

GENERAL EXPLANATORY NOTE:

- [] Words in bold type in square brackets indicate omissions from existing enactments.
- Words underlined with a solid line indicate insertions in existing enactments.

*(English text signed by the President)
(Assented to 25 July 2024)*

ACT

To amend the Companies Act, 2008, so as to insert certain definitions and amend the definition of “securities”; to clarify when a Notice of Amendment of a Memorandum of Incorporation takes effect; to provide for the Commission to publish, as prescribed, the notice of the location of a company’s records; to differentiate where the right to gain access to companies’ records may be limited; to provide for the preparation, presentation and voting on companies’ remuneration policy and directors’ remuneration report; to provide for the filing of a copy of the annual financial statement; to empower the court to validate the irregular creation, allotment or issue of shares; to clarify that shares which are not fully paid are to be transferred to a stakeholder and dealt with in terms of a stakeholder agreement; to exclude the subsidiary company from the requirements relating to financial assistance; to provide for instances where a special resolution is required for the acquisition by a company of its own shares; to provide for a social and ethics committee report and remuneration report to also be presented at an annual general meeting of a public company; to provide for the circumstances under which a private company will be a regulated company; to provide for the publication of the application for exemption from the requirement to appoint a social and ethics committee; to deal with the composition of the social and ethics committee; to provide for the preparation by the social and ethics committee of a social and ethics committee report, as prescribed, to be presented at the annual general meeting or shareholders meeting, as the case may be; to provide, in respect of a private company, personal liability company or non-profit company, for the appointment of an auditor at a shareholders meeting if such appointment is a requirement in terms of the Act; to extend the definition of an employee share scheme to include situations where there are purchases of shares of a company; to provide for the determination by the Minister, in consultation with the Panel, of financial thresholds, for purposes of identifying the private companies to which Parts B and C of Chapter 5 of the Act apply; to provide for post-commencement finance for unpaid amounts that are due to the landlord during business rescue proceedings; to provide for the Commission to substitute a contested name of a company under certain circumstances; to provide for mediation, conciliation and arbitration by the Companies Tribunal only in respect of relief or complaints in terms of the Act; to further provide for the operation and governance of the Companies Tribunal; to provide for pronouncements that may be issued by the Financial Reporting Standards Council; and to provide for matters connected therewith.

BE IT ENACTED by the Parliament of the Republic of South Africa, as follows:—

Amendment of section 1 of Act 71 of 2008, as amended by section 1 of Act 3 of 2011, section 111 of Act 19 of 2012 and section 55 of Act 22 of 2022

1. Section 1 of the Companies Act, 2008 (Act No. 71 of 2008), (hereinafter referred to as the “principal Act”), is hereby amended—

- (a) by the insertion after the definition of “Banks Act” of the following definitions:
- “**‘B-BBEE Act’** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- ‘B-BBEE Commission’** means the Broad-Based Black Economic Empowerment Commission as established in terms of the B-BBEE Act;”; and
- (b) by the substitution for the definition of “securities” of the following definition:
- “**‘securities’**, for the purposes of this Act, means any shares[,] or debentures [**or other instruments**], irrespective of their form or title, issued or authorised to be issued by a profit company;”.

Amendment of section 16 of Act 71 of 2008, as amended by section 11 of Act 3 of 2011

2. Section 16 of the principal Act is hereby amended by the substitution in subsection (9) for paragraph (b) of the following paragraph:

- “(b) in any other case, **[on the later of]** —
- (i) **[the date on, and time at, which the Notice of Amendment is filed] 10 business days** after receipt of the Notice of Amendment by the Commission, unless endorsed or rejected with reasons by the Commission prior to the expiry of the 10 business days period; or
- (ii) **[the] such later date, if any, as set out in the Notice of Amendment.**”.

Amendment of section 25 of Act 71 of 2008

3. Section 25 of the principal Act is hereby amended by the substitution in subsection (2) for the words preceding paragraph (a) of the following words:

- “A company must file a notice, which the Commission must publish as prescribed, setting out the location or locations at which any particular records referred to in section 24 are kept or from which they are accessible if those records—”.

