

# Notice of annual general meeting

Vodacom Group Limited  
(Incorporated in the Republic of South Africa)  
(Registration number 1993/005461/06)  
(ISIN: ZAE000132577 Share code: VOD)  
(ISIN: US92858D2009 ADR code: VDMCY)  
("Vodacom" or "the Company")

Notice is hereby given that the twenty-second annual general meeting of the Company will be held on Tuesday 18 July 2017, Vodacom World, 082 Vodacom Boulevard, Midrand, Johannesburg, South Africa at 10:00 to conduct the following business:

## 1. Adoption of audited consolidated annual financial statements

To receive and consider the audited consolidated annual financial statements for the year ended 31 March 2017.

### Ordinary resolution number 1

"RESOLVED THAT the audited consolidated annual financial statements of the Company and its subsidiaries, together with the auditors, Audit, Risk and Compliance Committee and directors' reports for the year ended 31 March 2017, be and are hereby received and adopted."

Copies of the full audited consolidated annual financial statements for the year ended 31 March 2017 are obtainable from the Company's website [www.vodacom.com](http://www.vodacom.com).

## 2. Election of directors

To elect by way of separate resolutions:

2.1 Mr V Badrinath as a director, having been appointed since the last annual general meeting of the Company is in accordance with the provisions of the Company's memorandum of incorporation, obliged to retire at this annual general meeting.

### Ordinary resolution number 2

"RESOLVED THAT Mr V Badrinath be and is hereby elected as a director of the Company."

2.2 Ms TM Mokgosi-Mwantembe and Messrs MP Moyo and RAW Schellekens are obliged to retire by rotation at this annual general meeting in accordance with the provisions of the Company's memorandum of incorporation. Having so retired, Ms Mokgosi-Mwantembe and Mr Schellekens are eligible for re-election as directors. Mr Moyo has indicated that he is not available for re-election and, therefore, will retire as Chairman and director of the Company at the conclusion of this annual general meeting.

### Ordinary resolution number 3

"RESOLVED THAT Ms TM Mokgosi-Mwantembe be and is hereby re-elected as a director of the Company."

### Ordinary resolution number 4

"RESOLVED THAT Mr RAW Schellekens be and is hereby re-elected as a director of the Company."

The profiles of the directors up for re-election appear in this notice of annual general meeting:

#### **Vivek Badrinath (47)**

##### **Non-executive director**

**Member of the Remuneration Committee and the Nomination Committee**

Engineering degrees from Ecole Polytechnique and Telecom ParisTech (France), Degree in Statistics

Vivek Badrinath joined Vodafone and the Executive Committee as CEO of AMAP in October 2016. He is responsible for Vodafone's operations in the Vodacom Group, India, Australia, Egypt, Ghana, Kenya, Qatar, New Zealand and Turkey. Prior to that, he was the Deputy Chief Executive at the international hospitality group AccorHotels where he was responsible for marketing, digital solutions, distribution and information systems. He was previously Deputy Chief Executive with Orange and has a long career in telecommunications and technology. Prior roles include Executive Director responsible for Orange's Business Services division, leadership of Orange's Global Networks and Operators division and Chief Technology Officer for Orange's mobile activities. Vivek was appointed to the Vodacom Group Board in December 2016.

#### **Thoko Mokgosi-Mwantembe (55)**

##### **Independent non-executive director of Vodacom Group**

**Chairman of the Remuneration Committee and member of the Nomination Committee**

Diploma in Teaching (Swaziland), BSc (Swaziland), MSc (Loughborough), SEP (Harvard USA), MCRP (IMD Switzerland)

Thoko is CEO of Kutana Investment Group and a director of companies such as at Knorr Bremse SA (Pty) Limited, Absa Bank, and Aveng Group. Thoko has held a number of senior executive positions at Telkom, was Marketing Director at Lucent Technologies, a Divisional Managing Director of Siemens Telecommunications, the CEO of Alcatel SA and, until November 2008, CEO of Hewlett Packard South Africa. Thoko was the recipient of the BWA Businesswoman of the Year award in the corporate category in 2007. In 2005, she won the ICT Achiever of the Year award, Top ICT Businesswoman in Africa award and ICT Personality of the Year. She was appointed to the Vodacom Group Board in May 2009.

