



SPEAR KING IV CODE™ DISCLOSURE SUMMARY

The table below provides a brief summary and guidance on Spear's application of the King IV™ principles, with references to certain sections in the integrated report. Go to www.spearprop.co.za for the Integrated Report and full King IV Application Register.

PRINCIPLES	NARRATIVE	CROSS REFERENCE
PRINCIPLE 1. The governing body should lead ethically and effectively.	<ul style="list-style-type: none"> Arrangement by which members are held accountable for ethical and effective leadership, including codes of conduct and performance evaluations 	Full online governance report
PRINCIPLE 2. The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.	<ul style="list-style-type: none"> Arrangement for governing and managing ethics Key focus area for ethics Measures taken to monitor organisational ethics and how the outcomes were addressed Future focus areas 	Full online governance report Integrated Report on pages 20 and 24
PRINCIPLE 3. The governing body should ensure that the organisation is and is seen to be a good corporate citizen.	<ul style="list-style-type: none"> Arrangements for governing and managing responsible corporate citizenship Key focus area for corporate citizenship Measures taken to monitor corporate citizenship and how the outcomes were addressed Future focus areas 	Full online governance report Integrated Report on pages 21 and 24
PRINCIPLE 4. The governing body should appreciate that organisation's core purpose, risks and opportunities, strategy, business model, performance and sustainable development are inseparable elements of the value creation process.	<ul style="list-style-type: none"> Integrated report Corporate governance disclosures Annual financial statements 	Integrated Report on pages 9, 36 and 46
PRINCIPLE 5. The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and it's short, medium and long term prospects.	<ul style="list-style-type: none"> Integrated report Corporate governance disclosures Annual financial statements 	Integrated Report on page 9 and 46
PRINCIPLE 6. The governing body should serve as the focal point and custodian of corporate governance in the organisation.	<ul style="list-style-type: none"> Number of meetings and attendance Statement on whether the Board is satisfied that it has fulfilled its responsibilities 	Full governance report
PRINCIPLE 7. The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	<ul style="list-style-type: none"> Statement on whether the Board is satisfied that its composition reflects the principle objectives Targets set for gender and race representation with progress details Member's profile details Reasons why any members have retired or been removed 	Full online governance report Integrated Report on page 22



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<p>PRINCIPLE 8. The governing body should ensure that its arrangements for delegation within in its own structures promote independent judgement, and assist with balance of power and the effective discharge of duties.</p>	<p>For each Committee:</p> <ul style="list-style-type: none"> • Overall role and responsibilities and functions • Composition, including member’s qualifications and experience • External advisors or invitees • Key areas of focus during the reporting period • Number of meetings held and attendance • Statement on whether committee is satisfied it has fulfilled its responsibilities <p>Additional disclosure for audit and risk committee</p>	<p>Full online governance report</p> <p>Integrated Report on page 22</p>
<p>PRINCIPLE 9. The governing body should ensure that the evaluation of its own performance and that of its committees, it’s chair and its’ individual members support continued improvement of performance and effectiveness.</p>	<ul style="list-style-type: none"> • Performance evaluation detail and approach • Evaluation results and actions • Statement on satisfaction and whether the evaluations are improving the board’s performance 	<p>Full online governance report</p>
<p>PRINCIPLE 10. The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities.</p>	<ul style="list-style-type: none"> • Authorities framework statement on contribution to clarity and the effective exercise of authority and responsibilities • Notice period for Chief executive Officer and termination conditions • Statement on succession planning • Arrangements for accessing professional corporate governance services and whether these are effective 	<p>Full online governance report</p> <p>Integrated Report on page 22</p>
<p>PRINCIPLE 11. The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.</p>	<ul style="list-style-type: none"> • Arrangement for governing and managing risk • Key focus areas including objectives, key risks and these taken out of risk tolerance levels • Measures taken to monitor risk management and how outcomes are addressed • Future focus areas 	<p>Full online governance report</p> <p>Integrated Report on page 36</p>
<p>PRINCIPLE 12. The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.</p>	<ul style="list-style-type: none"> • Arrangements for governing and managing technology and information • Key focus areas including objectives, changes in policy, acquisitions an remedial action for incidents • Actions taken to monitor effectiveness of technology and information management and how outcomes are addressed • Future focus areas 	<p>Full online governance report</p>



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<p>PRINCIPLE 13. The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.</p>	<ul style="list-style-type: none"> • Arrangement for governing and managing compliance • Key focus areas • Actions taken to monitor the effectiveness of compliance and how the outcomes are addressed • Future focus areas • Material or repeated regulatory penalties • Details of monitoring and compliance inspections by environmental regulators, findings on non-compliance with environmental laws or criminal sanctions and prosecutions 	<p>Full online governance report</p> <p>Integrated Report on page 22</p>
<p>PRINCIPLE 14. The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in short, medium and long term.</p>	<ul style="list-style-type: none"> • Background statement • Overview of the main provisions of the remuneration policy • Implementation of the 2018 remuneration policy • Annual general meeting voting 	<p>Integrated Report on page 30</p>
<p>PRINCIPLE 15. The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.</p>	<ul style="list-style-type: none"> • Type of assurance processes applied to each report in addition to the independent, external audit opinions, including: <ul style="list-style-type: none"> - The nature, scope and extent of assurance; and - A statement by the Board about the integrity of the report. 	<p>Full online governance report</p> <p>Integrated Report on pages 44 and 48</p>
<p>PRINCIPLE 16. In execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interest of the organisation over time.</p>	<ul style="list-style-type: none"> • Arrangement for governing and managing stakeholder relationships • Key focus areas • Actions taken to monitor the effectiveness of stakeholder management and how outcomes were addressed • Future focus areas 	<p>Full online governance report</p>