



4 June 2026

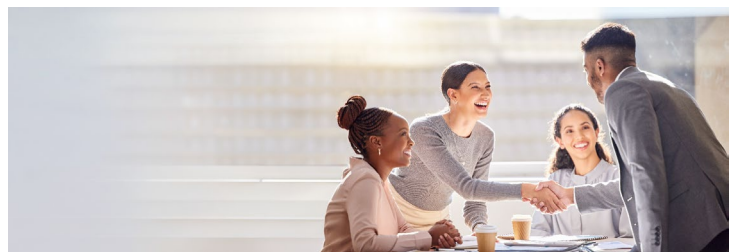
New remuneration disclosure and voting regime applicable immediately

Sections 5, 6 and 19 of the Companies Amendment Act 16 of 2024 (the Amendment Act) came into effect on publication in the Government Gazette 54722 on 22 May 2026. The Companies Act now stipulates that all public companies (listed and unlisted) as well as state-owned companies must now prepare an annual remuneration report that will be subject to an annual vote. In addition, the remuneration policy must be put to a binding shareholder vote.

With no supplementary guidance, or transitional arrangements provided, companies which are in scope will need to comply immediately.



Affected companies should clearly understand their fair pay markers, and ensure that their remuneration reports are structured in a compliant manner, to prepare themselves for the next upcoming AGM. Preparing in advance will enable companies to take appropriate actions to address any identified gaps.



Recap of Companies Act amendments relating to remuneration reports

Remuneration policy (Section 30A)

01

Binding policy vote

The remuneration policy must be tabled for shareholder approval by ordinary resolution at the AGM.

02

Three-year validity

An approved policy lasts three years. Any material amendment in that window triggers the need for a new approval.

03

If shareholders vote it down

The policy must be re-tabled at the next AGM, or at a shareholders' meeting called for that purpose.

04

Three-part report

The annual remuneration report should have a background statement, a copy of the remuneration policy, and an implementation report. Shareholders must vote on the report annually at the AGM.

05

Mandatory disclosures

Total remuneration for each director and prescribed officer; total remuneration for the highest-paid and lowest-paid employee; average and median employee remuneration; and the wage gap ratio between the top 5% and bottom 5% of earners.

06

Two-strike rule for RemCo

If the remuneration report vote is failed in any year, RemCo members must stand for re-election to the committee in the following year's AGM. If the vote is failed in the consecutive year, the RemCo members are disqualified from serving on the RemCo for 2 years*, but may remain on the board if successfully re-elected at that AGM.



The reach extends beyond listed companies

Sections 30A and 30B apply to every public company, listed or unlisted, and every state-owned company.

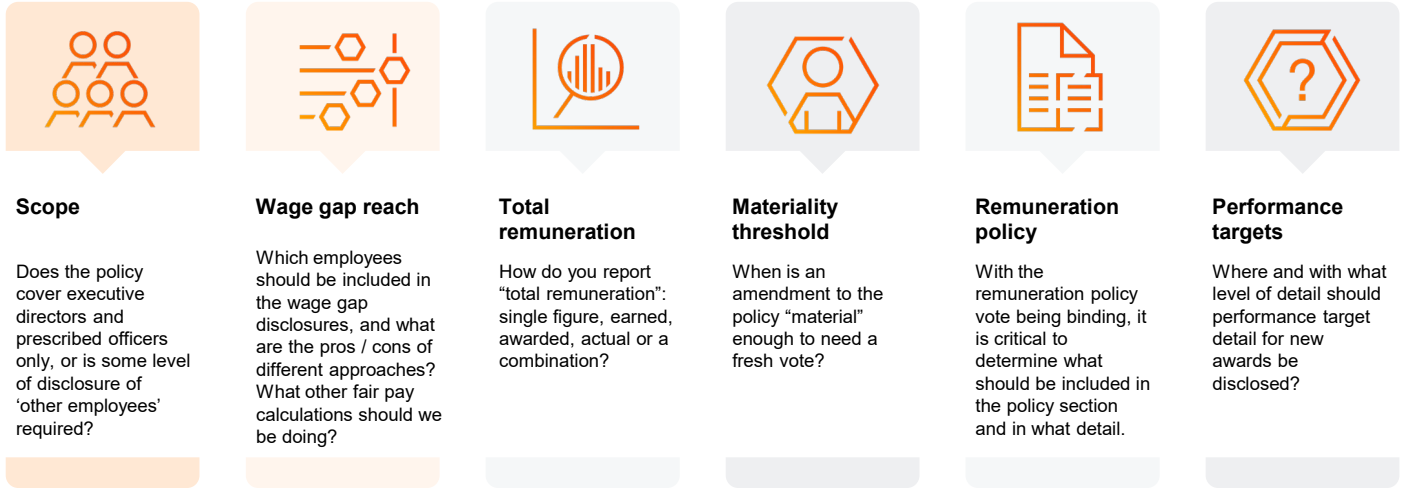
S30(4) requires that any company that is required to have their annual financial statements audited, must disclose the total remuneration received by each director and prescribed officer on a named, individual basis, in its annual financial statements.