#### **Ronald Adrianus Wilhelmus Schellekens (52)**

##### **Non-executive director**

**Member of the Remuneration Committee, Nomination Committee and the Social and Ethics Committee**

BA (Human Resources Management), MA (Management & Organisation)

Ronald is the Vodafone Group Human Resources Director and a member of the Vodafone Executive Committee. He is a former Executive Vice-President HR for Shell's Global downstream business. Before joining Shell, he spent nine years at PepsiCo and eight years at AT&T in various senior positions. He was appointed to the Vodacom Group Board in February 2009.

### **3. Appointment of PricewaterhouseCoopers Inc. as auditors of the Company**

To appoint PricewaterhouseCoopers Inc., as nominated by the Company's Audit, Risk and Compliance Committee, as independent auditors of the Company, to hold office until the conclusion of the next annual general meeting of the Company. It is noted that the individual registered auditor who will undertake the audit during the financial year ending 31 March 2018 is Mr DB von Hoesslin.

#### **Ordinary resolution number 5**

"RESOLVED THAT PricewaterhouseCoopers Inc. be and are hereby appointed as the auditors of the Company to hold office until the conclusion of the next annual general meeting."

### **4. Approval of the remuneration policy**

To consider and approve the remuneration policy as contained in the Remuneration report for the year ended 31 March 2017 as set on pages 68 to 78 of the Integrated report and online at [www.vodacom.com](http://www.vodacom.com).

#### **Ordinary resolution number 6**

"RESOLVED THAT the remuneration policy for the year ended 31 March 2017 be and is hereby approved."

Shareholders are reminded that in terms of King IV, the passing of this ordinary resolution is by way of a non-binding vote. Should 25% or more of the votes cast vote against this ordinary resolution, Vodacom undertakes to engage with shareholders as to the reasons therefore.

## 5. Implementation of the remuneration policy

To consider and approve the implementation of the remuneration policy, details of which are set out in the Remuneration report for the year ended 31 March 2017, set out on pages 68 to 78 of the Integrated report and online at [www.vodacom.com](http://www.vodacom.com).

### Ordinary resolution number 7

"RESOLVED THAT the implementation of the remuneration policy for the year ended 31 March 2017 be and is hereby approved."

Shareholders are reminded that in terms of King IV, the passing of this ordinary resolution is by way of a non-binding vote. Should 25% or more of the votes cast vote against this ordinary resolution, Vodacom undertakes to engage with shareholders as to the reasons therefor.

## 6. Appointment of the members of the Audit, Risk and Compliance Committee

To elect, by way of separate resolutions, the following independent non-executive directors, as members of the Company's Audit, Risk and Compliance Committee:

### Ordinary resolution number 8

"RESOLVED THAT Mr DH Brown be and is hereby re-elected as a member of the Company's Audit and Risk and Compliance Committee."

### Ordinary resolution number 9

"RESOLVED THAT Mr PJ Moleketi be and is hereby re-elected as a member of the Company's Audit, Risk and Compliance Committee."

### Ordinary resolution number 10

"RESOLVED THAT Ms BP Mabelane be and is hereby re-elected as a member of the Company's Audit, Risk and Compliance Committee."

The profiles of the directors up for membership appear in this notice of annual general meeting:

#### David Hugh Brown (54)

##### Independent non-executive director

Chairman of the Audit, Risk and Compliance Committee and a member of the Remuneration Committee  
BCom, CTA (UCT), CA(SA)

David was appointed as CEO of Coal of Africa Limited effective from February 2014. He was previously the non-executive Chairman from August 2012 and then the executive Chairman. David has served as a member of the Accenture South Africa Advisory Board since 2012. He is a former non-executive director of Edcon Holdings Limited, as well as the former Chairman of the Edcon Audit and Risk Committee. He is the former CEO of Impala Platinum Holdings Limited (Implats) and was Chairman of Impala Platinum Limited and Zimplats Holdings Limited, the two major operating subsidiaries within the Implats Group. David was CEO from 2006 to 2012 and before that he served as Chief Financial Officer from 1999. Prior to that, David worked in the Information Technology sector for four years and for the Exxon Mobil Corporation in Europe for five years. He served his articles with EY. David was appointed to the Vodacom Group Board in January 2012.

#### Phillip Jabulani Moleketi (Jabu) (59)

##### Independent non-executive director

Chairman of the Social and Ethics Committee  
Member of the Audit, Risk and Compliance Committee  
Post Graduate Diploma in Economic Principles (London), AMP (Harvard), MSc (London)

Jabu is non-executive chairman of Brait SA and the Development Bank of South Africa. He is a former Deputy Minister of Finance (2004 to 2008) and former MEC of Financial and Economic Affairs in the Gauteng Provincial Government (1994 to 2004). He is a director of several companies listed on the JSE Limited. Jabu was appointed to the Vodacom Group Board in November 2009.

