

VODACOM GROUP LIMITED

**MINUTES OF THE NINETEENTH ANNUAL GENERAL MEETING HELD ON THURSDAY 17 JULY 2014  
IN GIG 3 & 4, VODACOM WORLD, 082 VODACOM BOULEVARD, MIDRAND, JOHANNESBURG,  
SOUTH AFRICA AT 11:00**

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**Present:** MP Moyo (Chairman)  
MS Aziz Joosub (CEO)  
IP Dittrich (CFO)  
DH Brown (Director)  
M Joseph (Director)  
TM Mokgosi-Mwantembe (Director)

Shareholders as per the attendance register

**In attendance:** SF Linford (Secretary)  
I van Schoor (Computershare Investor Services (Proprietary) Limited)  
B Greyling (Deloitte & Touche)  
D von Hosselin (PwC)  
MR Sekese (Director-General: National Department of Communications)

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**14.01 Quorum**

The Chairman welcomed those present at the meeting. As the necessary quorum was present, the Chairman declared the meeting duly constituted. It was noted that 96 shareholders holding 1 371 352 693 ordinary shares were represented in person or by proxy at the meeting. This represented 92.16 % of the total issued ordinary share capital of the Company.

**14.02 Notice of meeting**

The notice convening the meeting, having been circulated timeously, was taken as read.

**14.03 Voting**

The Chairman noted that in terms of the Company's memorandum of incorporation, voting in respect of the business put to the meeting shall be by way of poll only. The Chairman outlined briefly the procedure to be followed in respect of electronic voting.

**14.04 Adoption of audited consolidated annual financial statements**

The audited consolidated annual financial statements for the year ended 31 March 2014, having been previously circulated, were tabled for adoption. There were no questions raised.

Ordinary resolution number 1

**IT WAS RESOLVED THAT** the audited consolidated annual financial statements of the Company and its subsidiaries, together with the reports of the auditors, Audit, Risk & Compliance Committee and directors' for the year ended 31 March 2014, be and are hereby received and adopted.

Shareholders holding 1 370 386 292 (100.0%) ordinary shares voted in favour of the adoption of the annual financial statements while shareholders holding 23 (0.00000%) ordinary shares voted against, with shareholders holding 966 378 ordinary shares abstaining.

#### 14.05 Re-election of directors

Following the resignation of Mr NJ Read from the Board, it was noted that the Board had appointed Mr HMG Dowidar to replace him. In terms of the Company's memorandum of incorporation "MOI", Mr Dowidar was obliged to retire at this meeting and be elected by shareholders. In terms of the Company's MOI, Ms TM Mokgosi-Mwantembe, Messrs RAW Schellekens and MP Moyo were due to retire by rotation. They were eligible for re-election. The Chairman allowed an opportunity for questions.

In response to Mr Kirchmann, the Chairman briefly outlined the director profiles as set out in the notice of annual general meeting. He went on to note that the Nomination Committee on an annual basis reviewed the skills and composition on the Board. This included an analysis of the contribution each director brought to the Board. The Chairman explained that there was an equal number of independent non-executive directors and the Vodafone non-executive directors. He went on to say the Board felt this was appropriate given the skill and expertise these directors bring to the Company and the Board.

##### 14.05.1 Ordinary resolution number 2

**IT WAS RESOLVED THAT** Mr HMG Dowidar be and is hereby elected as a director of the Company.

Shareholders holding 1 322 182 500 (96.48218%) ordinary shares voted in favour of Mr Dowidar's election as a director while shareholders holding 48 207 826 ordinary shares (3.51782%) voted against, with shareholders holding 953 367 ordinary shares abstaining.

##### 14.05.2 Ordinary resolution number 3

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

Shareholders holding 1 368 469 023 (99.85914%) ordinary shares voted in favour of Ms Mokgosi-Mwantembe's re-election as a director while shareholders holding 1 930 277 (0.14086%) ordinary shares voted against, with shareholders holding 953 367 ordinary shares abstaining.