Amendment of section 26 of Act 71 of 2008, as amended by section 17 of Act 3 of 2011

4. Section 26 of the principal Act is hereby amended—

- (a) by the substitution in subsection (1) for paragraph (c) of the following paragraph:
- “(c) the reports to annual meetings [**and annual financial statements**], as mentioned in section 24(3)(c)(i) [**and (ii)**];”;
- (b) by the insertion in subsection (1) after paragraph (c) of the following paragraph:
- “(cA) the annual financial statements as contemplated in section 24(3)(c)(ii);”;
- (c) by the deletion in subsection (1) of the word “and” at the end of paragraph (d), the substitution at the end of paragraph (e) for a full stop of a semicolon, the insertion of the word “and” at the end of paragraph (e), and by the addition of the following paragraph:
- “(f) the register of the disclosure of beneficial interest of the company as contemplated in section 56(7)(a).”;
- (d) by the substitution for subsection (2) of the following subsection:
- “(2) A person not contemplated in subsection (1) has a right to inspect **[or] and copy [the securities register of a profit company, or the members register of a non-profit company that has members, or the**

- register of directors of a company, upon payment of an amount not exceeding the prescribed maximum fee for any such inspection] the information contained in the records referred to in subsection (1)(a), (b), (cA), (e) and (f), upon payment of the prescribed fee for any such inspection and copy.”;** 5
- (e) by the insertion after subsection (2) of the following subsection: 5
 “(2A) The right to inspect and copy information contained in the records referred to in subsection (1)(cA), as contemplated in subsection (2), does not apply to a private company, non-profit company or personal liability company, wherein— 10
 (a) an annual financial statement is internally prepared in a company with a public interest score of less than 100; or
 (b) an annual financial statement is independently prepared in a company with a public interest score of less than 350.”;
- (f) by the substitution in subsection (4) for paragraph (a) of the following paragraph: 15
 “(a) for a reasonable period during business hours at a location contemplated in section 25(1);”;
- (g) by the substitution for subsection (5) of the following subsection: 20
 “(5) Where a company receives a request **[in terms of]**, as contemplated in subsection (4)(b), it must within **[14] 10** business days comply with the request by providing the requester an opportunity to inspect or copy the register or the records concerned **[to the person making such request]**.”; and
- (h) by the deletion of subsection (6). 25

Amendment of section 30 of Act 71 of 2008, as amended by section 20 of Act 3 of 2011

5. Section 30 of the principal Act is hereby amended—
- (a) by the substitution in subsection (4) for paragraph (a) of the following paragraph: 30
 “(a) the remuneration, as defined in subsection (6), and benefits received by each individual director, **[, or]** and **[individual holding any prescribed office]** prescribed officer in the company, both of whom must be named;”;
- (b) by the insertion after subsection (4) of the following subsection: 35
 “(4A) Where any provisions of the directors’ remuneration report, as contemplated in section 30B, becomes subject to an audit in terms of this section, any company policies or the background statement of the remuneration report must not be made subject to such audit.”.

Insertion of sections 30A and 30B in Act 71 of 2008 40

6. The following sections are hereby inserted in the principal Act after section 30:

“Duty to prepare and present company’s remuneration policy

- 30A.** (1) All public companies and state-owned companies must prepare and present for approval a remuneration policy as contemplated in subsection (2). 45
- (2) The remuneration policy—
- (a) must be presented to and approved by shareholders at the annual general meeting by an ordinary resolution and if not approved must be presented at the next annual general meeting or at a shareholders meeting called for such purpose; 50
- (b) will remain in force for a period of three years from approval and must be approved every three years thereafter; and
- (c) may be amended prior to the end of the three-year period provided that any material amendment can only be implemented after it is approved by the shareholders by an ordinary resolution at a shareholders meeting called for this purpose or at an annual general meeting. 55