### Bafelelang Priscillah Mabelane (44)

#### Independent non-executive director

Member of the Audit, Risk and Compliance Committee

BCom (Hons), CA(SA), Dip in Tax

Priscillah Mabelane is currently the Retail Operations Director of BP Oil UK Limited, a position she has held since August 2015. Prior to this she was the Chief Financial Officer of BP Southern Africa (BPSA). Prior to joining BPSA, Priscillah was the Executive Director of Finance at the Airports Company of South Africa (ACSA), responsible for the development and implementation of financial strategies for the Group. She has held senior management roles in a number of large companies. These include Ernst & Young where she was a Tax Director, Eskom Holdings Limited where she held various roles in Finance, Tax and General Management. She also served as a Non-executive Director at ACSA. Priscillah was appointed to the Vodacom Group Board in December 2014.

## 7. Special business

### 7.1 General authority to repurchase shares in the Company

#### Special resolution number 1

"RESOLVED THAT the Company, or any of its subsidiaries, be and they are hereby authorised, by way of a general authority, to acquire ordinary shares in the Company, subject to the provisions of the Companies Act, No 71 of 2008, as amended (the Act), and the Listings Requirements of the JSE Limited (the JSE), provided that:

- (a) the general authority in issue shall be valid only until the Company's next annual general meeting and shall not extend beyond 15 (fifteen) months from the date of this resolution;
- (b) any general repurchase by the Company and/or any of its subsidiaries of the Company's ordinary shares in issue shall not in aggregate in one financial year exceed 5% (five percent) of the Company's issued ordinary share capital at the time that the authority is granted;
- (c) no acquisition may be made at a price more than 10% (ten percent) above the weighted average of the market price of the ordinary shares for 5 (five) business days immediately preceding the date of such acquisition;
- (d) the repurchase of the ordinary shares are effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the Company and the counterparty (reported trades are prohibited);
- (e) the Company may only appoint one agent at any point in time to effect any repurchase(s) on the Company's behalf;
- (f) the authorisation thereto is given by the Company's memorandum of incorporation;
- (g) the Company or its subsidiary may not repurchase ordinary shares during a prohibited period unless it has in place a repurchase programme where the dates and quantities of securities traded during the relevant period are fixed (not subject to any variation) and has been submitted to the JSE in writing. The Company must instruct an independent third party, which makes its investment decisions in relation to the Company's securities independently and uninfluenced by the Company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE;
- (h) the general authority may be varied or revoked by special resolution of the members prior to the next annual general meeting of the Company; and
- (i) should the Company or any subsidiary cumulatively repurchase, redeem or cancel 3% (three percent) of the initial number of the Company's ordinary shares in terms of this general authority and for each 3% (three percent) in aggregate of the initial number of that class thereafter in terms of this general authority, an announcement shall be made in terms of the Listings Requirements of the JSE."

Having considered the effect on the Company of the maximum repurchase under this annual general authority, the directors are of the opinion that:

- g the Company shall meet a solvency and liquidity test as contemplated in the Act;
- g the Company and the Group will be able to pay its debts for a period of 12 (twelve) months after the date of this notice of annual general meeting;
- g the assets of the Company and the Group will be in excess of the liabilities of the Company and the Group for a period of 12 (twelve) months after the date of this notice of annual general meeting which assets and liabilities have been valued in accordance with the accounting policies used in the audited consolidated annual financial statements of the Group for the year ended 31 March 2017;
- g the share capital and reserves of the Company and the Group will be adequate for the ordinary course of business purposes for a period of 12 (twelve) months after the date of this notice of annual general meeting; and
- g the working capital of the Company and Group are considered adequate for ordinary business purposes for a period of 12 (twelve) months after the date of this notice of annual general meeting.

**Reason for and effect of special resolution number 1**

The reason for the special resolution is to grant the Company a general authority or permit a subsidiary Company to acquire ordinary shares in the Company. The effect of this special resolution is to confer a general authority on the Company or a subsidiary to repurchase ordinary shares in the Company which are in issue from time to time.

The Board has considered the impact of a repurchase of up to 5% (five percent) of the Company's shares, being within the maximum permissible under a general authority in terms of the JSE Listings Requirements. Should the opportunity arise and should the directors deem it in all respects to be advantageous to the Company to repurchase such shares, it is deemed appropriate that the Company or a subsidiary be authorised to repurchase the Company's shares. Any shares that may be repurchased for the time being shall be in connection with awards made in the normal course in respect of the Company's Forfeitable Share Plan. During the 2017 financial year, the Company acquired 1 386 131 shares in the market for purposes of awards of the forfeitable share plan.