**Please note that this represents a highly summarised version of the applicable section. Please contact us for a more detailed breakdown. The term, RemCo, is used but may refer to any other committee of the company responsible for remuneration matters.*



Key decision points for the board

As with any legislative change, there are certain areas where judgement must be applied.



How we can help

The governance and regulatory landscape for executive remuneration is changing on multiple fronts. The Companies Act amendments introduces a new voting regime and heightened transparency standards that will attract shareholder and public scrutiny of fair pay practices. Alongside these developments, King V Principle 11 and its recently released Guidance Notes set out updated recommendations, and the JSE Listings Requirements are in the process of being revised, which will include changes to how the approval regime for dilutive share incentive schemes.

With fair pay being one of the key focal areas, now is also the right time to delve deeper into your internal equity and ensure you have a robust understanding which can back up your disclosures.

Contact

- **Leila Ebrahimi** : leila.e.ebrahimi@pwc.com
- **Makhosazana Mabaso**: makhosazana.m.mabaso@pwc.com
- **Izelle Groenewald**: izelle.groenewald@pwc.com

The PwC Reward team is experienced in remuneration reporting across all of these developments. As a starting point, we have prepared a **Companies Act Remuneration Reporting Guide**. Register your interest here and we will notify you as soon as it is released <https://www.pwc.co.za/en/publications/companies-act-remuneration-reporting.html#register>

Our Companies Act Remuneration Reporting Guide sets out the key actions companies should take – whether you are publishing your first remuneration report or updating your remuneration report and AGM notices to ensure you are compliant with the new requirements.

We have also developed a leading tool called **"The Reward Manager App"** which we have designed to you time and effort when understanding fair pay within your organization, identifying where you can take decisions that have the most impact. More information is available here:

<https://www.pwc.co.za/en/publications/companies-act-remuneration-reporting.html#register>

This Alert is provided by PricewaterhouseCoopers Tax Services (Pty) Ltd for information only, and does not constitute the provision of professional advice of any kind. The information provided herein should not be used as a substitute for consultation with professional advisers. Before making any decision or taking any action, you should consult a professional adviser who has been provided with all the pertinent facts relevant to your particular situation. No responsibility for loss occasioned to any person acting or refraining from acting as a result of using the information in the Alert can be accepted by PricewaterhouseCoopers Tax Services (Pty) Ltd, PricewaterhouseCoopers Inc. or any of the directors, partners, employees, sub-contractors or agents of PricewaterhouseCoopers Tax Services (Pty) Ltd, PricewaterhouseCoopers Inc. or any other PwC entity.

© 2026 PwC. At PwC, we help clients build trust and reinvent so they can turn complexity into competitive advantage. We're a tech-forward, people-empowered network with more than 364,000 people in 136 countries and 137 territories. Across audit and assurance, tax and legal, deals and consulting, we help clients build, accelerate, and sustain momentum. Find out more at www.pwc.co.za. PwC South Africa refers to the South Africa group of member firms and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see www.pwc.com/structure for further details.