

UGANDA SECURITIES EXCHANGE (USE) GUIDELINES FOR VIRTUAL ANNUAL AND EXTRAORDINARY GENERAL MEETINGS FOR PUBLIC LISTED COMPANIES

In light of the Covid-19 pandemic and the current public health guidelines and recommended social distancing measures aimed at controlling the spread of the corona virus, USE hereby issues the following guidelines as reference standards for Listed Companies that propose to hold online/electronic Annual General Meetings (virtual AGMs) or Extraordinary General Meetings (virtual EGMs); collectively herein referred to as — “Meetings”.

These guidelines have been developed in consultation with the Capital Markets Authority and with reference to the ‘Guidelines for Protecting and Enhancing Online Shareholder Participation in Annual Meetings’ developed by the 2012 Best Practices Working Group for online shareholder participation in annual general meetings.

A Listed Company that proposes to hold virtual – only¹ or hybrid² Meeting shall:

General Principles

- 1) Confirm that the proposed meeting mode is permitted by the Company’s Articles of Association or relevant legislation or by court order from a court of competent jurisdiction.
- 2) In holding a virtual AGM or EGM a Listed Company shall ensure that it expands, not restricts, shareholder participation. To this end virtual/electronic platforms used should provide an opportunity to shareholders to remotely attend and facilitate participation in the meeting to the same degree as they would have in person.
- 3) In considering whether to hold a virtual-only meeting will need to take into account its historic practices with respect to shareholder meetings, its shareholder base, shareholders’ previous level of attendance and engagement.

Pre -Meeting Communication

- 4) In addition to all mandated pre meeting notices, make public/widely circulate the procedures for shareholder access to and participation in virtual meeting just as they would for in-person meetings and adhere to those procedures to ensure that all shareholders receive a meaningful opportunity to participate in the meeting.
- 5) Any changes to the above published procedures shall be communicated to shareholders within a reasonable period of time in advance of the meeting.

Access to virtual Platforms and Attendance

- 4) Use its best endeavors to ensure that the online platform on which the meeting is to be conducted is easily accessible to all shareholders, to the extent practicable. In selecting the platform the Listed Company shall endeavor to maintain an optimal balance between the security of the platform and cost and convenience of use on the part of the shareholder.

¹ No physical location for the meeting and participants are not physically in the same place.

² Meeting has a physical location where some participants are meeting in-person together and other participants connect virtually to the same event.

- 5) Establish procedures to validate online meeting participants as shareholders, shareholder's proxy or invited attendee and take reasonable measures to verify that each person deemed present and permitted to vote at the meeting is a shareholder or the holder of a valid proxy from a shareholder.
- 6) Establish processes that guarantee accurate and proper recording of attendance.

Shareholder Participation

- 7) Use its best endeavors to provide shareholders and proxy holders a reasonable opportunity to participate in the meeting—by viewing and/ or hearing meeting proceedings as they happen through utilizing a platform that accommodates most, if not all, shareholders.
- 8) Establish clear procedures on how shareholders can present shareholder proposals during the meeting.
- 9) *Voting*
 - a. Establish procedures for shareholders to vote remotely on matters submitted to shareholders and have in place measures to ensure that such votes are properly recorded in a transparent manner.
 - b. In furtherance of (a) above, ensure there is a process in place to facilitate independent confirmation of proper opening and closing of the polls; and poll results.
- 10) *Shareholder Questions. (Question and Answer Session)*
 - a. Establish reasonable and transparent guidelines for receiving and responding to questions from shareholders participating in the meetings and that the question and answer sessions give most shareholders an opportunity to engage directly with a Company's directors and officers that would otherwise be available at an in-person AGM or EGM.

Technology Failure and IT Support

- 11) A listed Company should have a robust risk management/contingency plan to minimize risk of disruption of the meeting due to technological failure from power outage or network interruption and cyber security breaches which may interfere with the integrity of the meeting log-in credentials, voting/poll results.
- 12) Provide an IT Helpdesk to provide prompt support for shareholders; and a test environment in advance of the meeting to allow shareholders to test their access and ability to participate in the meeting.

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