##### 14.05.3 Ordinary resolution number 4

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

Shareholders holding 1 314 845 782 (95.94623%) ordinary shares voted in favour of Mr Schellekens' re-election as a director while shareholders holding 55 552 816 (4.05377%) ordinary shares voted against, with shareholders holding 954 095 ordinary shares abstaining.

##### 14.05.4 Ordinary resolution number 5

**IT WAS RESOLVED THAT** Mr MP Moyo be and is hereby re-elected as a director of the Company.

Shareholders holding 1 369 680 264 (99.94753%) ordinary shares voted in favour of Mr Moyo's re-election as a director while shareholders holding 719 062 (0.054247%) ordinary shares voted against, with shareholders holding 953 367 ordinary shares abstaining.

#### 14.06 Appointment of Pricewaterhouse Coopers Inc. as auditors of the Company

The Chairman explained that as set out in the notice of annual general meeting, Vodacom had requested for proposals in November 2013 with regards to the external audit. All of the big 4 (four) audit firms including; Deloitte had been invited to participate.

Following this process, it was the recommendation of the Audit, Risk and Compliance Committee, supported by the Board that Pricewaterhouse Coopers Inc. be appointed as the company's auditors for the 2015 financial year. The Chairman thanked Deloitte who were stepping down at the conclusion of this meeting as auditors. There were no questions raised.

Ordinary resolution number 6

**IT WAS RESOLVED THAT** Pricewaterhouse Coopers Inc. be and are hereby appointed as the auditors of the Company to hold office until the conclusion of the next annual general meeting.

Shareholders holding 1 370 399 303 (98.83721%) ordinary shares voted in favour of the re-appointment of PricewaterhouseCoopers Inc. as auditors while shareholders holding 23 (0.00000%) ordinary shares voted against, with shareholders holding 953 367 ordinary shares abstaining.

**14.07 Approval of remuneration policy**

The remuneration policy was tabled for approval as set out in the 2014 remuneration report. There were no questions raised.

Ordinary resolution number 7

**IT WAS RESOLVED THAT** the remuneration policy for the year ended 31 March 2014 be and is hereby approved.

Shareholders holding 1 362 596 734 (99.34899%) ordinary shares voted in favour of the remuneration policy, while shareholders holding 7 801 864 ordinary shares voted against, with shareholders holding 953 367 ordinary shares abstaining.

**14.08 Appointment of members of the Audit, Risk and Compliance Committee**

The Chairman briefly outlined the profiles of the members of the Audit, Risk and Compliance Committee as outlined in the notice of annual general meeting. There were no questions raised.

**14.08.1 Ordinary resolution number 8**

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

Shareholders holding 1 370 399 303 (100.00000%) ordinary shares voted in favour of Mr Brown's re-election as a member of the Audit, Risk and Compliance Committee while shareholders holding 23 (0.00000%) ordinary shares voted against, with shareholders holding 953 367 ordinary shares abstaining.

**14.08.2 Ordinary resolution number 9**

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

Shareholders holding 1 370 388 672 (99.99999%) ordinary shares voted in favour of Mr Moleketi's re-election as a member of the Audit, Risk and Compliance Committee while shareholders holding 154 (0.00001%) ordinary shares voted against, with shareholders holding 953 367 ordinary shares abstaining.



#### 14.08.3 Ordinary resolution number 10

**IT WAS RESOLVED THAT** Ms YZ Cuba be and is hereby re-elected as a member of the Company's Audit and Risk and Compliance Committee.

Shareholders holding 1 370 388 054 (99.99918%) ordinary shares voted in favour of Ms Cuba's re-election as a member of the Audit, Risk and Compliance Committee while shareholders holding 11 251 (0.00082%) ordinary shares voted against, with shareholders holding 953 367 ordinary shares abstaining.

