retainer.

Non-executive directors do not receive short-term incentives or participate in the JSE's long-term incentive schemes. There are no provisions for emoluments or other payments in respect of loss of office.

The JSE has an elective policy relating to non-executive director shareholdings, in terms of which Board members are encouraged to hold JSE Limited ordinary shares to the value of their annual Board retainer. However, there is no mandatory minimum shareholding requirement for non-executives.

Out-of-pocket expenses, such as travel and accommodation costs, incurred by non-executive directors in the execution of their responsibilities are reimbursed on request.

Recommendations regarding non-executive director emoluments are informed by independent market data provided by the JSE's independent remuneration advisors, PwC Reward. Group Remco also takes into account the complexity, responsibility, time commitment and risk inherent in membership of the JSE Board and the various Board committees when preparing a recommendation for Board consideration and shareholder approval. Group Remco is satisfied that the fee structure for the JSE's non-executive directors remains appropriate.

Implementation of the non-executive fees in 2022 is set out in the Implementation report (see [page 48](#))

Non-executive director fee benchmarks

Group Remco has selected the FTSE/JSE Financial Index as an appropriate industry index. It benchmarks the emoluments against those of the constituent companies in the index after excluding investment holding companies, property companies and dual-listed companies from the comparator group, given their very different business models from that of the JSE.

Although the JSE is a medium-sized financial services organisation, it fulfils a unique role in the economy as a self-regulatory organisation and as a marketplace for capital formation. The JSE seeks to appoint and retain non-executive directors that are able to contribute in a meaningful way to the direction and oversight of the Group's affairs and competes for the same non-executive talent with other regulated financial services companies. In the view of Group Remco, it is therefore appropriate and necessary that the JSE should use a comparator group incorporating major South African financial services companies. The JSE seeks to set non-executive director emoluments at the median of the peer group.

Comparator group for non-executive director fee benchmarking

Alexander Forbes Group Holdings Limited	MMI Holdings Limited
ABSA Group Limited	Nedbank Group Limited
Capitec Bank Holdings Limited	PSG Group Limited
Coronation Fund Managers Limited	Sanlam Limited
Discovery Limited	Santam Limited
FirstRand Limited	Standard Bank Group Limited
	Transaction Capital Limited

For the 2023 year

Group Remco is responsible for recommending to the JSE Board the emoluments to be paid to JSE non-executive directors for their services as directors (as defined).

The JSE Board is required, in accordance with sections 66(8) and 66(9) of the Companies Act, 2008, to present a special resolution outlining the proposed emoluments, for approval by shareholders at intervals not exceeding two years.

Looking ahead to 2023, Group Remco reviewed a benchmarking proposal for non-executive emoluments, supported by independent data, and settled on a recommendation to the JSE Board for an increase to the emoluments for 2023. In determining this recommendation for 2023 the Group Remco:

- made no changes to the peer group against which these emoluments are benchmarked, as the committee was of the view that the peer group remains relevant for this benchmarking exercise (see 📄 page 24 for peer group constituents);
- targeted an incremental adjustment to the retainers for the chairmen and members of the Group Audit Committee and the Group Sustainability Committee so as to reflect the increasing workload, levels of risk and importance of these statutory committees;
- noted that fees payable to a non-resident non-executive director will be computed at the approved ZAR rate (same as the rate for all other directors) and paid in the relevant foreign currency on a quarterly basis, using the average foreign exchange rate for the calendar quarter for which the fees are due;
- maintained the 2x ratio in respect of the retainers for committee chairmen and committee members in line with the existing JSE non-executive emoluments policy, save for the Group Audit Committee where JSE policy provides that this ratio should be closer to 2.5x the retainer paid to Audit Committee members; and
- sought to align the JSE's proposed fees for 2023 with the median of the peer group (aiming for a compa-ratio within 80% – 120% of median for all non-executive roles) – the proposed adjustment for 2022 will result in a 94% compa-ratio to the peer group.

Based on the above benchmarking exercise, the Board and Group Remco are of the view that emoluments for 2023 ought to be increased by an overall 6.4% on average, which will bring the emoluments payable to the JSE's non-executive directors to 94% of the median of the peer group companies.

Schedule of proposed emoluments for 2023 for shareholder approval

	Existing fees for 2022 ZAR	Proposed fees for 2023 ZAR	Annual percentage change
Board Chair	2 650 000	2 800 000	5.6%
Board Member	450 000	490 000	8.8%
Lead Independent Director	135 000	145 000	7.4%
Group Audit Committee			
Committee chairman	470 000	515 000	9.5%
Member	215 000	235 000	9.3%
Group Risk Management Committee			
Committee chairman	400 000	430 000	7.5%
Member	200 000	215 000	7.5%
Group Remuneration Committee			
Committee chairman	330 000	350 000	6.0%
Member	165 000	175 000	6.0%
Group Sustainability Committee			
Committee chairman	270 000	300 000	11.1%
Member	135 000	150 000	11.1%
Group SRO Oversight Committee			
Committee chairman	330 000	335 000	1.5%
Member	165 000	167 500	1.5%
Group Investment Committee			
Chairman	330 000	340 000	3.0%
Member	165 000	170 000	3.0%
Group Nominations and Governance Committee			
Member	100 000	108 000	8%
Ad hoc meeting fee	30 000	30 000	0%

The Board has accordingly resolved, on the recommendation of Group Remco, to propose for approval special resolution number 3, at the AGM to be held on Tuesday, 9 May 2023, authorising the payment of emoluments to the non-executive directors for their services as directors in 2023, in accordance with the existing all-inclusive fee model, together with the payment of VAT to the extent applicable. The resolution being proposed to shareholders at the AGM is set out in the notice of AGM, available at www.jse.co.za

REMUNERATION GOVERNANCE

Policy: The Board and Group Remco are responsible for developing appropriate remuneration policies, models and practices and for determining remuneration outcomes in accordance with these policies and practices.

Board

- Sets the overarching remuneration philosophy for the Group
- Approves the remuneration policy
- Submits the remuneration policy and implementation report to two non-binding advisory votes by shareholders at every AGM
- Submits a proposal on non-executive director emoluments for approval by special resolution of shareholders at every AGM
- Appoints the members and chairman of Group Remco

Group Remco

Terms of reference: A formal Board-approved terms of reference is in place¹. There were no changes to the terms of reference during 2022.

Philosophy: Ensures that the JSE consistently, throughout the Group, adheres to a remuneration philosophy based on enduring principles of fairness, transparency, competitiveness and reward for performance actually delivered.

Policy: Ensures that remuneration policies and practices, and the implementation of those, directly support the achievement of the Group's strategy and business goals, to the ultimate benefit of shareholders and other stakeholders.

Judgement: Exercises discretion in such a way that the best interests of stakeholders are served and the appropriate calibre of management and employees are attracted, motivated and retained, rather than simply applying formulaic prescriptions.

Implementation: Determines the structure and level of remuneration for executive management, assesses corporate and Group CEO performance over relevant measurement periods, and approves all annual incentives for executives and share allocations and vesting of share awards under the Group's share incentive schemes.

Committee effectiveness: The Board confirmed that Group Remco has discharged its mandate and the responsibilities delegated to it during 2022.

Composition: Comprises a minimum of three non-executive directors of the JSE, appointed by the Board. The committee is required to meet a minimum of three times each calendar year. No members of the Group Remco may have any day-to-day involvement in the management of the JSE. As at 31 December 2022, the committee comprised four independent non-executive directors.

Management involvement: The Group CEO and the director of human resources attend Group Remco meetings by invitation. Other senior management members attend meetings from time-to-time as required. The Group Company Secretary attends all Board committee meetings. No individual, irrespective of position, is present when their remuneration is discussed.

¹ For terms of reference, refer www.jse.co.za.

IMPLEMENTATION REPORT

Our Implementation Report sets out our remuneration outcomes for 2022. We explain how our remuneration policy was applied during the year, and the linkage between pay and performance in our short-term and long-term rewards. We also outline the steps taken in 2022 regarding fair and responsible remuneration. This implementation report is subject to a non-binding advisory vote at the AGM.

