

USPLUS LIMITED
(Reg No 2014/048709/07)

(“UsPlus”/ “the Company” / “the Group”)

SOCIAL AND ETHICS CHARTER

1. INTRODUCTION

- 1.1. The duties and responsibilities of the members of the Committee as set out in this Charter are in addition to those duties and responsibilities that they have as members of the Board.
- 1.2. The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members in regard to their fiduciary duties and responsibilities. Board members must ensure that they meet the standards of director’s conduct as provided for in section 76 of the Companies Act, to act in good faith and for a proper purpose, in the best interest of the Company, and with the necessary care, skill and diligence.
- 1.3. This Charter is subject to the provisions of the Companies Act, the MOI, King IV and any other applicable law or regulatory provision.

2. PURPOSE OF CHARTER

- 2.1. The purpose of this Charter is to set out the Committee’s role and responsibilities as well as the requirements for its composition and meeting procedures.

3. MEMBERSHIP

- 3.1. The Committee must be constituted so as to ensure its objectivity and should be comprised of at least 2 (two) Non-Executive Directors, and a prescribed officer or Executive Director.
- 3.2. The chairman of the Board may not be the Chairman but may be a member of the Committee. In the absence of the Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 3.3. The Board shall identify and nominate suitably skilled members for appointment to the Committee.

- 3.4. The Board shall appoint the members of the Committee. Upon the failure by the Board to designate a Chairman, the members of the Committee may elect a Chairman by majority vote of the full Committee membership.
- 3.5. Upon the failure by the Board to designate a Chairman, the members of the Committee may elect a Chairman by majority vote of the full Committee membership.
- 3.6. Members of the Committee shall be appointed for such period of time as the Board requires.
- 3.7. The Board has to concur with any termination of the services of a person serving on the Committee.

4. ROLE

- 4.1. The primary purpose of this Committee is to –
 - 4.1.1. assist the Board in ensuring that the Company is, and remains a committed socially responsible corporate citizen;
 - 4.1.2. assist with sustainable development by ensuring that the company conducts operations in a manner that meets existing needs without knowingly comprising the ability of future generations to meet their needs;
 - 4.1.3. monitor, supplement, support, advise and provide guidance on the effectiveness or otherwise of management's efforts in respect of sustainable development, social and ethics related matters which, inter alia, include the following:
 - 4.1.3.1. Safety, health and occupational hygiene;
 - 4.1.3.2. Ethics management;
 - 4.1.3.3. Corporate social investment; and
 - 4.1.3.4. Environmental management

5. DUTIES AND RESPONSIBILITIES

- 5.1. The members of the Committee shall be knowledgeable about the affairs of the Company and where, appropriate, specific skills shall be represented on the Committee.
- 5.2. Committee members should enhance their familiarity with the Social and Ethics Committee's responsibilities and duties by participating in educational programmes conducted by the Company or an external consultant.
- 5.3. The Committee performs all functions that are necessary to fulfil its role as stated in clause 4 above and including the statutory duties as contained below.

- 5.4. Monitoring the Company's activities (inter alia via other committees of the Board), having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, with regard to matters relating to:
 - 5.4.1. Social and economic development, including the company's standing in terms of the goals and purposes of –
 - 5.4.1.1. The 10 principles set out in the United Global Compact Principles;
 - 5.4.1.2. The OECD recommendations regarding corruption;
 - 5.4.1.3. The Employment Equity Act; and
 - 5.4.1.4. The Broad-Based Black Economic Empowerment Act.
 - 5.4.2. Good corporate citizenship, including the Company's;
 - 5.4.2.1. Promotion of equality, prevention of unfair discrimination, and reduction corruption;
 - 5.4.2.2. Engagement with and contribution to the communities in which its activities are predominantly conducted or within which it operates; and
 - 5.4.2.3. Record all forms of sponsorship, donations and charitable giving.
 - 5.4.3. Environment, health and safety, including the impact of the company's activities;
 - 5.4.4. Consumer relationships, including the company's advertising, public relations and compliance with the consumer protection laws;
 - 5.4.5. Labour and employment, including -
 - 5.4.5.1. the Company's employment relationships, and its contribution toward the educational development of its employees;
 - 5.4.5.2. to draw the matters within its mandate to the attention of the Board as the occasion requires; and
 - 5.4.5.3. to report, through one of its members, to the shareholders at the Company's annual general meeting on the matters within its mandate.
 - 5.4.6. Corporate social investment;
 - 5.4.7. Drawing matters within its mandate to the attention of the Board as occasion requires;
 - 5.4.8. The Committee should ensure that the ethics of the Company is managed in a way that supports the establishment of an ethical culture including:
 - 5.4.8.1. Leadership, demonstrating support for ethics throughout the Company;

- 5.4.8.2. Setting a strategy for managing ethics that is informed by the negative and positive ethical risks the Company faces;
 - 5.4.8.3. Articulating ethical standards in the code of ethics and supporting policies;
 - 5.4.8.4. Ensuring that structure, systems and processes are in place to familiarise the Board, employees and supply chains (if any) with the Company's ethic's standard;
 - 5.4.8.5. Monitoring and adherence to the Company's ethics standard by all contracted stakeholders;
 - 5.4.8.6. Making ethics a criterion in the selection, promotion and performance of management staff and suppliers;
 - 5.4.8.7. Providing reporting mechanisms for safe reporting of unethical behaviour;
 - 5.4.8.8. Responding to breaches of ethical standards in a manner that will prevent reoccurrence;
 - 5.4.8.9. Including ethics management and performance in the scope of internal audit;
 - 5.4.8.10. Reporting on the Company's ethics performance in the Company's integrated annual report; and
 - 5.4.8.11. Evaluating the extent to which ethics has become part of the corporate culture.
- 5.4.9. Provide strategic and policy advice to the Board on all matters within the Committee's statutory and non-statutory responsibilities.