Duty to prepare and present company's remuneration report

30B. (1) In this section—

- (a) **'total remuneration'** means all salary and benefits received including any employer contributions to benefit funds and any short-term or long-term incentives including share options and incentive awards; 5
 - (b) **'employee'** means an employee as defined in section 213 of the Labour Relations Act, 1995 (Act No. 66 of 1995); and
 - (c) **'committee'** means the remuneration committee of the company or any other committee of the company responsible for remuneration matters. 10
- (2) Each year all public companies and state-owned companies must prepare a remuneration report in respect of the previous financial year for presentation and approval at the annual general meeting.
- (3) The remuneration report must consist of the following parts:
- (a) Background statement; 15
 - (b) a copy of the company's remuneration policy as contemplated in section 30A(2); and
 - (c) an implementation report containing details of:
 - (i) the total remuneration received by each director and prescribed officer in the company; 20
 - (ii) the total remuneration in respect of the employee with the highest total remuneration;
 - (iii) the total remuneration in respect of the employee with the lowest total remuneration in the company; and
 - (iv) the average total remuneration of all employees, median remuneration of all employees and the remuneration gap reflecting the ratio between the total remuneration of the top five per cent highest paid employees and the total remuneration of the bottom five per cent lowest paid employees of the company. 25
- (4) If at the annual general meeting the remuneration report is not approved by ordinary resolution as contemplated in subsection (2)—
- (a) the committee must, at the next annual general meeting, present an explanation on the manner in which the shareholders' concerns have been taken into account; and 35
 - (b) subject to subsection (6), the directors who are not involved in the day-to-day management of the business of the company and who serve on the committee must stand for re-election as members of the committee at the annual general meeting at which the explanation is presented. 40
- (5) Subject to subsection (6), if at the annual general meeting in the year immediately following the year contemplated in subsection (4), the remuneration report in respect of the previous financial year is also not approved by ordinary resolution of shareholders—
- (a) the directors who are not involved in the day-to-day management of the business of the company and who serve on the committee may continue to serve as directors provided they successfully stand for re-election at that annual general meeting; and 45
 - (b) will not be eligible to serve on the committee for a period of two years thereafter. 50
- (6) The provisions of subsections (4)(b), (5)(a) and (b) do not apply to members of the committee who have served for a period of less than 12 months in the year under review."

Amendment of section 33 of Act 71 of 2008, as amended by section 23 of Act 3 of 2011 and section 56 of Act 22 of 2022

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7. Section 33 of the principal Act is hereby amended by the substitution for subsection (1)(a) of the following subsection:

“(1) Every company must file an annual return with the Commission in the prescribed [form with the prescribed fee, and within the prescribed period]

manner after the end of the anniversary of the date of its incorporation, including in that return—

- (a) a copy of its [**annual financial statements, if it is required to have such statements audited in terms of**] latest annual financial statements approved by the board for the public company, state-owned company or any other profit or non-profit company whose public interest score exceeds the limits set out in section 30(2) or the regulations contemplated in section 30(7);” 5

Insertion of section 38A in Act 71 of 2008

8. The following section is hereby inserted in the principal Act after section 38: 10

“Validation of irregular creation, allotment or issuing of shares

38A. (1) Where a company purports to create, allot or issue shares by virtue of any provision of this Act, the Memorandum of Incorporation of the company, any other law or otherwise, where the creation, allotment or issuing of those shares is invalid or the terms of creation, allotment or issue are inconsistent with, or not authorised by those provisions, a court may— 15

- (a) upon receipt of an application made by the company or by any party who holds an interest in the company; and
- (b) after satisfying itself that it is just and equitable to do so, make an order validating the creation, allotment or issue of these shares or confirming the terms of the creation, allotment or issue, subject to such conditions as may be imposed by the court. 20

(2) After the payment of all prescribed fees by the company, the shares are deemed to have been validly created, allotted or issued upon the terms of the creation, allotment or issue of the shares and subject to the conditions as may be imposed by the court.”. 25

Amendment of section 40 of Act 71 of 2008, as amended by section 28 of Act 3 of 2011

9. Section 40 of the principal Act is hereby amended—

- (a) by the substitution in subsection (5)(b) for subparagraph (ii) of the following subparagraph: 30

“(ii) cause the issued shares to be transferred to a [**third party stakeholder**, to be held in [**trust**] terms of a stakeholder agreement, and later transferred to the subscribing party in accordance with [**a trust**] the stakeholder agreement.”; 35

- (b) by the substitution in subsection (6) for the words preceding paragraph (a) of the following words:

“(6) Except to the extent that a [**trust**] stakeholder agreement contemplated in subsection (5)(b) provides otherwise—”; and