Applying our remuneration philosophy

Key outcome: *The approved remuneration policies have been applied consistently in 2022.*

The Board, working through Group Remco, seeks to ensure that total remuneration paid by the Group is aligned with the JSE's value-creating strategies, is sustainable and meets the legitimate expectations of stakeholders.

Within this philosophy, Group Remco aims to apply the approved remuneration policy and the associated practices so that executive remuneration is fair and reasonable within the context of the Group's overall remuneration.

This implementation report sets out the details and key outcomes of the remuneration paid to executive directors in 2022. A summary of the remuneration paid to prescribed officers is also included (📄 see page 46) as well as the emoluments paid to non-executive directors in 2022 (📄 see page 48).

Financial context for our remuneration outcomes

Key outcome: *The JSE has delivered a strong and resilient performance in 2022 with improved returns to shareholders, robust operational processes and systems uptime across our markets and enhanced service levels for our users.*

The JSE's solid performance reflects an improvement in the quality of earnings and the resilience of the operating platforms within a challenging trading environment.

- Net profit after tax (NPAT) increased by 4% YoY to R749 million, with headline earnings per share (HEPS) increasing by 4% YoY to 917.7 cents per share (2021: 878.9 cents).
- Earnings before interest, tax and depreciation (EBITDA) of R1.07 billion increased by 1% YoY.
- The Group recorded revenue growth across its business segments. Operating revenue grew 5% to R2.7 billion, with an 11% increase in revenue from Information Services and a 28% increase in revenue from JSE Investor Services (JIS). The JSE further increased the proportion of its revenue derived from non-trading activity in line with our strategic intent (non-trading revenue grew by 13% from R590 million to R668 million in 2022).
- Total operating expenditure increased by 7.5% YoY to R1.9 billion. Other operating expenditure growth includes an increase in administration fees relating to an increase in JIS revenue generating activities and an increase in electricity and building utilities (e.g., diesel). Personnel costs reflect annual salary increases and the annualised impact of headcount relating to new acquisitions.

- Rising interest rates and growth in margin deposits have supported higher net finance income, which increased 40% YoY to R203 million (2021: R146 million).
- Continued strong cash generated from operations of R978 million has enabled the Board to declare an ordinary dividend of 769 cents per share for 2022, an increase of 2% YoY. The JSE will maintain a pay-out ratio between 67% – 100% of distributable earnings in respect of the annual ordinary dividend.
- Capital expenditure of R127 million was focused on operational resilience and growth initiatives.
- In compliance with the provisions of the Financial Markets Act, 2012, and the risk appetite set by the Board, the JSE Group calculates and holds regulatory capital in the form of equity capital. Ring-fenced and non-distributable cash (regulatory capital and investor protection) amounts to R1.2 billion. Of the remaining R1 billion, R668 million will be distributed as dividends. The Group therefore remains well capitalised.
- The Group maintains a robust balance sheet with cash of R2.2 billion at 31 December 2022.

R million (unless stated otherwise)	FY2022	FY2021	% change
Operating revenue	2 650	2 517	5%
Total revenue	2 704	2 576	5%
Personnel expenses	693	650	7%
Other expenses	946	871	9%
Depreciation and amortisation	273	258	6%
Total expenditure	1 912	1 779	7.5%
Earnings before interest and tax (EBIT)	792	798	(1%)
Net finance income	203	146	40%
Net profit after tax (NPAT)	749	722	4%
EBIT margin	29%	31%	(2 pts)
Earnings before interest tax depreciation and amortisation (EBITDA)	1 066	1 055	1%
EBITDA margin	39%	41%	(2 pts)
Earnings per share (EPS) (cents)	911.1	874.1	4%
Headline earnings per share (HEPS) (cents)	917.7	878.9	4%
Ordinary dividend per share declared (cents)	769	754	2.0%
Special dividend per share declared (cents)	–	100	(100%)
Net cash generated from operations	978	917	7%
Capital expenditure	127	165	(23%)

The financial performance recorded by the Group is a key driver of the variable rewards granted by Group Remco:

- Annual Discretionary bonus pool – this is linked to a balanced scorecard of annual targets, with financial performance weighted at 45%
- Long-term equity incentives – vesting is linked to a basket of key metrics with financial performance over the vesting period (ROE and HEPS growth) weighted at a combined 65%

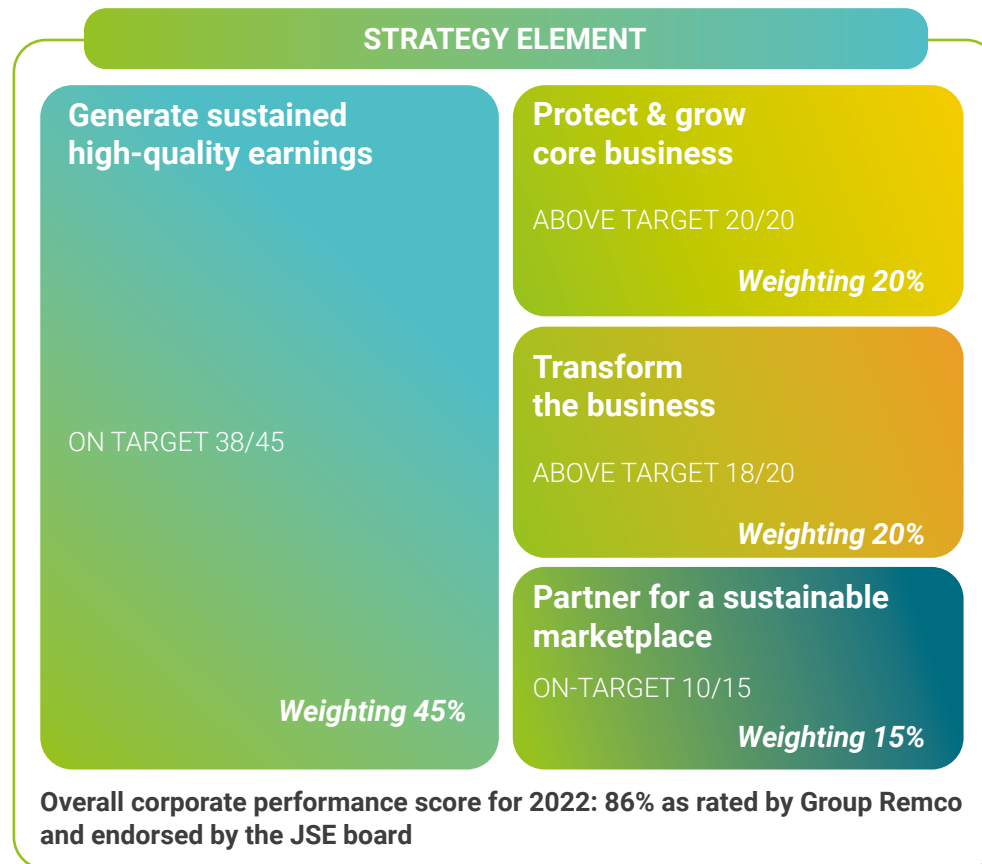
SHORT-TERM PERFORMANCE

Overall corporate performance in 2022 – a one-year view

Key outcome: Group Remco assessed corporate performance for 2022 as *SOLID & RESILIENT* with a score of 86/100 (2021: 73/100).

Group Remco approves an annual corporate scorecard each year, with the aim of focusing management attention and energy on a balanced portfolio of annual deliverables.

There are four components to the annual scorecard, with weightings reflecting their relative importance. For each scorecard component, a series of "on-target" and "above-target" performance levels are set by Group Remco. "Performance moderators" that represent "below-target" delivery are also identified.



Key outcomes are summarised below:

Financial: Delivered growth in HEPS while achieving ROE and NPAT margins in line with targets. Slowdown in revenue growth due to global and local market drivers negatively impacted operating leverage for the 2022 year.

Operations: Operational resilience and systems uptime has exceeded our SLA commitments and shows a marked improvement on the prior year.