**Disclosure in terms of section 11.26 of the JSE Listings Requirements**

The JSE Listings Requirements require the following disclosures, which are disclosed in the audited consolidated annual financial statements and this Integrated report as set out below:

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Major shareholders	82

Share capital

*Authorised*

4 000 000 000 ordinary shares of no par value

*Issued*

1 487 954 000 ordinary shares of no par value

Directors' responsibility statement

The directors, whose names appear on page 60 collectively and individually accept full responsibility for the accuracy of the information pertained to this special resolution and certify to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made and this special resolution contains all the information required by the JSE Listings Requirements.

Material change

There has been no material change in the affairs of or financial position of the Company and its subsidiaries since year end.

**7.2 Increase in non-executive directors' fees**

**Special resolution number 2**

"RESOLVED THAT the level of non-executive directors' fees be increased with effect from 1 August 2017 on the basis set out as follows:

	Current fee R	Proposed fee R	Increase %
Chairman of the Board <sup>1</sup>	2 300 000	2 600 000	13.0
Lead independent director	–	550 000	n/a
Member of the Board	390 000	450 000	15.4
Chairman of the Audit, Risk and Compliance Committee	320 000	322 000	0.6
Member of the Audit, Risk and Compliance Committee	175 000	184 000	5.1
Chairman of the Remuneration Committee	240 000	245 000	2.1
Member of the Remuneration Committee	135 000	140 000	3.7
Chairman of the Nomination Committee	210 000	210 000	–
Member of the Nomination Committee	120 000	120 000	–
Chairman of the Social and Ethics Committee	210 000	210 000	–
Member of the Social and Ethics Committee	120 000	120 000	–
Other <sup>2</sup>	100 000	100 000	–

1. This is an all in fee. The Chairman does not earn any other fees other than this despite being the Chairman of the Nomination Committee and member of the Social and Ethics Committee.

2. Other fees are for payment of attendance of ad hoc committees that may be set up from time to time to deal with special items requiring attention by the Board. Instead of convening a full Board meeting, these ad hoc committees then meet to review the matter concerned.

### Reason for and effect of special resolution number 2

The reason for proposing special resolution number 2 is to ensure that the level of fees paid to non-executive directors remain competitive to enable the Company to attract and retain persons of the calibre required in order to make a meaningful contribution to the Company, having regard to the appropriate capability, skills and experience required.

The level of directors' fees was benchmarked by Vasdex Associates (Pty) Limited, a management consultancy specialising in reward and performance solutions.

The effect of special resolution number 2 is the level of fees as set out above is increased with effect from 1 August 2017.

## 7.3 Section 45 – financial assistance to related and inter-related companies

### Special resolution number 3

"RESOLVED THAT the Board of the Company is hereby authorised in terms of Section 45(3)(a)(ii) of the Companies Act, No 71 of 2008, as amended (the Act), as a general approval (which approval will be in place for a period of two years from the date of adoption of this special resolution 1), to authorise the Company to provide any direct or indirect financial assistance ('financial assistance' will herein have the meaning attributed to such term in section 45(1) of the Act) that the Board may deem fit to any related or inter-related company of the Company ('related' and 'inter-related' will herein have the meaning as attributed to those terms in section 2 of the Act), on the terms and conditions and for the amounts that the Board may determine."

### Reason for and effect of special resolution number 3

The main purpose for this authority is to grant the Board the authority to provide inter-group loans and other financial assistance for purposes of funding the activities of the Group. The Board undertakes that it will not adopt a resolution to authorise such financial assistance, unless the directors are satisfied that:

- g Immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in the Act; and
- g The terms under which the financial assistance is proposed to be given are fair and reasonable to the Company."

Notice in terms of Section 45(5) is hereby given that any financial assistance contemplated in special resolution number 3 will in all likelihood exceed one-tenth of one percent of the Company's net worth at the date of adopting such a resolution. This notice is also relevant for any trade union representing any employees of the Company.