- (c) by the insertion after subsection (6) of the following subsection: 40

“(6A) For the purposes of subsections (5) and (6)—

- (a) ‘**stakeholder**’ means an independent third party, who has no interest in the company or the subscribing party, who may be in the form of an attorney, notary public or escrow agent; and
- (b) ‘**stakeholder agreement**’ means a written contract between the stakeholder and the company.”. 45

Amendment of section 45 of Act 71 of 2008, as amended by section 31 of Act 3 of 2011

10. Section 45 of the principal Act is hereby amended—
- (a) by the substitution for the heading of the following heading:
 - “[Loans or other financial assistance to directors] Financial assistance”;
 - (b) by the insertion after subsection (2) of the following subsection:
 - “(2A) The provisions of this section do not apply to the giving by a company of financial assistance to or for the benefit of its subsidiaries.”.

Amendment of section 48 of Act 71 of 2008, as amended by section 32 of Act 3 of 2011

11. Section 48 of the principal Act is hereby amended by the substitution for subsection (8) of the following subsection:
- “(8) A decision by the board of a company, contemplated in subsection (2)(a), must be approved by a special resolution of the shareholders of the company—
- (a) if any shares are to be acquired by the company from—
 - (i) a director of the company;
 - (ii) a prescribed officer of the company; or
 - (iii) a person related to a director of the company or a prescribed officer; or
 - (b) if it entails the acquisition of shares in the company, other than shares acquired as a result of—
 - (i) a *pro rata* offer made by the company to all shareholders of the company or a particular class of shareholders of the company, notwithstanding that the *pro rata* offer made to all shareholders may also include shareholders who are one or more of the persons referred to in paragraph (a); or
 - (ii) transactions effected on a recognised stock exchange on which the shares of the company are traded, being a licenced exchange as contemplated in the Financial Markets Act, 2012 (Act No. 19 of 2012).”.

Amendment of section 61 of Act 71 of 2008, as amended by section 39 of Act 3 of 2011

12. Section 61 of the principal Act is hereby amended—
- (a) by the deletion in subsection (8)(a) of the word “and” at the end of subparagraph (ii) and the addition of the following subparagraphs, respectively:
 - “(iv) a social and ethics committee report; and
 - “(v) a remuneration report;”;
 - (b) by the deletion in subsection (8)(c) of the word “and” at the end of subparagraph (i) and by the addition of the following subparagraph:
 - “(iii) social and ethics committee; and”.

Amendment of section 72 of Act 71 of 2008, as amended by section 47 of Act 3 of 2011

13. Section 72 of the principal Act is hereby amended—
- (a) by the substitution for subsection (5) of the following subsection:
 - “(5) A company that falls within the category of companies that are required in terms of this section and the regulations to appoint a social and ethics committee may apply to the Tribunal for an exemption from that requirement in the following manner:
 - (a) The company must publish the intention to lodge an application for exemption with the Tribunal in the prescribed manner; and
 - (b) apply to the Tribunal, in the prescribed manner and form, for an exemption from the requirement, and the Tribunal may grant such exemption if it is satisfied that—