Growth: Headline growth initiatives JIS and JPP delivered operationally and strategically, despite missing financial targets by a small margin. Annuity revenue improved by 13% to 25% of total operating revenue in line with the strategic intent to diversify Group revenue.

Stakeholders & staff: Solid stakeholder engagements in 2022 with an improvement in our Net Promoter Score (NPS).

JSE Clear: Granted independent clearing house licence for JSE Clear, effective from January 2023.

Return to office: There has been a positive response to our hybrid work policy. Staff are successfully utilising the collaborative space in the office with support from the IT and change management teams.

In developing a view of annual corporate performance, Group Remco reviews a detailed submission from the Group CEO and executive management, and consults each Board Committee for formal feedback on key performance measures.

This assessment of corporate performance for 2022 is captured in the summary scorecard outcomes below.

Our 2022 Corporate Scorecard – Detailed performance assessment

STRATEGY ELEMENT: Generate sustained high-quality earnings

Rated as **ON TARGET** with score of 38/45

Weighting: 45%

On-target deliverables	Performance assessment	Remco decision
<ol style="list-style-type: none"> Balanced operating leverage on reported results Reported HEPS growth over prior reporting year Reported NPAT margin 26% – 28% Reported ROE range of 17% – 18 	<ol style="list-style-type: none"> Negative operating leverage HEPS growth up 4% NPAT margin of 28% ROE of 18% 	<p>Below target</p> <p>On target</p> <p>On target</p> <p>On target</p>
Above-target deliverables		
<ol style="list-style-type: none"> Deliver a shift towards annuity revenue in reported results (versus the transactional revenue reported in the prior year) Leverage, HEPS growth, NPAT margin and ROE 	<ol style="list-style-type: none"> Non-trading revenue increased by 13% over 2021 to 25% of total operating revenue Operating leverage, HEPS growth, NPAT margin and ROE did not meet the above target performance levels 	<p>Above target</p> <p>Did not meet above target deliverables</p>
No performance moderators apply		

STRATEGY ELEMENT: Protect and grow core business

Rated as **ABOVE TARGET** with score of 20/20

Weighting: 20%

On-target deliverables	Performance assessment	Remco decision
<ol style="list-style-type: none"> Overall annual operational/systems stability of 99.7% (SLA to the market) Overall number of material priority one incidents Commence the asset class migration on STT platforms 	<ol style="list-style-type: none"> 99.90% market availability (better than the SLA set for 2022) 5 material priority one incidents at Group level (three in IT, two in data) Delivered in line with the project plan 	<p>On target</p> <p>On target</p> <p>On target</p>
Above-target deliverables		
<ol style="list-style-type: none"> Overall annual operational/systems stability > 99.8% (SLA to the market) Overall number of material priority one incident 	<ol style="list-style-type: none"> 99.90% market availability (better than the SLA set for 2022) 5 material priority one incidents 	<p>Above target</p> <p>Above target</p>
No performance moderators apply		

STRATEGY ELEMENT: Transform the business**Rated as ABOVE TARGET with score of 18/20**

Weighting: 20%

On-target deliverables	Performance assessment	Remco decision
1. Meet the acquisition business case targets for JIS and Globacap	1. JIS and JPP: a. Below business case financial target b. Achieved business development targets	Marginally below target On target
2. Drive the 2026 market data strategy	2. Delivered all 2022 targets	On target
3. Progress core products and services	3. Range of new products delivered to support market quality, product breadth and availability	On target
4. Implement the SME Accelerator platform	4. First cohort graduated with an increase in revenue and headcount	On target
Above-target deliverables		
1. Progress securities collateral functionality (subject to legislation)	1. JSE is ready to launch once regulatory approval is granted	Above target
2. Drive the 2026 market data strategy (targets in addition to on-target performance)	2. Some above target items delivered	Above target
No performance moderators apply		
1. Failure to meet JIS and Globacap business case and FY2022 targets	1. Targets partially met	Marginally below target

STRATEGY ELEMENT: Partner for a sustainable marketplace**Rated as ON TARGET with score of 10/15**

Weighting: 15%

On-target deliverables	Performance assessment	Remco decision
1. Achieve a staff culture engagement score in line with financial services industry average for 2022	1. JSE engagement score within the pre-set range but slightly below financial services industry average	Marginally below target
2. Maintain or improve client NPS survey score above 2021 score	2. NPS survey score above the 2021 score	On target
3. Operate successfully in a hybrid working model (measured through staff engagement survey in Q4 2022)	3. Successfully delivered hybrid working model	On target
4. Maintain a regrettable attrition ratio below a pre-set average	4. Regrettable attrition ratio below pre-set average	On target
5. Maintain BEE scorecard rating of Level 2	5. Maintained BEE scorecard rating of Level 2	On target
Above-target deliverables		
1. Achieve a staff culture engagement score better than the financial services industry average for 2022	1. Staff culture engagement score below financial services average for 2022	Marginally below target
2. Improve client NPS survey score as determined by Group Remco	2. NPS survey score improved by +2 points	Did not meet above target deliverable
3. Improve BEE scorecard rating as determined by Group Remco	3. BEE scorecard rating improved by +3 points within Level 2	Above target
No performance moderators apply		

Annual incentives awarded for 2022

Key outcome: Discretionary bonus pool for the Group of R82 million awarded for 2022 (2021: R74.3 million)

A discretionary bonus pool is created annually at the discretion of Group Remco, and the quantum of the discretionary bonus pool is linked to the quality of the overall corporate performance for the year in question, including the JSE Group’s financial performance, as measured against the approved corporate scorecard.

In our new (approved) discretionary bonus policy:

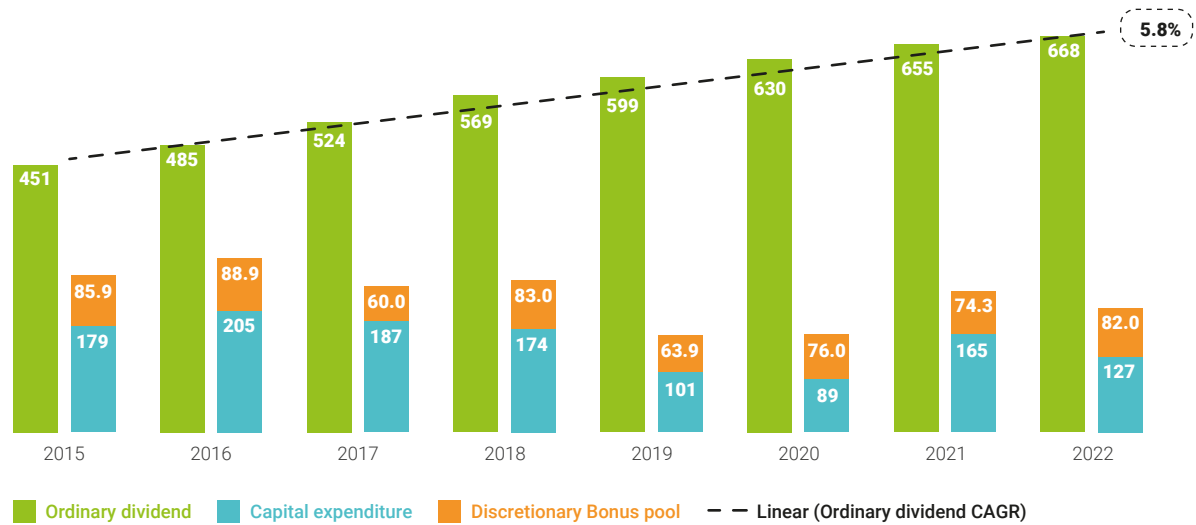
- On-target performance equates to a discretionary bonus pool of 8% – 10% of PBITI (subject to Remco discretion)
- Above target performance would translate to a discretionary bonus pool above 10% of PBITI (also subject to Remco discretion)
- Below target performance would result in a discretionary bonus pool of less than 8% of PBITI (determined by Remco)

In past years, the maximum size of the discretionary bonus pool was limited to 10% of Net Profit After Tax (“NPAT”).

