



UsPlus Limited:

## NOMINATION AND APPOINTMENT OF DIRECTORS POLICY

## **1. INTRODUCTION**

The board of directors of UsPlus Limited acknowledges the need for a policy detailing the procedures for the appointment to the Board as recommended in the code of Governance Principles for South Africa – 2016 (“King IV”) and is subject to the provisions of the Companies Act, Companies Memorandum of Incorporation and any other applicable law or regulatory provision.

It is recognised that directors should be appointed through a formal and transparent process, subject to Shareholder approval. It is in the best interest of the Shareholders that the Board be properly constituted from the viewpoint of skills and representivity.

## **2. BOARD APPOINTMENTS**

- The Board will include a Chairman and a Chief Executive Officer, these roles will be separate.
- All non-executive directors to be elected by the Shareholders of the Company.
- A minimum of two executive directors should form part of the main board namely the CEO and the FD.
- The board of directors will comprise of at least three directors, this is in addition to the number of directors that the company must have to satisfy any requirement to appoint an audit committee, or a social and ethics committee, in terms of the Act or its MOI.
- A majority of the directors to be independent as assessed by the board.
- There is no age limit for non-executive or executive directors, provided they have the requisite skills and ability.
- Non-executive directors are formally appointed for a period of three years and a third will be available for re-election by rotation yearly, usually at the annual general meeting or otherwise prescribed.

This policy recognizes the need for the requisite diversity with regard to:

- Academic qualification and experience;
- Race and gender; and
- Age and succession.

## **3. PERFORMING A NEEDS ASSESSMENT FOR DIRECTORS**

- When selecting the appropriateness of a director appointment, a mix of skills and experience will be determined. In addition to their skills and experience, personal style and diversity aspects will also be considered.

- No single director will be allowed to dominate the Board and the majority of directors appointed will be independent and non-executive.
- The independence of an independent non-executive director who serves more than nine years will be reviewed by the board and shareholders on a continuous basis.
- A potential remuneration package for new directors will be made available to shareholders.
- A description of the board's requirements will be made available to shareholders to ensure they are aware of the skills and experience of the potential directors required on the board.

#### **4. PROCESS FOR THE NOMINATION OF CANDIDATES FOR BOARD APPOINTMENTS**

A mandate to be given to the Board, for them to locate and consider suitable nomination candidates. It is recommended that all proposals are accompanied by the candidate's consent to act as a director and a detailed CV, including the candidate's relevant expertise, experience and qualifications will be submitted to the board of directors.

Candidates will be assessed on their CV, background checks and candidate interview undertaken, as well as experience as a previous director, competencies, independence, number and nature of other directorships.

#### **5. NOMINATIONS**

The Board will determine and agree on the nominees who will be put forward for election.

#### **6. VOTING**

The election of directors will be conducted as a series of votes which will continue until all vacancies are filled. The vacancy is filled only if a majority of the voting rights exercised support the candidate.

#### **7. CONCLUSION**

It is recommended that the Board of Directors formalize their election of directors' processes in order to improve the composition of the current board structure, taking into account size and complexity of the company