- (i) the company has a formal mechanism within its structures, which substantially performs the functions of the social and ethics committee in terms of this section and the regulations; or
 - (ii) it is not reasonably necessary, having regard to the nature and extent of the structures and activities of the company and the public interest, to require the company to have a social and ethics committee.” 5
- (b) by the insertion after subsection (6) of the following subsections:
 - “(6A) A social and ethics committee is not required where— 10
 - (a) the company is a subsidiary of another company that has a social and ethics committee, and the existing social and ethics committee will perform the functions required by this section on behalf of the subsidiary company; or
 - (b) the company has been exempted by the Tribunal in terms of subsections (5) and (6). 15
 - (6B) The Minister may prescribe the minimum qualifications, skills and experience requirements for members of the social and ethics committee that he or she may consider necessary to ensure that any such committee comprises persons with adequate relevant knowledge and experience to equip the committee to perform its functions.” 20
- (c) by the insertion after subsection (7) of the following subsection:
 - “(7A) The social and ethics committee of a company must comprise not less than three members: Provided that—
 - (a) in the case of a public company and state-owned company, the majority of the members must be directors who are not involved in the day-to-day management of the business of the company and must not have been so involved at any time during the previous three financial years; and 25
 - (b) in the case of any other company, not being a public company or state-owned company, the members must consist of not less than three directors or prescribed officers, at least one of whom must be a director, who is not involved in the day-to-day management of the business of the company and must not have been so involved within the previous three financial years.” 30
- (d) by the insertion after subsection (8) of the following subsection:
 - “(8A) A board of a company that is required to have a social and ethics committee that—
 - (a) exists on the effective date, must appoint the first members of the committee within 12 months after— 40
 - (i) the effective date; or
 - (ii) the determination by the Tribunal of the company’s application, if any, and the Tribunal has not granted the company an exemption; and
 - (b) is incorporated on or after the effective date, must constitute a social and ethics committee within 12 months after— 45
 - (i) its date of incorporation, in the case of a public company or state-owned company; or
 - (ii) in the case of any other company, not being a public company or state-owned company, the date the company first met the criteria determined in terms of subsection (4)(a).” 50
- (e) by the insertion after subsection (9) of the following subsection:
 - “(9A) Thereafter—
 - (a) at each annual general meeting of a public company or state-owned company, such company must elect a social and ethics committee; or
 - (b) a social and ethics committee must be appointed annually by the board of the company where such company is any other 55

- company, not being a public company or state-owned company, required to have a social and ethics committee.”; and
- (f) by the insertion after subsection (10) of the following subsections:
- “(11) Where a vacancy arises in the social and ethics committee, the board must appoint a person within 40 days after the vacancy arises, to fill such vacancy. 5
- (12)(a) A social and ethics committee must prepare for shareholders a social and ethics committee report in the prescribed manner and form describing how the committee performed its functions in terms of this Act and the regulations. 10
- (b) The social and ethics committee must present its report—
- (i) in the case of a public company or state-owned company, at its next annual general meeting; or
- (ii) in the case of any other company, not being a public company or state-owned company, annually at a shareholders meeting or with a resolution as contemplated in section 60(1).” 15

Amendment of section 90 of Act 71 of 2008, as amended by section 55 of Act 3 of 2011

14. Section 90 of the principal Act is hereby amended—
- (a) by the substitution for subsection (1A) of the following subsection: 20
- “(1A) A company referred to in section 84(1)(c)(i), or a company that is required only in terms of its Memorandum of Incorporation to have its annual financial statements audited as contemplated in sections 34(2) and 84(1)(c)(ii), must appoint an auditor [—
- (a) **in accordance with subsection (1), if the requirement to have its annual financial statements audited applies to that company when it is incorporated; or** 25
- (b) **at the annual general meeting at which the requirement first applies to the company, and each annual general meeting thereafter.]** at a shareholders meeting at which the requirement first applies to the company, and thereafter annually at the shareholders meeting.”; and 30
- (b) by the substitution in subsection (2)(b) for subparagraph (v) of the following subparagraph:
- “(v) a person who, at any time during the [**five**] two financial years immediately preceding the date of appointment, was a person contemplated in any of subparagraphs (i) to (iv); or” 35

Amendment of section 95 of Act 71 of 2008, as amended by section 58 of Act 3 of 2011

15. Section 95 of the principal Act is hereby amended by the substitution in subsection (1)(c) for subparagraph (i) of the following subparagraph: 40
- “(i) by means of the issue or purchase of shares in the company; or”.

Amendment of section 118 of Act 71 of 2008, as amended by section 73 of Act 3 of 2011

16. Section 118 of the principal Act is hereby amended— 45
- (a) by the substitution in subsection (1)(c) for subparagraph (i) of the following subparagraph:
- “(i) it has 10 or more shareholders with a direct or indirect shareholding in the company and meets or exceeds the financial threshold of annual turnover or asset value determined in terms of subsection (2): Provided that the Panel may exempt any particular transaction affecting a private company in terms of section 119(6);” and 50

(b) by the substitution for subsection (2) of the following subsection:

“(2) The Minister, in consultation with the Panel, must determine the financial thresholds based on the annual turnover or asset value of the company in the Republic, in general or in relation to specific industries, for purposes of determining or identifying the private companies to which the provisions of Part B and Part C of this Chapter apply.” 5