Based on the solid quality of the corporate performance delivered by the JSE in 2022 (reflected in the achievements across each of the four elements of the scorecard and an overall performance score of 86/100), Group Remco determined that the size of the discretionary bonus pool for 2022 should be set within the on-target range of 8% – 10% of PBITI.

The Board endorsed the Group Remco decision to set the quantum of the discretionary bonus pool at 8.7% of PBITI, translating to a bonus pool of R82 million for the Group (2021: R74.3 million).

Eligible employees from all Group entities (JSE | JSE Clear | JSE Investor Services) share in this discretionary bonus pool. All discretionary bonus awards are payable in cash.



Returns to stakeholders | Ordinary dividend vs capital expenditure vs Discretionary Bonus pool

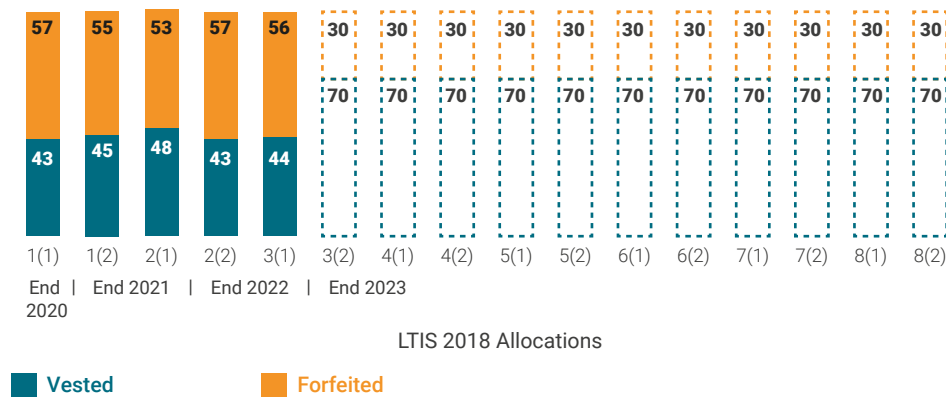
LONG-TERM PERFORMANCE

Overall corporate performance from 2019 to 2022 – a four-year view

Key outcome: Group Remco assessed long-term incentive scheme performance as at the end of 2022 at a below-target level. For the four-year assessment period 2019 to 2022, the LTIS allocation 2(2) vested at 43.3% while for the three-year assessment period 2020 – 2022, the LTIS allocation 3(1) vested at 44%. The vesting of both these LTIS allocations is significantly below the on-target vesting level of 70%. The balance of the shares that did not vest are forfeited by all scheme participants.

To drive sustained financial performance over a longer-term horizon, Group Remco has implemented a conditional equity scheme. LTIS 2018 is designed to provide selected senior JSE staff with an incentive to remain with the JSE and, collectively, to deliver superior performance over time. This performance is assessed against a pre-set LTIS scorecard of four corporate yardsticks (ROE performance, HEPS growth, relative TSR performance and a strategic metric).

LTIS 2018 vesting profile (%)



Average vesting to date under the LTIS 2018 scheme is at 45% which is significantly below the on-target level of 70%. Targets for in-flight awards cannot be amended retrospectively.

The efficacy of LTIS 2018 as a retention tool is undermined by the low vesting rates recorded since 2020. During 2023 Group Remco will consider how best to set targets for future LTIS 2018 awards, as part of its annual review of the scheme, to ensure an appropriate balance is maintained between achievable targets and meaningful stretch that translates into value creation for shareholders.

* On-target vesting is set at 70% of the shares vesting
 * Full performance vesting (achieving all metrics) is set at 100% of the shares vesting

LTIS 2018 Allocation 2(2) vesting based on corporate performance measured over four financial years 2019 – 2022

Measure	Weighting	Target range for metric	Actual performance against metric for vesting period	Score for metric (0 – 100%)	Weighted score for metric
ROE	45%	Average ROE of 16% – 23%	17.9%	49.6%	22.3%
Earnings growth	20%	Average annual growth in earnings of CPI to CPI + 3%	-2.4%	0%	0%
TSR	10%	Average growth in SWIX index	-5.16%	0%	0%
Strategic metric	25%	Innovations that protect and grow the franchise to ensure its long-term sustainability	Above-target delivery	84%	21%
Vesting percentage for LTIS 2018 Allocation 2(2)					43.3%

Allocation 2(2) vests at 43.3% with the balance of the shares (56.7% of the Allocation) being forfeited.

Comparator group for TSR performance assessment

ABSA Group Limited	Nedbank Group
ASX	Old Mutual
BMF Bovespa	PSG Group
Bursa Malaysia	Reinet Investments
Capitec Bank	RMB
Discovery	Sanlam
FirstRand	Santam
Investec Limited	Sasfin Holdings
Investec Plc	Standard Bank Group
London Stock Exchange Group	TMX Group
	Zurich Financial



LTIS 2018 Allocation 3(1) vesting based on corporate performance measured over three financial years 2020 – 2022

Measure	Weighting	Target range for metric	Actual performance against metric for vesting period	Score for metric (0 – 100%)	Weighted score for metric
ROE	45%	Average ROE of 16% – 23%	18.1%	51.1%	23%
Earnings growth	20%	Average annual growth in earnings of CPI to CPI + 3%	4.41%	0%	0%
TSR	10%	Average growth in SWIX index	3.41%	0%	0%
Strategic metric	25%	Innovations that protect and grow the franchise to ensure its long-term sustainability	Above-target delivery	84%	21%
Vesting percentage for LTIS 2018 Allocation 3(1)					44%

Allocation 3(1) vests at 44% with the balance of the shares (56% of the Allocation) being forfeited.

Corporate performance drives the vesting of the LTIS 2018 share awards:

- ROE performance was at the middle of the target range for both allocations.
- Earnings growth declined over the vesting period and therefore all shares linked to this metric were forfeited.
- JSE Limited total shareholder return did not meet the threshold level for vesting and therefore all shares linked to this metric were forfeited.
- Group Remco assessed that the strategic metric was well achieved with 84% of the shares linked to this strategic metric vesting, with the balance forfeited.
- All participants are subject to the same vesting percentages as set out in these vesting tables.
- ROE is stated as average ROE pa over the relevant vesting periods.
- HEPS growth is stated as average growth over the relevant vesting periods assessed against CPI.
- TSR is measured against the Capped Swix index performance.



FAIR AND RESPONSIBLE REMUNERATION

Key outcome: *The principle of equal pay for work of equal value is reflected in the JSE's pay outcomes for 2022 – this was evident from the annual pay parity review undertaken by the JSE's independent remuneration advisor. In the instances where pay disparities were noted, Group Remco approved specific adjustments to TGP for 2023 where merited.*

As part of its commitment to pay parity, Group Remco engaged Bowmans during the year under review to examine JSE pay data to determine whether there were any disparities in employee remuneration on the basis of impermissible grounds, which include race and gender, when comparing employees on the basis of permissible differentiating factors, which include job grade, performance and tenure.

The independent analysis performed by Bowmans reflects the average TGP of employees who have the same job grade, performance rating and tenure, and then calculates the ratio of each employee's TGP compared to the average of employees in the same category ("comparable employee ratios"). The averages of all employees' comparable employee ratios are tabulated below by race and gender.

Gender	Race				All
	African	Coloured	Indian	White	
Female	99%	98%	100%	101%	100%
Male	100%	100%	100%	101%	100%
Both	100%	99%	100%	101%	

This analysis (using Job Grade x Performance rating x Tenure for all permanent employees) confirms that there is a limited degree of pay disparity when comparable employees are considered.

Group Remco reviewed the detailed analysis presented by Bowmans and determined that adjustments to TGP should be made to achieve pay parity in specific individual cases (for grades below the executive committee). Accordingly, for 2023 the committee included a pay parity adjustment in the annual TGP adjustments where merited. The aggregate parity adjustments for 2023 amounted to R2.1 million or 0.4% of payroll, and this was included within the overall approved payroll uplift of 5.5% for 2023.

Pay parity reviews by the JSE's independent remuneration advisors will continue to be performed on an annual basis to ensure integrity within the JSE's pay model.