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

A resolution granting a general authority to the Company to repurchase shares in the Company was tabled for approval. In reply to a question raised by Mr Hlatswayo, the Chairman confirmed that the repurchasing of shares would be largely for purposes of the long-term incentive scheme for executives. Ms TM Mokgosi-Mwantembe also stated that this was to also avoid dilution of existing shares. The Chairman then briefly explained the buyback process. In response to Ms Sekese regarding frequency of such repurchases, the Chairman stated that a repurchase was usually conducted in June of every year.

#### Special resolution number 1

**IT WAS 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, 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' next annual general meeting and shall not extend beyond 15 (fifteen) months from the date of this resolution;
- (b) any general purchase by the Company and/or any of its subsidiaries of the Company's ordinary shares in issue shall not in aggregate in any 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 share for the 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 or any subsidiary and the and the counter party (reported trades are prohibited);
- (e) the Company or any subsidiary may only appoint one agent at any point in time to effect any repurchase(s) on the Company's behalf;
- (f) the Company or its subsidiary may not repurchase ordinary shares during a prohibited period; and
- (g) 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
- (h) 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."



Shareholders holding 1 355 155 880 (98.88766%) ordinary shares voted in favour of a general authority for the Company, or any of its subsidiaries to purchase up to 5% (five percent) of the Company's issued ordinary share capital at the time the authority is granted, while shareholders holding 15 243 445 (1.11234%) ordinary shares voted against with shareholders holding 953 368 ordinary shares abstaining.

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

Shareholders were requested to approve the level of fees for non-executive directors as set out in the notice of the annual general meeting. No questions were raised:

Special resolution number 2

**IT WAS RESOLVED THAT** the level of non-executive directors' fees be increased with effect from 1 August 2014 on the basis set out as follows:

	<b>R</b>
Chairman of the Board	2 000 000
Members of the Board	340 000
Chairman of the Audit , Risk and Compliance Committee	250 000
Members of the Audit , Risk and Compliance Committee	150 000
Chairman of the Remuneration Committee	220 000
Members of the Remuneration Committee	125 000
Chairman of other committees	200 000
Members of other committees	115 000
Chairman of Social & Ethics Committee	190 000
Member of the Social & Ethics Committee	110 000

The annual fee payable to the Chairman of the Board was inclusive of any committee fees. No fees were payable for any special meetings that could be convened.

Shareholders holding 1 370 313 292 (99.99379%) ordinary shares voted in favour of the increase in the level of the non-executive directors' fees, while shareholders holding 85 145 (0.00621%) ordinary shares voted against, with shareholders holding 954 256 ordinary shares abstaining.

**14.11 Thanks and appreciation**

The Chairman, with the indulgence of the meeting, expressed his appreciation and thanks to:

- The men and women of Vodacom Group Limited for their continued loyalty and valuable contribution to the group during the past year;
- The executive team for their leadership and determination in a challenging year; and
- Fellow board members for their on-going valuable counsel and guidance.

**14.12 General**

14.12.1 *Acquisition of Neotel*

In response to Mr Kirchmann regarding the acquisition of Neotel, Mr Aziz Joosub advised that in terms of the strategy of the business, the company was investing in growth areas. . One of the big opportunities in South Africa was the fixed-line space to support data volume growth, especially in the fibre to the home and fibre to the business.

In response to a question as to whether the regulator would approve the transaction, the Chairman advised that it would not be fair to comment on what the regulator would do regarding the deal. He stated that Vodacom had put in its submission to the regulator and was hoping for the best result.

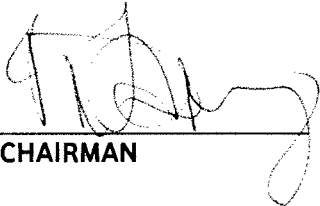
14.12.2 *Mobile Termination Rates "MTRs"*

In response to a question pertaining to uncertainty around MTRs, the Chairman stated that Vodacom hoped that this would be finalised by September 2014 as per the timetable given by Icasa.

14.13 **Closure**

There being no further business to discuss, the Chairman thanked the members for their attendance and contribution and declared the meeting closed at 12:00.

Signed as correct on this 11 day of September 2014



CHAIRMAN