SPUR CORP.

LEADING FOR THE GREATER GOOD

Remuneration Policy TWENTY22

REMUNERATION POLICY

This remuneration policy's overall objective is to articulate and effect fair and equitable, responsible and transparent organisation-wide remuneration. Spur Corporation Limited ("Spur" or "the Company") aims to:

- remunerate all employees in such a way so as not only to attract and retain talented individuals, but also to motivate all employees to contribute continuously to the success of the Company;
- promote the achievement of strategic objectives within its risk appetite;
- ensure that good corporate governance is observed in relation to all remuneration practices;
- promote positive outcomes across the economic, social and environmental context in which the Company operates; and
- promote an ethical culture and responsible corporate citizenship.

Spur's remuneration strategy and philosophy contained in this remuneration policy, are the cornerstones in achieving these objectives.

GLOSSARY

In this remuneration policy, unless inconsistent with the context, the following words and expressions shall have the following meanings:

BOARD	The directors of the Company from time to time
CTC	Cost-to-company or guaranteed remuneration
ESG	Environmental, Social and Governance
KPA	Key performance areas
FSP 2016	2016 Forfeitable Share Plan
PLC	People Leadership & Culture (Human resources)
LTIs	Long-term incentives
NED	Non-executive director
REMCO	The nominations and remuneration committee as appointed by the Board from time to time
RSP 2020	2020 Restricted Share Plan
SAR 2016	2016 Share Appreciation Rights Plan
SAR 2020	2020 Share Appreciation Rights Plan
STI	Short-term incentive
TR or total remuneration	CTC or guaranteed remuneration plus variable pay (13th cheque, STI and LTI as applicable per grade)

1. SPUR'S REMUNERATION STRATEGY AND PHILOSOPHY

By implementing this remuneration policy, we aim to have and maintain a positive, high-quality, motivated workforce which operates responsibly within an ethical culture. Spur's remuneration strategy is underpinned by the overall business objective, namely, maximising value to shareholders, and is informed by our risk framework regarding human capital, our PLC strategy, stakeholder dialogue and by comparative industry practices.

KEY REMUNERATION PRINCIPLES

In support of Spur's remuneration strategy and philosophy, the following objectives have been established:

- attract the appropriate people to key positions by means of appropriate remuneration
- manage the workforce to realise their full potential in terms of performance
- retain key knowledge by identifying and retaining key people

To achieve the objectives, the remuneration policy is based fundamentally on the following principles:

- adherence to principles of good corporate governance and regulatory frameworks;
- alignment to the overall business strategy, objectives and values of the Company;
- "horizontal fairness" is applied, i.e. equal pay for work of equal value
  - employees performing similar job requirements at the same or similar level of performance in the organisation receive the same or similar levels of remuneration;
- "vertical fairness" is applied, i.e. differences in total remuneration between different job levels can be explained and justified on a consistent basis;
- this remuneration policy contains arrangements which ensure that executive management's remuneration is fair and responsible within the context of overall, organisation-wide employee remuneration;
- Spur aims to strike a balance between CTC, STIs and LTIs for executive and senior management;
- total remuneration packages are structured in such a way so as to ensure that the interests of employees and shareholders are aligned;
- Spur applies performance measures aimed at driving positive outcomes across the social, environmental and economic context over the long term;
- Spur's performance appraisal process and day-by-day informal performance assessments aim to, *inter alia*, identify and reward individual performance; and
- the remuneration policy should ensure an appropriate balance between risk management and the achievement of shareholder returns by key decision-makers.

2. RESPONSIBILITIES OF THE REMCO

The Remco is responsible for oversight of Spur's remuneration philosophy and remuneration practices. The Remco is appointed by the Board as a subcommittee with delegated powers to set the direction for how remuneration should be approached and addressed on an organisation-wide basis. Its responsibilities include the evaluation, review and decision making regarding the Company's remuneration policy and the implementation and execution thereof.