Pay ratios	2022	2021	2020	2019
CEO – TGP	7 460 000	6 866 000	6 600 000	5 777 000
Lowest grade – TGP	419 585	392 802	384 000	366 000
Pay ratio	17.1x	17.5x	17x	16x
All grades – median TGP	1 003 118	965 000	880 000	832 763
Pay ratio	7.4x	7.1x	8x	7x
CEO – TGP & incentives	18 790 000	16 666 000	16 500 000	13 500 000
All grades – median TGP & incentives	1 097 984	1 048 675	956 429	912 427
Pay ratio	17.1x	15.8x	17x	15x

GUARANTEED REMUNERATION ADJUSTMENTS

Key outcome: Annual adjustments to TGP are in line with inflation outlook and linked to independent benchmarking for executive roles

Adjustments to guaranteed pay approved by Group Remco were as follows:

For years commencing	2019	2020	2021	2022	2023
All eligible staff	6.5%	5.5%	4.5%	5%	5%

During 2022 Group Remco reviewed the structure and policy relating to TGP. The committee received advice and input from its remuneration advisors, PwC and Bowmans on the grading and benchmarking of executive roles, as well as on the application of pay parity and fair pay policies.

Adjustments to TGP for 2022 were as follows:

- Overall uplift to payroll was limited to an effective 5.5% year-on-year increase (2022/2021)
- This overall uplift to payroll was inclusive of all adjustments to executive roles
- TGP adjustments for staff ranged from 4% – 4.5% per annum
- TGP adjustments for executives were linked to independent benchmarking and individual performance delivered:
 - o **Group CEO:** Total adjustment of 16% effective August 2022 for the period August 2022 – December 2023 based on input from the independent advisors to Group Remco (TGP for Group CEO now set at 75th percentile given the value and contribution by the CEO)
 - o **CFO:** No annual adjustment to base pay as TGP exceeds 120% of benchmark (a non-pensionable once-off payment of 2% of TGP is payable instead for 2022). CFO resigned effective May 2022.
 - o **Prescribed officers:** Adjustments to TGP between 0% and 9% based on independent benchmarking of role

Looking ahead to 2023, Group Remco determined that adjustments to TGP should be as follows:

- Overall uplift to payroll to be limited to an effective 5.5% year-on-year increase (2023/2022)
- This overall uplift to payroll would be inclusive of all adjustments to executive roles and pay parity adjustments where required for relevant staff
- TGP adjustments in 2023 for staff would be fixed at 5% per annum.
- TGP adjustments for 2023 for executive directors would be linked to independent benchmarking and individual performance:
 - o **Group CEO:** 0% annual adjustment – TGP for 2023 fixed at R8 million
 - o **Group CFO:** Appointed in January 2023 – TGP for 2023 fixed at R4.5 million
 - o **Prescribed officers:** Adjustments to TGP of 4% based on independent benchmarking of roles

LONG-TERM INCENTIVES AWARDED IN 2022

Key outcome: Allocation 5 under the LTIS 2018 scheme was granted in 2022 in accordance with the incentive plan rules, with one adjustment to the financial targets for this Allocation – Group Remco retained the ROE upper target of 20% as applied to Allocation 4 granted in 2021 in light of the challenging market conditions expected over the future vesting period

Performance metrics	Return on equity capital	Earnings growth	TSR	Strategic metric
Weighting	45%	20%	10%	25%
Measurement basis	Average annual return on equity (ROE) for JSE Group against JSE cost of capital	Average growth in JSE Group HEPS vs average CPI	JSE TSR against FTSE/JSE Capped SWIX All Share total return	Specific to Allocation
Threshold vesting target	16% average annual ROE over measurement period	Average annual growth in HEPS not less than average growth in CPI over the measurement period	JSE TSR performance not less than the average growth in Capped SWIX over measurement period	Drive revenue growth and diversification
On-target vesting target	18.28% average annual ROE over measurement period (straight line basis)	Average annual growth in HEPS of CPI + 1.71% (straight-line basis)	JSE TSR performance on straight line basis between threshold and full performance targets	<ul style="list-style-type: none"> • deliver on the growth initiative in market data • extract value from the two acquisitions already concluded by JSE, being JIS and Globacap
Full performance vesting target	20% average annual ROE over measurement period	Average annual growth in HEPS of CPI + 3%	JSE TSR performance not less than one standard deviation over average historical return in Capped SWIX	
Nature of metric	Quantitative (no discretion on waiving target)	Quantitative (no discretion on waiving target)	Quantitative (no discretion on waiving target)	Qualitative (discretion by Group Remco in assessing performance)

Return on Equity (ROE) – weighted at 45%

Group Remco has re-affirmed the importance of applying a “return on” metric (specifically ROE) as it forces attention on delivering a return from the capital / assets invested in the firm and has a direct linkage to shareholder value creation.

ROE is calculated on an average basis across the relevant measurement term for each annual share allocation and is assessed against the company’s weighted average cost of capital (WACC) and historic ROE performance. The application of ROE is simple and transparent, and performance is easily tracked. In the event that the JSE introduces gearing in future, Group Remco will consider applying return on invested capital (ROIC) as an alternative measure of financial operating performance.

ROE performance is calculated on a Group basis as the simple average of the annual ROEs for the relevant LTIS measurement period and is compared to the pre-agreed target range. Group Remco noted that the JSE faces a challenging and uncertain economic outlook and a low-growth operating environment over the measurement period of Allocations 4 and 5 (being financial years 2021 – 2025). Accordingly, the committee moderated the target range for ROE performance:

Previous target range for Allocations 2 and 3

16% – 23%
average ROE growth

New target range for Allocations 4 and 5

16% – 20%
average ROE growth

Historical ROE performance (three-year averages)

2015A	2016A	2017A	2018A	2019A	2020A	2021A	2022A
28.4%	30%	29%	25.9%	21.8%	20.2%	18%	18.1%

Earnings growth – weighted at 20%

Group Remco has re-affirmed the importance of the need to grow earnings over time, and that growth in Group headline earnings per share (HEPS) remains an appropriate and representative measure of annual earnings growth. HEPS growth accounts for the full annual performance as reflected in the income statement (rather than only earnings before interest and tax) and incorporates any dilutionary impacts.

HEPS growth is assessed over the measurement period, on an average rather than on a compound basis (that is, the growth in HEPS is calculated using a simple average of the annual growth rates for each year of the vesting term) to fairly reflect the intra-period performance by management and avoid the negative impact of a high-base year during the vesting term. CPI remains the yardstick against which to measure HEPS growth to ensure that shareholders receive value in excess of their opportunity cost of investing elsewhere.

Group Remco determined that no changes to the existing target range for earnings growth were required for Allocations 4 and 5:

Previous target range for Allocations 2 and 3

CPI to CPI
+ 3%

Unchanged target range for Allocations 4 and 5

CPI to CPI
+ 3%

Historical HEPS growth (three-year averages)

2015A	2016A	2017A	2018A	2019A	2020A	2021A	2022A
29.96%	19.08%	12.32%	1.08%	-7.73%	-0.64%	-4.67%	4.41%

Total shareholder return (TSR) – weighted at 10%

Group Remco selected relative TSR rather than absolute TSR as one of the LTIS metrics. This means that JSE's TSR performance is evaluated against a specific peer group or against a relevant index – the intention with this metric is to introduce a degree of performance comparability rather than relying solely on JSE financial metrics.

For Allocations 4 and 5 the JSE's TSR is compared to the performance of a total return index (being the FTSE/JSE Capped SWIX All Share index) over the vesting period of each Allocation. Previously the JSE's TSR was calculated, and the outcome ranked against the TSR performance of a peer group determined by Group Remco (being the FINI index constituents together with five selected international exchanges).

Strategic metric – weighted at 25%

The strategic metric is intended to incentivise multi-year transformational change over the relevant vesting period of each LTIS Allocation.