Amendment of section 135 of Act 71 of 2008, as amended by section 86 of Act 3 of 2011

17. Section 135 of the principal Act is hereby amended—

(a) by the insertion after subsection (1) of the following subsection: 10

“(1A) To the extent that any amounts due to the landlord, subject to a contract by the company which is placed in business rescue proceedings, are not paid to the landlord during business rescue proceedings, in respect of and not exceeding the aggregate for all public utility services, such as, the company’s share of rates and taxes, electricity, water, sanitation and sewer charges paid by the landlord to third parties during the business rescue period referred to in this section, is regarded as post-commencement financing and will be paid as contemplated in subsection (1).”; and 15

(b) by the substitution for subsection (3)(a) of the following subsection: 20

“After payment of the practitioner’s remuneration and expenses referred to in section 143, post-commencement financing, and other claims arising out of the costs of the business rescue proceedings, all claims contemplated—

(a) in subsection (1) will be treated equally, but will have preference over— 25

(i) all claims contemplated in subsection (2), irrespective of whether or not they are secured; and

(ii) all unsecured claims against the company[; or], in subsection (1A) will rank below the claims contemplated in subsection (1), but ahead of all the secured and unsecured claims against the company; and” 30

Amendment of section 160 of Act 71 of 2008, as amended by section 99 of Act 3 of 2011

18. Section 160 of the principal Act is hereby amended by the insertion after subsection (4) of the following subsection: 35

“(5)(a) Where the Companies Tribunal has issued an administrative order in terms of subsection (3)(b)(ii), the administrative order must stipulate the date for compliance by the company.

(b) Where the company fails to change its name within the determined period in terms of the administrative order of the Companies Tribunal, the applicant may approach the Commission, after the expiration of the determined period, to substitute the name of the respondent with its company’s registration number followed by ‘Inc’, ‘(Pty) Ltd’, ‘Limited’ or ‘SOC Ltd’, as the case may be.” 40

Amendment of section 166 of Act 71 of 2008, as amended by section 105 of Act 3 of 2011 45

19. Section 166 of the principal Act is hereby amended—

(a) by the substitution for subsection (1) of the following subsection:

“(1) As an alternative to applying for relief to a court, or filing a complaint with the Commission in terms of Part D, a person who would be entitled to apply for relief, or file a complaint in terms of this Act, may refer a matter that could be the subject of such an application or complaint for resolution by mediation, conciliation or arbitration to[— 50

- (a) the Companies Tribunal[;
- (b) **an accredited entity, as defined in subsection (3); or**
- (c) **any other person.**”;
- (b) by the substitution for subsection (2) of the following subsection:
 - “(2) If the Companies Tribunal,**[or an accredited entity,]** to whom a matter is referred for **[alternative dispute resolution] mediation or conciliation**, concludes that either party to the conciliation₁,**[or mediation [or arbitration]** is not participating in that process in good faith, or that there is no reasonable probability of the parties resolving their dispute through that process, the Companies Tribunal **[or accredited entity]** must issue a certificate of non-resolution in the prescribed form **[stating that the process has failed]**.”;
- (c) by the insertion after subsection (2) of the following subsection:
 - “(2A)(a) Where the Companies Tribunal has issued a certificate of non-resolution stating that the mediation or conciliation process in terms of this Act has failed, the affected person may refer the matter further to the Companies Tribunal for arbitration.
 - (b) A party who wants to object to the arbitration also being conducted by a member of the Companies Tribunal who had attempted to resolve the matter through mediation or conciliation may do so by filing an objection in that regard with the Companies Tribunal.
 - (c) When the Companies Tribunal receives an objection it must appoint another member to substitute the member in terms of whom the objection was filed.
 - (d) In the event of arbitration, the arbitrator’s award is final and binding on the parties.”;
- (d) by the deletion of subsections (3), (4) and (5).

Amendment of section 167 of Act 71 of 2008

20. Section 167 of the principal Act is hereby amended by the substitution in subsection (1) for the words preceding paragraph (a) of the following words: “If the Companies Tribunal **[, or an entity accredited in terms of section 166,]** has resolved, or assisted parties in resolving, a dispute in terms of this Part, the Tribunal **[or accredited entity]** may—”.

