1. Background

Dataworld, as a leading GIS and ICT consulting company in South Africa, believes that it has a fundamental responsibility to assist in improving the lives of disadvantaged communities in South Africa. Dataworld has therefore developed a Corporate Social Investment (CSI) policy which is aligned to the company’s strategy and which contributes to the company’s overall mission and vision.

Dataworld’s Corporate Social Investment (CSI) Programme is a deliberate, focused, coherent and progressive programme that is:

- Well co-ordinated
- Guided by a common policy framework
- Has clear focus areas
- Mutually beneficial
- Seen as a strategic business function
- Aligned to the core business

2. CSI Programme Objectives

The following are commonly shared objectives of Dataworld’s CSI programme:

- Make a positive, sustainable impact on the communities in which Dataworld operates through investing in improving the quality of life of disadvantaged communities
- To develop and empower disadvantaged communities through skills transfer and training for the sustainability and long term growth of the company
- To build and improve relationships with the company’s existing and potential stakeholders through forming mutually beneficial partnerships
- To create and enhance the company’s reputation as a caring corporate citizen
- To attract quality socially responsible staff to the company as well as retain and enhance the loyalty and pride in the company of existing staff
- To increase customer goodwill and loyalty

3. CSI Policy

Policy Statement

Dataworld believes that being a responsible and contributing corporate citizen is a key component of the company’s business strategy. Through its community investment strategy, the company is committed to the empowerment, development and growth of disadvantaged communities.

Purpose of the CSI Policy

The purpose of this CSI Policy is to:
- outline the company’s CSI strategy and therefore its involvement in community development and upliftment
- set out the processes and procedures by which the company will identify, manage, and support its corporate social investment activities

**Dataworld’s CSI “Footprint”**
Investments will be made in Dataworld’s areas of operation, particularly focusing on the communities in the Greater Durban area.

4. **CSI Focus Areas**

The focus areas outlined in this policy indicate areas in which Dataworld shall direct their corporate social investment spend. In allocating resources to the outlined focus areas, Dataworld shall be guided by the need to:
- focus on communities in which the company operates
- emphasize investments in disadvantaged communities
- support programmes that engender empowerment and development

**Programme Focus Areas**
Three focus areas have been identified, namely:
- Education
- Technical Skills Training
- Orphans and Vulnerable Children

**Education**

There is a national crisis in education in South Africa’s schools with less than a third of South Africa’s population completing matric. This situation is exacerbated by the considerable barriers to learning: poverty, poor facilities, overlarge classes, a lack of facilities and resources, and illness. The problem is particularly dire in higher-grade maths, science and technology education where it is estimated that one third of schools offering these subjects achieved pass rates of less than 20%.

Investment by the private sector and civil society is critical to redress the imbalances created by 40 years of apartheid education. In a country where an estimated 3 million adults are illiterate and another 8 million are functionally illiterate, it is imperative to increase access to education and improve teaching, particularly in the maths, science and technology fields, to prepare children for the future.

Dataworld’s social investment programme attempts to address these needs through supporting projects providing:
- Technology education for primary and secondary school educators and learners
- Career guidance and support for learners at the Grade 8-10 level considering careers in the maths, science and technology fields
- Technology related equipment, supplies and infrastructure

**Technical Skills Training**

The educational inequalities that resulted from Apartheid, combined with the growing pressures of globalization have led to an increased mismatch of skills within the labour market and a shortfall of skilled
labour in many sectors. The South African Department of Labour has identified skills shortfalls as being particularly high in terms of required management skills, technicians, artisans and skilled labourers.

Dataworld’s social investment programme attempts to address these needs through supporting projects providing:

- Technical skills training at school leaver level, particularly programmes focused on training in the information and communication technology field
- Technology related equipment and supplies necessary for skills training

**Orphans and Vulnerable Children**

There are 5.3 million South Africans living with HIV/AIDS, the largest number of infected people of any country in the world. To date, more than 1.7 million South Africans have died of HIV/AIDS, resulting in 1.1 million AIDS orphans. The disproportionately large number of orphans and vulnerable children (OVCs) in South Africa is due to the HIV/AIDS pandemic. The estimated percentage of children orphaned by AIDS, as opposed to other causes, increased from 5.6 percent of all orphans in 1995 to 43.3 percent in 2001. If current trends continue, it is projected that by 2010 nearly three-quarters of South Africa's orphans will have been orphaned by AIDS.

As the HIV/AIDS crisis impacts most heavily on the poor, the largest numbers of South African orphans are to be found in the most under-resourced communities. Families are increasingly struggling under the strain and failing to provide fully for the children's needs while the government's social safety net often does not reach the marginalised families and communities.

Dataworld's social investment in orphans and vulnerable children aims to address these challenges, specifically with regard to HIV/Aids affected and infected children by supporting projects that:

- Provide economic, psychosocial and other support such as food, housing, education, and health care to HIV/Aids orphans.

**FlagshipProjects**

Dataworld will be proactive in setting up flagship projects within the Education focus area, and will allocate the majority of the CSI budget to such projects. The balance of CSI funding will be made available for grants to smaller non-flagship projects. The flagship project must be run by an organization which has been in existence for more than one year and has an established track record.

In cases where Dataworld is proactive in setting up flagship projects, they will undertake to:

- evaluate the projects in order to assess the need and ultimate impact of the projects
- draw up a formal contract with the flagship projects which will clearly identify the roles, rights and intended benefits that pertain to each of the parties involved.
- ensure that flagship projects are sustainable in the long term, and achieve real and measurable developmental impact.