The strategic target usually includes 2 – 3 discrete transformational elements rather than a single deliverable. The strategic metric is by definition discretionary in nature, which means that there is always an element of judgement exercised by Group Remco when assessing performance against the target (and there is no guarantee that full vesting (that is, above target performance) will be approved in any vesting year.

Input from institutional shareholders in 2021 indicated the need to successfully on-board, integrate and extract value from the acquisitions already made by the JSE. There ought also to be a link to the JSE's corporate strategy to enhance revenues through its market data strategy. These strategic thrusts are intended to drive revenue growth and diversification (rather than being a cost optimisation strategy).

The strategic target for Allocations 4 and 5 is intended to focus on these two discrete elements.

Compliance with MSR by executive directors

Key outcome: *Group CEO is on track to comply with MSR over term of her initial service contract with the full Allocation 3 (2023) and Allocation 4 (2024) share awards being retained for MSR purposes upon vesting.*

Application of malus and clawback in 2022

Key outcome: *No malus or clawback events occurred in 2022*

Group Remco considered whether any of the threshold events for invoking malus and clawback had been triggered in respect of the (vested or unvested) short or long-term incentives for 2022.

The committee concluded that no trigger events had occurred, and that the malus and clawback conditions were not applicable to the long-term share incentive awards for 2022.

REMUNERATION OUTCOMES FOR EXECUTIVE DIRECTORS

The 2022 performance and associated remuneration for the JSE's executive directors is set out below. This disclosure includes both awarded remuneration and single-figure remuneration for the Group Chief Executive Officer (CEO), Leila Fourie.

Aarti Takoordeen resigned from the JSE as Chief Financial Officer (CFO) and executive director, effective May 2022. The Board, on the recommendation of the Group Audit Committee, appointed Ms Carmini Kander as Acting CFO, effective from May 2022. This role did not encompass the responsibilities of executive director or prescribed officer.

During the executive search process, the JSE received (from the Financial Sector Conduct Authority) the required exemption from the requirements under paragraph 3.84(f) of the JSE Listings Requirements to appoint a permanent executive director as CFO. Subsequent to the period under review, Fawzia Suliman was appointed as Group CFO and executive director, effective 9 January 2023. Remuneration outcomes for Ms Takoordeen and Ms Kander are therefore not included below. The performance and remuneration outcomes for Ms Suliman for 2023 will be reflected in the remuneration report for 2023.

Remuneration outcomes for prescribed officers are set out in the tables on [page 46](#).



Leila Fourie (54)

Group Chief Executive Officer
(Executive director)

Appointed October 2019

Commentary

In support of value creation, the JSE Group CEO is accountable for:

- Shaping and executing the Group's strategies to ensure its long-term sustainability
- Leading the executive team
- Overseeing operations
- Building a corporate culture that promotes diversity, equity and inclusion, as well as individual accountability for delivery
- Engaging clients at executive level
- Enhancing the JSE's regulatory quality and capabilities
- Driving ESG initiatives for the JSE whilst promoting sustainability interventions for local capital markets and wider society
- Amplifying the JSE's voice as an advocate for investment and growth

- Delivering financial performance that creates enduring value in line with the Group's return on equity and earnings targets

Leila has performed strongly on each of these dimensions during a challenging 2022. Heightened levels of market volatility and volumes have tested the reliability of the JSE's core systems for trading, clearing and settlement of transactions. A weak macroeconomic environment and accelerating inflation has put pressure on the JSE's cost base. As the world has opened-up post COVID-19, there has been an urgent need to experiment with new ways of work that harness the benefits of work-from-home while re-establishing a collaborative work culture. And with the integration of JSE Investor Services now complete, the attention has been focused on extracting value from this important acquisition.

Group financial performance – generate high-quality sustained earnings

Leila's performance was weighted 45% towards the Group's overall financial performance. The Group recorded solid financial outcomes in 2022 and achieved all key financial metrics at an on-target level except for the operating leverage target. Particularly pleasing was the 13% growth in non-trading revenue, which now contributes 25% of total operating revenue, in line with the strategic objective to diversify earnings. Additional detail on the Group's financial performance is set out in the integrated annual report on [pages 38 to 46](#).

Protect and grow the core

Operational resilience was a standout feature of 2022 – on top of an already positive performance in 2021. Overall system stability came in well ahead of service level agreements (SLA) and serious market failures or Priority 1 (P1) incidents were down year-on-year. The Group achieved 99.9% systems availability in 2022 (2021: 99.85%), and with fewer priority one incidents than in 2022 and above the average availability over the past 15 years (99.8%).

JSE Clear achieved 100% core clearing system uptime, an exceptional achievement on prior year's system resilience. Performance against end-of-day SLAs has improved from 91% (22 breaches) in 2019 to 99% (2 breaches) in 2022 as a result of improved internal processes and the improved automation brought about by ITaC.

Our risk management culture continues to improve, strongly guided by the tone from the top. JSE executives are proactive in response to internal audit findings, making genuine efforts to address high-rated findings that reflect risk exposure for the business. There have also been ongoing efforts to extend control management frameworks across the business and develop Group risk maturity.

Transform the business

Leila has ably led the Group's strategy refresh in June 2022, working closely with Phuthuma Nhleko following his appointment as Chairman of the Board. A core element of this strategy is the emphasis on growing our data revenues. During 2022, the first strategic, revenue-generating product was delivered by the Group – JSE Trade Explorer – which is the first exchange solution in the world that offers bespoke trader data to the market.

The JSE has like many other global exchanges experienced a decline in listings over the last 20 years, raising questions about the relevance and value of a public listing. In response to this strategic challenge, Leila has led several initiatives, the most noteworthy being the establishment of JSE Private Placements – a new private market initiative in partnership with Globacap that provides a functional, cost-effective platform for issuers and investors. JPP already has a strong pipeline of potential deals, with 22 deals launched to date with a total of R12 billion in investor capital onboarded.

Leila has also spearheaded the integration of JSE Investor Services, which is now starting to provide a meaningful uplift to Group revenue and EBITDA as it grows registry market share in a competitive sector. Key to this growth is the emphasis on digital service offerings, such as Sharehub and Virtual AGMs, which have transformed traditionally slow and manual services to better suit the modern client.

Sustainable marketplace

Enhancements to organisational culture generate long-term dividends for a company. Leila has been deliberate in her focus on deepening and strengthening the JSE's culture while grappling with the challenges of a post COVID-19 world. A key focus has been on reconfiguring the executive team, through recruiting new talent and adjusting portfolios to match skill sets and interests. These efforts have improved executive succession and bench strength.

During 2022 Leila championed a new hybrid work policy, launched in tandem with the JSE's refreshed office and event space. This has contributed

significantly to a strengthened corporate culture, reflecting management's trust in new ways of work that deliver productive and efficient outcomes whilst encouraging in-office collaboration. Strong levels of staff engagement were reflected in various surveys and dipsticks during the year, with our headline employee engagement survey reflecting a solid overall engagement score.

Our clients (issuers, investors, and trading members) require assurance that their needs and concerns are being heard at an executive level. Leila has devoted significant time to engagements with clients so as to better understand their operating context and to communicate the JSE's long-term objectives. These engagements have paid dividends in goodwill, partnership, and retention in a competitive environment, and reflected in our NPS score for 2022 which is at an all-time high.

The JSE continues to play a leading role in sustainability initiatives, cementing its role as thought leader both locally and on the international stage. A particular highlight in 2022 was the launch of the JSE's Disclosure Guidance, which draws on international best practice while catering to a local perspective, without adding onerous requirements to the reporting process.

Group Remco applies a balanced scorecard approach when assessing the performance of the Group CEO, and the summary of key achievements for 2022 (mapped to the corporate scorecard) is set out below. This solid performance has translated into a performance score of 86% awarded by Group Remco.