Amendment of section 194 of Act 71 of 2008, as amended by section 112 of Act 3 of 2011

21. Section 194 of the principal Act is hereby amended by the insertion after subsection (1) of the following subsection: “(1A)(a) The chairperson of the Tribunal is the accounting authority of the Tribunal and is responsible for—

- (i) the control and management of the Tribunal;
- (ii) the effectiveness and efficiency of the Tribunal;
- (iii) all the income and expenditure of the Tribunal;
- (iv) all assets and the discharge of liabilities of the Tribunal; and
- (v) the proper diligent implementation of the Public Finance Management Act, 1999 (Act No. 1 of 1999), with respect to the Tribunal.

(b) In order to assist him or her with the functions contemplated in this subsection, the chairperson may appoint—

- (i) a Chief Operating Officer for a period of five years, who may be reappointed for a further period of five years; and
- (ii) one or more senior managers, under such terms and conditions as determined by the chairperson.

(c) The Chief Operating Officer is responsible to perform as the Chief Operating Officer of the Tribunal, subject to—

- (i) this Act and its regulations;
- (ii) the Public Finance Management Act and its regulations; and
- (iii) the policies and directions of the Tribunal.

(d) The Chief Operating Officer is responsible for appointing such other employees as may be required for the proper functioning of the Tribunal: Provided that the chairperson, in consultation with the Minister, may determine the remuneration, allowances, employment benefits and other terms and conditions of employees appointed in terms of this paragraph.

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(e) The Minister must, in consultation with the Minister of Finance, determine the remuneration, allowances, benefits and conditions of appointment of—
 (i) members of the Tribunal; and
 (ii) the Chief Operating Officer.”.

Amendment of section 195 of Act 71 of 2008, as amended by section 113 of Act 3 of 2011 10

22. Section 195 of the principal Act is hereby amended by the deletion in subsection (1) of the word “and” at the end of paragraph (b), the substitution for the full stop of a semi-colon at the end of paragraph (c), and the addition of the following paragraphs:

“(d) conciliate, mediate, arbitrate or adjudicate on any administrative matters affecting any person in terms of this Act as may be referred to it in the prescribed manner by the B-BBEE Commission in terms of the B-BBEE Act; and
 (e) make an appropriate order.”.

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Amendment of section 204 of Act 71 of 2008 20

23. Section 204 of the principal Act is hereby amended—

(a) by the substitution for subsection (1)(a) of the following subsection:

“(1) The Financial Reporting Standards Council must—
 (a) receive and consider any relevant information relating to the reliability of, and compliance with, financial reporting standards and adapt international reporting standards for local circumstances through the issue of financial reporting pronouncements and consider information from the Commission as contemplated in section 187(3)(b);”;

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(b) by the addition of the following subsections:

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“(2) For the purposes of this section, financial reporting pronouncements may be issued by the Financial Reporting Standards Council and published in the *Gazette*, from time to time, in relation to international reporting standards which require adaptation for local circumstances: Provided that such pronouncements are not in conflict with the International Financial Reporting Standards or the International Financial Reporting Standards for Small and Medium-sized Entities.

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(3) ‘financial reporting pronouncements’ means standards, guidelines and circulars developed, adopted, issued, or prescribed by the Financial Reporting Standards Council.”.

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Amendment of arrangement of sections of Act 71 of 2008

24. The arrangement of sections of the principal Act is hereby amended—

(a) by the insertion after item 30 of the following items:

“30A. Duty to prepare and present company’s remuneration policy
 30B. Duty to prepare and present company’s remuneration report”;

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(b) by the insertion after item 38 of the following item:

“38A. Validation of irregular creation, allotment or issuing of shares”;

(c) by the substitution for item 45 of the following item:

“45. [Loans or other financial assistance to directors] Financial assistance”;

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(d) by the substitution for the heading to Part C of Chapter 7 of the following heading:

“[Voluntary] Resolution of disputes”.

Short title and commencement

25. This Act is called the Companies Amendment Act, 2024, and comes into operation on a date to be fixed by the President by proclamation in the *Gazette*.