6. AUTHORITY

- 6.1. The Committee acts in accordance with its statutory powers and the delegated authority of the Board as recoded in this Charter.
- 6.2. The Committee has unrestricted access to all information, including records, property and personnel of the Company, and must be provided with adequate resources in order to fulfil its responsibilities.
- 6.3. The Committee is authorised by the Board to:
 - 6.3.1. Investigate any activities within its Charter;
 - 6.3.2. Seek outside legal or other independent professional advice at the Company's expense in accordance with a procedure developed by the Board for this purpose;

- 6.3.3. Secure the attendance of outsiders with the relevant experience and expertise where necessary at the Company's expense in accordance with a procedure developed by the Board for this purpose;
 - 6.3.4. Seek any information it requires from any employee, and all employees are required to cooperate with any requests made by the Committee; and
 - 6.3.5. Further delegate duties to a Sub-Committee of this Committee with approval by the Board or to an executive committee.
- 6.4. The Committee has the right to be heard at any general shareholders meeting on any part of the business of the meeting that concerns the Committee's statutory responsibilities.

7. NOTICE OF MEETINGS AND AGENDA

- 7.1. Meetings of the Committee shall be convened by the Company Secretary at the request of the Chairman, the Chief Executive Officer ("CEO"), the Financial Director ("FD") (in the alternative).
- 7.2. The Committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual plan must ensure proper coverage of the matters laid out in these Charter.
- 7.3. The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.
- 7.4. The CEO and/or the FD together with the Company Secretary, shall in consultation with the Chairman draw up an agenda, which shall be circulated with supporting documentation, at least 1 (one) week prior to each annual scheduled meeting to the members of the Committee and other invitees.

8. FREQUENCY

- 8.1. The Committee must hold sufficient scheduled meetings to discharge all its duties as set out in the Charter but subject to a minimum of 1(one) meeting per year.
- 8.2. Meetings in addition to those scheduled may, with approval of the Chairman, be held at the request of the CEO, FD, or other members of senior management or at the instance of the Board.
- 8.3. Meetings of the Committee may be held without formal notice if all of the members are present and do not object to notice not having been given, or if those absent waive notice in any manner before or after the meeting.

9. ATTENDANCE

- 9.1. Committee members must attend all scheduled meetings of the Committee, including meetings called on an *ad hoc* basis for special matters, unless prior apology, with reasons, has been submitted to the Chairman or Company Secretary.
- 9.2. Only members of the Committee shall have the right to vote.
- 9.3. The Committee may invite experts to attend meetings and to act in an advisory capacity, or any other party who may contribute to its deliberations such as the chairman of the Board, the CEO and the FD.

10. QUORUM

- 10.1. A quorum for Committee meetings shall be a majority of the members (i.e. 2 of 3 members), present in person, by video or other telecommunication device that permits all persons participating in the meetings to speak and hear each other.
- 10.2. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.
- 10.3. Notwithstanding that the members of the Committee are not present together in one place at the time of conference, a resolution passed by members constituting a quorum at such a conference shall, provided such resolution is recorded in writing and confirmed at the next meeting of the Committee, be deemed to have been passed at a meeting of the Committee held on the day on which and at the time at which the conference was held.
- 10.4. The provision of this Charter relating to proceedings of the Committee applies so far as they are capable of application *mutatis mutandis* to such conferences.

11. MINUTES

- 11.1. The Company Secretary shall minute the proceedings and resolutions of all meetings of the Committee, including the names of those present and in attendance.
- 11.2. The Company Secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly. If any conflicts of interest exist, the director subject to the conflict shall not participate or vote on the issue giving rise to the conflict.
- 11.3. Minutes of the Committee meetings, shall be circulated to all members of the Committee after the meeting.

- 11.4. The minutes of the Committee shall be formally approved at its next scheduled meeting, unless the next scheduled meeting is held less than 10 (ten) business days after the previous meeting.

12. SELF ASSESSMENT

- 12.1. The Committee shall conduct continual self-assessment or self-evaluation to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 12.2. The Chairman shall assess the performance of individual Committee members, and the Board shall evaluate the Chairman based on several factors. These include:
 - 12.2.1. Expertise;
 - 12.2.2. Inquiring attitude, objectivity and independence;
 - 12.2.3. Judgement;
 - 12.2.4. Understanding of the company's business;
 - 12.2.5. Understanding of and commitment to the Committee's duties and responsibilities;
 - 12.2.6. Willingness to devote the time needed to prepare for and participate in Committee deliberations;
 - 12.2.7. Timely responses; and
 - 12.2.8. Attendance at meetings.
- 12.3. Input from management shall form part of the Committee evaluation. After completing its evaluation, the Committee shall review the results with the Board, so that appropriate action can be taken on any recommendations resulting from the review.

13. REPORTING AND THE ANNUAL GENERAL MEETING

- 13.1. The Chairman, or if unavailable, the deputy Chairman, shall attend the annual general meeting of the Company and be prepared to respond to any shareholder questions relating to the Committee's duties and responsibilities.

14. SECRETARY

- 14.1. The Company Secretary of the Company, or its nominee, shall act as the secretary of the Committee.

15. REVIEW AND APPROVAL

15.1. The Charter is subject to an annual review and may, from time to time, be amended as requires, subject to the approval of the Board.

APPROVED BY THE COMMITTEE AT ITS MEETING ON 27 FEBRUARY 2020

COMMITTEE CHAIR

APPROVED BY THE BOARD AT ITS MEETING ON 27 FEBRUARY 2020

BOARD CHAIR