Protect and grow the core

- Introduced transition and sustainability linked bonds
- Launched actively managed certificates and actively managed ETFs (competes with Unit Trusts)
- Maintained local market share of 99.7% equity market value traded
- Launched Listings requirements reform
- Operational resilience and systems uptime exceeded our SLA commitments and our 3 year average

Weighting 20%
Score 20/20

Transform

- Launched JSE Private Placements (JPP): 22 issuances year to date and R12 billion in committed investor capital
- Launched JSE Trade Explorer to provide equity market trade analytics
- Grew JSE Investor Services (JIS) market share to 29% while adding 21 new clients
- Launched SME accelerator programme

Weighting 20%
Score 18/20

Sustainable marketplace

- Published sustainability and climate change disclosure guidance
- Further consultation papers released on South African market structure
- Achieved record high Net Promoter Score (NPS)
- Engaged and committed staff, positive return to office (ways of work programme)
- JSE Clear independent clearing house licence granted

Weighting 15%
Score 10/15

Generate high quality sustained earnings

- Delivered 4% growth in HEPS, 13% growth in non-trading revenue
- 18% ROE and 39% EBITDA margin in line with targets
- Cost growth is largely in line with inflation, while revenue growth is below cost growth – due to global and local market drivers – negatively impacting operating leverage for the 2022 year

Weighting 45%
Score 38/45

Awarded remuneration

Based on the performance outcomes described in the commentary above, Group Remco approved the following remuneration outcomes for Leila as Group CEO for the year ended 31 December 2022.

Total Guaranteed Pay (TGP) was assessed by the JSE's independent remuneration advisors and benchmarked to market at R8 million, an increase of 16% on the R6.8 million paid in 2021. This adjustment was effective from 1 August 2022. The adjustment is intended to fully reflect the scope and responsibility of the Group CEO role, and is set at the 75% percentile of the market. No annual increment to TGP applies for the year commencing January 2023.

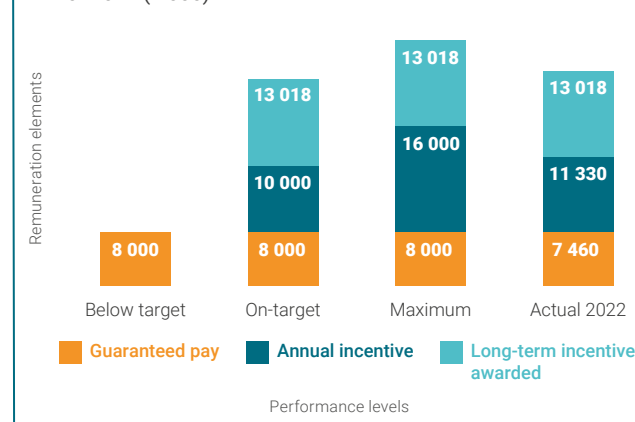
Short-term incentive (STI) – a discretionary cash bonus of R11.3 million was awarded for delivering on-target corporate performance as measured against the corporate scorecard (2021: R9.8 million). This represents 71% of the maximum eligible award for 2022, which maximum is set at two times TGP. The full amount of the STI is paid in cash in March 2023.

Long-term incentive (LTI) was awarded at the full allocation percentage approved by Group Remco for the Group CEO role, being 180% of TGP. This translated into a share award of R13 million, which will vest in line with the LTIS 2018 scheme rules and subject to corporate performance delivered over the next three and four years (with awards forfeited if performance targets are not met). Current vesting levels under LTIS 2018 are at 45%.

Awarded remuneration

R'000	2022	2021
Salary	7 124	6 555
Medical Aid	45	43
Retirement Benefits	291	268
TGP	7 460	6 866
Discretionary Bonus	11 330	9 800
Total STI	11 330	9 800
Face value of LTI (Allocation 5 full performance award)¹	13 018	10 300
Total awarded remuneration	31 808	26 966

Group CEO: Theoretical versus actual pay awarded for 2022 (R'000)



Single-figure remuneration relative to awarded remuneration

Leila received the following single-figure remuneration in 2022.

Single-figure remuneration

R'000	Maximum	Target	Awarded	Awarded as % of maximum	Single figure
TGP	8 000	8 000	7 460	93% ¹	7 460
STI for 2022	16 000	10 000	11 330	71%	11 330
LTI awarded in 2022	13 018	13 018	13 018	100% ²	–
LTI vested in 2022	–	–	–	–	–
LTI dividends received in 2022	–	–	–	–	1 878
Total remuneration	37 018	31 018	31 808	86%	20 668

¹ TGP increase applicable from 1 August 2022 hence the TGP earned for 2022 was 93% of the full R8 million per annum. No increase to TGP is applicable for 2023.

² LTI awarded in 2022 comprised 150% of TGP (R7.1 million) in March 2022 and a top-up award of 30% of the new TGP of R8 million effective 1 August 2022, resulting in a total LTI award of R13 million for 2022, in line with the individual annual allocation percentage for CEO level, being 180% of TGP for the annual award.

Long-term incentive scheme 2018

Executive director – Leila Fourie

Summary of restricted unvested shares granted to Group Chief Executive Officer since appointment in October 2019.

Award	Date of award	Vesting date of first tranche	Vesting date of second tranche	Status of award	Grant price (rand per share)	Opening number of unvested shares	Number of shares awarded during the year	Number of shares vested in the year	Number of shares lapsed in the year	Closing number of LTIS 2018 unvested shares	Indicative rand value of unvested shares at share price on 31 December 2022 (R108.47 per share)	Indicative expected rand value of unvested shares at share price on 31 December 2021 (R108.47 per share at projected 70% on-target vesting)
Restraint	2019			Unvested	128.49		51 364	Nil	Nil	51 364	5 571 453	3 900 017
Allocation 3	2020	Mar 2023	Mar 2024	Unvested	102.73	51 364	84 570	Nil	Nil	135 934	14 744 760	10 321 332
Allocation 4	2021	Mar 2024	Mar 2025	Unvested	120.71	135 934	82 980	Nil	Nil	218 914	23 745 601	16 621 921
Allocation 5-1	2022	Mar 2025	Mar 2026	Unvested	114.39	218 914	92 530	Nil	Nil	311 444	33 782 330	23 647 631
Allocation 5-2	2022	Mar 2025	Mar 2026	Unvested	110.32	311 444	22 060	Nil	Nil	333 504	36 175 178	25 322 625

* The restraint shares will only vest in the hands of the Group CEO if the JSE elects to enforce the restraint of trade at the end of the CEO's period of service with the JSE.

* No LTIS 2018 shares vested in the hands of the CEO in 2022.

* **The Group CEO was eligible for her first LTIS 2018 award in March 2020 (Allocation 3), and Tranche 1 of this award will vest in March 2023.**

* Upon vesting, the full value of this Allocation 3 (Tranche 1) less the employees tax due, must be retained by the Group CEO in her MSR account.

DIRECTORS' AND EXECUTIVES' REMUNERATION

	Basic ¹ R'000	Defined ¹ contribution pension plan R'000	Medical aid ¹ , UIF and other R'000	Total guaranteed pay R'000	Contractual bonus ¹ (includes deferral) R'000	Discre- tionary bonus ^{1,2,4} R'000	Total annual incentives R'000	Total current year remune- ration R'000	Total long-term and other benefits ⁵ R'000	Total number of shares granted in the LTIS schemes ⁶
Directors' and executives' remuneration³										
Executive directors – Current year remuneration 2022										
L Fourie CEO	7 124	291	45	7 460	–	11 330	11 330	18 790	–	114 590
A Takoordeen ¹⁰ CFO (resigned 20 May 2022)	1 323	66	80	1 469	2 075	–	2 075	3 544	443	–
	8 447	357	125	8 929	2 075	11 330	13 405	22 334	443	114 590
2021										
L Fourie CEO	6 555	268	43	6 866	–	9 800	9 800	16 666	–	82 980
A Takoordeen CFO	3 412	158	188	3 758	–	–	–	3 758	806	24 210
	9 967	426	231	10 624	–	9 800	9 800	20 424	806	107 190
Other key executives – Current year remuneration 2022										
A Greenwood Director of Post-Trade Services	4 010	236	130	4 376	–	3 000	3 000	7 376	471	54 720
P Ntoagae ¹¹ Director of Human Resources	2 151	94	70	2 315	1 500	1 440	2 940	5 255	–	16 750
H Kotze ¹² Chief Information Officer	538	23	22	583	3 768	–	3 768	4 351	–	–
VSM Lee Director of Marketing and Corporate Affairs	3 004	170	52	3 226	–	1 900	1 900	5 126	–	22 500
I Monale Chief Operating Officer	3 450	146	150	3 746	–	2 250	2 250	5 996	–	26 130
MH Randall Director of Information Services	3 389	142	113	3 644	–	2 800	2 800	6 444	369	25 420
VJ Reddy Director Capital Markets	3 934	269	274	4 477	–	4 000	4 000	8 477	211	56 200
E I Haniff Managing Director: JSE Investor Services	1 214	56	1	1 271	–	–	–	1 271	–	–
Q Mthembu ¹¹ Group Chief Risk Officer	1 144	47	34	1 225	–	850	850	2 075	–	–
T Tsoaeli ¹¹ Chief Information Officer	270	11	9	290	2 200	–	2 200	2 490	–	–
	23 104	1 194	855	25 153	7 468	16 240	23 708	48 861	1 051	201 720