## 7.4 Section 44 – financial assistance to staff and executives of the Group to subscribe for or acquire options or securities in the Company

### Special resolution number 4

"RESOLVED THAT the Board of the Company be and is hereby authorised in terms of Sections 44(3)(a)(ii) and 45(3)(a)(ii) of the Companies Act, No 71 of 2008, as amended (the Act), as a general approval (which approval will be in place for a period of two years from the date of adoption of this special resolution), and for the purposes of and/or related to a Black Economic Empowerment (BEE) transaction to be implemented in respect of the Company (BEE Transaction), to authorise the Company to provide direct or indirect financial assistance to any: (i) related or inter-related company; (ii) staff member or executive employed by the Company or by any subsidiary of the Company (Group); and/or (iii) company or juristic person through which such staff and executives, amongst others, may directly or indirectly participate in the BEE Transaction, for purposes of, or in connection with, the subscription for or acquisition of any option or securities issued or to be issued by the Company or a related or inter-related company (the italicised terms 'company', 'juristic person', 'financial assistance', 'subsidiary', 'related' and 'inter-related', each have the meanings attributed to them in the Act)."

### Reason for and effect of special resolution number 4

The Company is considering various proposals with regard to implementing a BEE Transaction for the benefit of the Group.

The purpose of this resolution is to grant the Board the authority to provide loans, guarantees and/or other financial assistance to staff and executives, if required, in respect of a BEE transaction.

Insofar as the above special resolution concerns the providing of financial assistance, directly or indirectly, to staff members and/or executives of the Group, the authority from shareholders sought in terms of this special resolution number is required only to the extent that the provision of the financial assistance falls outside the parameters of Sections 44(3)(a)(i) or 45(3)(a)(i) of the Act, namely where the financial assistance is given pursuant to an employee share scheme that satisfies the requirements of Section 97.

## Notice of annual general meeting *continued*

The Board undertakes that it will not adopt a resolution to authorise such financial assistance, unless the directors are satisfied that:

- g Immediately after providing the financial assistance, the Company would satisfy the solvency and liquidity test as contemplated in the Act; and
- g The terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

### Record date

The record date for shareholders to be registered in the books of the Company for purposes of being entitled to attend, speak and vote at the twenty-second annual general meeting is Friday 7 July 2017.

In accordance with the Act, shareholders attending the annual general meeting will need to present reasonable satisfactory identification such as an identity book, passport or drivers' licence.

### Participation by way of electronic means

Shareholders or their proxies may participate in the annual general meeting by way of electronic means. Such shareholder (or proxy) will need to contact Mr Lebogang Ngcobo at Vodacom on +27 11 653 5922 by no later than 09:00 Friday 14 July 2017 so that the Company can provide for a teleconference dial-in-facility. Shareholders must ensure that, when such shareholder intends to participate via teleconference that the voting proxies are sent through to the transfer secretaries Computershare Investor Services (Proprietary) Limited by no later than 10:00 Monday 17 July 2017. Participants must dial the following number, five (5) minutes prior to start of the annual general meeting +27 11 535 3600.

### Voting and proxies

Ordinary shareholders are entitled to attend, speak and vote at the annual general meeting.

Ordinary shareholders may appoint a proxy to attend, speak and vote in their stead. A proxy need not be a shareholder of the Company.

In accordance with the Company's memorandum of incorporation, voting shall be by ballot only.

Special resolutions to be adopted at this annual general meeting require approval from 75% of the shares represented in person or by proxy at this meeting. Ordinary resolutions to be adopted only require approval of a simple majority.

Shareholders holding dematerialised shares, but not in their own name must furnish their Central Securities Depository Participant (CSDP) or broker with their instructions for voting at the annual general meeting. If your CSDP or broker, as the case may be, does not obtain instructions from you, it will be obliged to act in accordance with your mandate furnished to it, or if the mandate is silent in this regard, complete the form of proxy enclosed.

Unless you advise your CSDP or broker, in terms of the agreement between you and your CSDP or broker by the cut-off time stipulated therein, that you wish to attend the annual general meeting or send a proxy to represent you at this annual general meeting, your CSDP or broker will assume that you do not wish to attend the annual general meeting or send a proxy.

If you wish to attend the annual general meeting or send a proxy, you must request your CSDP or broker to issue the necessary letter of authority to you. Shareholders holding dematerialised shares, and who are unable to attend the annual general meeting and wish to be represented thereat, must complete the form of proxy enclosed in accordance with the instructions therein and lodge it with or mail it to the transfer secretaries.

Forms of proxy (which form may be found enclosed) should be forwarded to reach the transfer secretaries, Computershare Investor Services (Proprietary) Limited by no later than 10:00 on Monday 17 July 2017.

The completion of a form of proxy does not preclude any shareholder attending the annual general meeting.

By order of the Board



Sandi Linford  
Group Company Secretary  
15 June 2017