**Criteria for Selecting Projects**

All organisations and projects identified for financial support from Dataworld must:

- have an ultimate objective of improving the quality of life of members of disadvantaged communities within South Africa
- focus on the disadvantaged communities within which Dataworld operates
- be able to demonstrate some form of sustainability
be implemented by organizations registered as Non Profit Organisations with the Department of Social Development’s NPO Directorate and have Section 18(A) tax exemption status

prove that more than 75% of the beneficiaries are black in accordance with the requirements of the scorecard of the Broad Based Black Economic Empowerment (BBBEE) Charter

General Exclusions

Dataworld will not offer financial support to:

- Profit-making organisations and companies
- Religious organizations for sectarian activities
- Political parties or groups with partisan political affiliations
- Labour unions

5. CSI Budget

Dataworld’s CSI expenditure will be calculated according to a specific formula of a minimum of 1% net profit after tax. The budget will run from the 1 April to the 31st of March each year.

The following split is proposed for Dataworld’s CSI budget:

- Flagship Project= 60%
- Non-flagship Projects = 40%

Non-financial contributions will include staff hours in participating in employee volunteerism during company working hours as well as material donations of computer equipment and software.

6. Employee Involvement

Dataworld realizes the value of involving employees in its CSI activities and as such will endeavour to develop and implement an employee participation programme that will address the needs of the employees in a holistic manner whilst also achieving its corporate objectives.

Dataworld will develop a formal employee volunteer programme where employees will be encouraged to volunteer throughout the year at a range of community development projects. Employees will be entitled to two half day’s paid leave to volunteer at a project. These volunteer projects will include the projects that the company’s CSI programme supports as well as staff-nominated projects and identified community development projects.

Employee volunteering support can include volunteer time, financial contributions and donations in kind. The volunteer needs of projects that the company is supporting will be identified and communicated to employees to ensure that employees are aware of the opportunities available.

7. Decision-making Structure & Roles and Responsibilities

A formal CSI Committee will be established to ensure that a co-ordinated, coherent and focused social investment strategy is realized. The CSI Committee will meet on a monthly basis.

The Committee shall be chaired by the CSI co-ordinator and include (but not be limited to) the following members:

- Human Resources representative
- Financial representative
- Staff representatives (five representatives)

The CSI Committee responsibilities will include:
- Approval of selected projects for investment including flagship projects
- Allocation of budget to selected projects
- Drawing up of contracts/grant agreements with the selected projects.
- Monitoring the effectiveness of funded projects
- Co-ordinating the implementation of an effective CSI communication programme

The CSI programme will be managed on a day to day basis by the CSI Co-ordinator whose responsibilities will include:
- Determining the CSI policy and strategy
- Determining the CSI budget
- Identifying, screening and selecting CSI projects to present to the CSI Committee
- Controlling the CSI expenditure
- Managing the implementation of selected projects on a day to day basis
- External and internal CSI reporting

The CEO and CFO will be responsible for:
- Final approval of the CSI budget
- Final approval of the CSI policy

8. Reporting Structure

Project Reporting
- Exact reporting formats and dates for report submission shall be set out in the grant agreements to be signed by each of the major projects funded.
- Volunteer projects supported through employee volunteer hours will be required to sign contract letters which will specify reporting requirements

Management Reporting
- The CSI Co-ordinator will report to the CSI committee on all CSI activities through project progress reports at the CSI committee meetings
- The CSI Co-ordinator will report to the CEO and CFO annually on the CSI programme
- The CSI Co-ordinator will report to staff regularly on the projects’ progress

9. Communication

The CSI communication plan will communicate information on Dataworld’s CSI activities and successes both internally and externally. The aim of the communication plan is to enhance the company’s reputation for good
corporate citizenship and ensure that staff, the Board of Directors, customers, investors, potential partners and all relevant stakeholders are kept informed. The development and implementation of the external and internal communication plan will be the responsibility of the CSI Co-ordinator and the HR Manager.

**Internal Communication**
The internal communication plan will provide feedback to staff and management on the CSI policy and strategy, projects selected, project achievements, and project volunteer opportunities. This will be communicated through the following mediums:

- Email
- Intranet
- Staff meetings
- Pay information slips
- Office Noticeboards
- New employee induction packs

**External Communication**
The external communication plan will create public awareness for the company’s CSI programme and their role in community upliftment through:

- Company website
- Company profile
- Sales presentations
- Tender documents
- Smart Xchange newsletter

### 10. Evaluation and Feedback

An effective evaluation and impact analysis process will be developed and implemented and will apply to all selected projects. The measurement and evaluation of the projects will be defined within the grant agreements which set the framework for periodic evaluation.

For flagship projects a pre-funding evaluation, site visits and end of contract evaluation will be conducted where a full impact analysis will be undertaken. Furthermore funded organisations will be required to have an in-built monitoring element for the programme being funded.

The extent of evaluation on non-flagship projects will be determined according to the size of grant. A non-professional evaluation process will be used involving the use of application forms, conducting site visits and development of formal contracts with set reporting requirements.

Full disclosure of grantees and the amount of grants made are in the best interest of Dataworld in terms of good Corporate Governance practices.
Effective Date:

This policy is effective from the date of signature as shown below.

DATE REVIEWED: ___________________________

DATE APPROVED: ___________________________

APPROVED BY: ___________________________

REVIEWING AUTHORITY: ___________________________