Basic ¹ salary R'000	Defined ¹ contribution pension plan R'000	Medical aid ¹ , UIF and other R'000	Total guaranteed pay R'000	Contractual bonus ¹ (includes deferral) R'000	Discre- tionary bonus ^{1,2,4} R'000	Total annual incentives R'000	Total current year remune- ration R'000	Total long-term and other benefits ⁵ R'000	Total number of shares granted in the LTIS schemes ⁶
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Directors' and executives' remuneration³

(continued)

Other key executives – Current year remuneration

(continued)

2021

A Greenwood	Director of Post-Trade Services	3 861	225	72	4 158	–	3 000	3 000	7 158	857	26 008
D Khumalo ⁷	Director of Human Resources	2 122	88	36	2 246	–	–	–	2 246	636	–
H Kotze	Chief Information Officer	3 229	136	130	3 495	–	–	–	3 495	–	22 530
VSM Lee ⁸	Director of Marketing and Corporate Affairs	2 411	132	42	2 585	–	2 000	2 000	4 585	–	19 988
I Monale ⁹	Chief Operating Officer	3 129	140	143	3 412	3 600	2 300	5 900	9 312	–	23 212
MH Randall	Director of Information Services	3 105	130	107	3 342	–	2 500	2 500	5 842	433	21 538
VJ Reddy	Director Capital Markets	3 360	231	261	3 852	1 750	3 600	5 350	9 202	376	24 824
E I Haniff	Managing Director: JSE Investor Services	2 084	175	322	2 581	–	180	180	2 761	–	–
		23 301	1 257	1 113	25 671	5 350	13 580	18 930	44 601	2 302	138 100

¹ Represents short-term employee benefits.

² Discretionary bonuses are subject to both personal performance and the achievement of specific corporate deliverables (per the annual corporate scorecard approved by the Board at the beginning of each financial year). These awards are not subject to deferral, unless otherwise so determined by the Board in any particular year. A portion of the discretionary bonus may be paid in equity, at the discretion of the Group Remuneration Committee.

³ All executive directors and other key executives are full-time employees of JSE Limited.

⁴ CEO's discretionary bonus – cash only.

⁵ Represents the net value (after forfeiture for corporate performance) of share awards granted under provisions of the LTIS 2010 LTIS in 2017 that vested during the current financial year.

⁶ Represents unvested or unsettled shares as at 31 December 2022 (prior year as at 31 December 2021), granted under the provisions of the LTIS 2018 Long Term Incentive Schemes in the current year.

⁷ Resigned effective 30 September 2021.

⁸ Appointed Director of Marketing and Corporate Affairs effective 1 March 2021.

⁹ Appointed Chief Operating Officer effective 20 January 2021.

¹⁰ Resigned 20 May 2022.

¹¹ Appointed in the current year.

¹² Resigned.

NON-EXECUTIVE DIRECTOR EMOLUMENTS PAID IN 2022

Key outcome: Emoluments paid to non-executive directors in 2022 were in accordance with the schedule of fees approved by shareholders at the AGM held on 3 May 2022

At the AGM held in May 2022, shareholders approved (by means of special resolution number 4) the **proposed emoluments for 2022**. This special resolution was carried with a 88.5% majority vote in favour. Actual emoluments paid to directors in 2022 amounted to R12.3 million, an increase of 3.9% over the R11.8 million paid in 2021. The fees paid include the Board committee retainers and are reflective of the period of service (emoluments are pro-rated to date of resignation and from date of appointment).

		Total R'000	Board member fees R'000	Committee member fees R'000
Non-executive director emoluments 2022¹				
Z Bassa	Chairman: Group SRO Oversight Committee	1 195	450	745
MS Cleary		882	450	432
N Fakude	Chairman: Group Remuneration Committee	899	450	449
SP Kana	Lead Independent Director Chairman: Group Audit Committee Chairman: Group Sustainability Committee	1 790	450	1 340
F Khanyile		1 129	450	679
I Kirk		1 112	450	662
BJ Kruger	Chairman: Group Risk Management Committee	1 265	450	815
MA Matooane	Chairman: Group Investment Committee	853	450	403
P Nhleko	Board Chairman (effective 4 May 2022) Chairman: Group Nominations & Governance Committee	2 274	450	1 824
NMC Nyembezi	Board Chairman (retired 3 May 2022)	903	152	751
		12 302	4 202	8 100
2021				
Z Bassa	Chairman: Group SRO Oversight Committee	1 130	425	705
MS Cleary		915	425	490
N Fakude	Chairman: Group Remuneration Committee	995	425	570
SP Kana	Lead Independent Director Chairman: Group Audit Committee Chairman: Group Sustainability Committee	1 683	425	1 258
F Khanyile		940	425	515
I Kirk		860	425	435
BJ Kruger	Chairman: Group Deal Committee	1 155	425	730
MA Matooane	Chairman: Group Risk Management Committee	925	425	500
P Nhleko ²		733	213	520
NMC Nyembezi	Board Chairman, Chairman of Group Nominations Committee	2 500	425	2 075
		11 835	4 038	7 798

¹ All directors are independent non-executive directors

² Appointed 1 July 2021.

CORPORATE INFORMATION AND DIRECTORATE

JSE Limited

(Incorporated in the Republic of South Africa)
Registration number: 2005/022939/06
Share code: JSE
ISIN: ZAE000079711
LEI: 213800MZ1VUQEBWRF039

Registered office

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Contacts

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Web: www.jse.co.za
Investor relations: ir@jse.co.za
Group company secretary:
GroupCompanySecretary@jse.co.za

Directors as at 31 December 2022

P Nhleko¹ (Chairman)
Z Bassa¹
MS Cleary¹
VN Fakude¹
SP Kana¹ (Lead Independent Director)
FN Khanyile¹
IM Kirk¹
BJ Kruger¹
MA Matooane¹
L Fourie (Group CEO)²

¹ Independent non-executive directors.

² Executive director.

Changes to the Board in 2022

N Nyembezi (independent non-executive director) resigned from the Board, effective 3 May 2022.

A Takoordeen (executive director) resigned from the Board, effective 20 May 2022.

Group company secretary

GA Brookes

Transfer secretary

JSE Investor Services Proprietary Limited
One Exchange Square
2 Gwen Lane
Sandown, 2196

Sponsor

Rand Merchant Bank (a division of FirstRand Bank Limited)
1 Merchant Place
Corner Fredman and Rivonia Road
Sandton, 2196

AGM scrutineers

The Meeting Specialist Proprietary Limited
One Exchange Square
2 Gwen Lane
Sandown, 2196

Auditors

Ernst & Young Inc.
102 Rivonia Road
Sandton, 2196

Bankers

First National Bank of SA Limited
Corporate Account Services
4 First Place
Bank City
Simmonds Street
Johannesburg, 2001

Investor queries should be directed to ir@jse.co.za and will be redirected, where necessary, to the appropriate Board member or executive for a response.

Governance and secretarial queries should be directed to GroupCompanySecretary@jse.co.za



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