



Andre Visser,
Director: Issuer Regulation
JSE Limited
One Exchange Square
2 Gwen Lane
Sandown, 2196
South Africa

2 October 2026

Dear Mr Visser,

Subject: Shareholder nomination rights under the JSE Annual Improvement Project 2026

The International Corporate Governance Network (ICGN) appreciates the opportunity to comment on the JSE's Annual Improvement Project 2026. We welcome the JSE's broader efforts to improve the clarity and operation of the Listings Requirements. Our comments focus specifically on proposed paragraph 5.7 concerning the verification of directors proposed by shareholders, where we believe some further clarification and safeguards would help protect the effective exercise of shareholder nomination rights.

Led by investors responsible for assets under management of >US\$100 trillion, ICGN is an authority on global standards of corporate governance and investor stewardship. Headquartered in London, our membership is based in more than 40 countries. ICGN's [Global Governance Principles](#) and [Global Stewardship Principles](#), written from an investor perspective, are widely used by our members in their company assessments and voting decisions, and by regulators when developing corporate governance rules.

Principle 3.8 of ICGN's Global Governance Principles on shareholder-nominated directors, recognise that shareholders should be able to nominate candidates for election to the board. This is an important shareholder right, and processes governing shareholder nominations should facilitate its effective exercise while ensuring that director candidates meet appropriate legal and disclosure requirements.

JSE's proposal rightly identifies the potential conflict that may arise where an incumbent board is required to conduct a fit-and-proper assessment of candidates proposed by shareholders seeking to change the composition of that board. The JSE also recognises that such a process could potentially be used to frustrate or delay shareholders' wishes. We welcome the JSE's recognition of this concern and the intention to remove the incumbent board from that assessment process.

At the same time, we believe that the proposed independent third-party verification process would benefit from additional safeguards and clarification. Under proposed paragraph 5.7, the issuer would appoint an independent third party to verify shareholder-proposed directors, including their eligibility to hold office, academic qualifications and the accuracy of information provided in Schedule 1. The proposal also makes clear that the verification should be factual and should not involve subjective considerations.

However, several practical questions remain. In particular, it is unclear how the independence of the third party will be assessed, who within the issuer will be responsible for its appointment, who will bear the associated costs, and within what timeframe the verification must be completed. These issues are important because the proposed framework introduces a distinct mandatory process specifically only for shareholder-proposed candidates and should not create an unintended procedural or financial barrier to the exercise of nomination rights.

As it is proposed that the issuer is responsible for appointing and remunerating the verifier, particular care should be taken to ensure that the verifier remains genuinely independent from the issuer, the incumbent board, the proposed director(s) and the nominating shareholders. We encourage the JSE to require the issuer to disclose why the particular verifier was selected and the basis on which it considers the verifier to be independent. Clear criteria around independence, competence and conflicts of interest, together with a code of ethics, code of practice or equivalent standards for verification providers, would help ensure that the process is applied consistently, impartially and fairly. The JSE may also wish to maintain a register of recognised entities that meet those standards. Such an approach could provide greater consistency across issuers and reduce the risk that the choice of verifier itself becomes a source of concern or dispute.

We welcome proposed paragraph 5.7(d), which provides that the board must not prevent, delay or frustrate the election of a director validly proposed by shareholders. However, the draft does not specify a timeframe for appointing the independent verifier or completing the verification process, nor does it clarify what should happen where verification is not completed before the relevant general meeting. A clear timeframe would provide greater certainty for all parties and further reduce the risk of procedural delay or abuse. The draft also does not outline safeguards to prevent the verification process from being abused to delay or prevent the election of shareholder proposed candidates.

ICGN therefore encourages the JSE to introduce clear timelines and safeguards to ensure that any delays in the verification process, where not attributable to the proposing shareholder or candidate, do not prejudice a valid shareholder nomination. In particular, where the proposing shareholder and candidate have supplied all required information within the prescribed timeframe, failure by the issuer or independent verifier to complete the verification should not prevent the candidate from being put before shareholders.

These safeguards would help ensure that the process remains factual, proportionate and time-bound, consistent with the JSE's objective of addressing the conflict inherent in an incumbent board assessing shareholder-proposed candidates. We also encourage the JSE to confirm that the issuer will bear the costs of the verification process.

We believe these clarifications would strengthen the proposal by preserving the JSE's objective of avoiding conflicts in the fit-and-proper assessment process while ensuring that shareholder nomination rights remain effective in practice.

Thank you again for the opportunity to share our perspective on the verification of shareholder-nominated directors under the JSE Annual Improvement Project 2026. If you would like to follow up with questions or comments, please contact our Global Policy Director, Peter van Veen (peter.vanveen@icgn.org) or Senior Policy Executive, Jakub Brejdak (jakub.brejdak@icgn.org).

Yours faithfully,



Jen Sisson

Chief Executive Officer, ICGN