Included below is a brief non-exhaustive list of responsibilities of the Remco:

Remuneration policy:

- oversee the development and annual review of the remuneration policy, to recommend for approval to the Board, for all levels of employees, with a focus on executive directors and prescribed officers;
- ensure that the remuneration policy is aligned with the Company's strategy and creates value for Spur over the long term;
- monitor the implementation and administration of the remuneration policy;
- establish formal and transparent procedures for developing, reviewing and amending the policy on executive remuneration;

Remuneration packages and performance:

- determine remuneration packages for executive directors and prescribed officers including annual increases;
- consider criteria to measure the performance of executive directors and prescribed officers in discharging their functions and responsibilities;
- approve annual increase parameters which are then applied by the executive directors;

Incentive schemes:

- approve the award of LTIs to executives and other participants;
- review and approve all STI and LTI targets and vesting outcomes and the terms thereof;
- regularly review incentive schemes to ensure continued contribution to shareholder value;
- ensure that appropriate principles, policies and practices are in place as a foundation for fair and responsible remuneration;

Fair pay:

- recommend to the Board a fair and responsible organisation-wide remuneration policy which promotes the creation of value in a sustainable manner;

NED fees:

- provide guidance to the Board for the setting of NED fees;

Remuneration reporting and engagement:

- approve the remuneration report on an annual basis;
- undertake shareholder engagement; and

Remuneration governance:

- review and approve any other remuneration governance matters (e.g. the application of the malus and clawback policy).

On a secondary level, the social ethics and environmental sustainability committee collaborates with the Remco and assist with the governance of remuneration-related matters as well as setting and assessing appropriate ESG KPAs for inclusion in the leadership team's performance scorecards. Such collaboration may be requested from time to time by either the Remco or the Board and may include undertaking reviews of Spur's remuneration practices to ensure the effectiveness of the remuneration policy to achieve ethical outcomes.

The Remco operates under formal Board-approved terms of reference which contain the full duties of the Remco and are reviewed each year.

The Remco actively engages with independent advisors to ensure that all matters and decisions relating to remuneration are in line with the market.

Related recommendations made by the Remco are ultimately approved by the Board and tabled for endorsement by the shareholders at the AGM.

In line with good corporate governance practices, the members of the Remco are independent NEDs.

The Remco meets at least twice annually.

3. FAIR AND RESPONSIBLE REMUNERATION

Spur gives due consideration to the principle of fair and responsible remuneration, which Spur recognises as a living, ever-evolving concept for which there is no ultimate "one-size-fits-all" approach. Spur is committed to identifying instances of unfairness, taking appropriate actions and tracking progress made to rectify instances of unfairness so identified, bearing in mind Spur's strategic objectives and long-term goals.

In setting and administering its remuneration policy, the Company is also committed to observing its obligations in terms of the Employment Equity Act 55 of 1998 (as amended) (the Employment Equity Act) and the Regulations in terms thereof, specifically the principle of equal pay for work of equal value.

When considering the principle of fair and responsible remuneration, the Remco will take into account the following realities:

- remuneration requirements for each skill level and employment type may differ insofar as the differentiation is fair and responsible;
- unified job structures are required within the Company in order to effectively determine the existence and reasons for differentiation in remuneration; and
- certain ethical and moral considerations stemming from a societal imbalance may weigh in on the necessity to adjust remuneration levels.

The Remco remains responsible for ensuring that executive remuneration (including the remuneration of prescribed officers) is justifiable in the context of overall employee remuneration. The Board and/or the Remco and/or executive management may take any appropriate actions in ensuring fair and responsible remuneration, including:

- continuously investigating and assessing the internal pay disparities within Spur;
- examining the underlying reasons for pay disparities, if any;
- calculating the Company's internal Gini coefficient to assess the level of income disparity in Spur;
- conducting an assessment of pay conditions between employees at the same level/job, in line with the principle of equal pay for work of equal value;
- regularly performing benchmarking or salary survey exercises to compare remuneration levels against the market; and
- tracking year-on-year progress made in terms of any initiatives in support of implementing the principle of fair and responsible remuneration.

In addition, Spur may adopt any other progressive measures to identify and address remuneration disparities as may be required from time to time.

Spur commits to developing this principle of fair and responsible remuneration in the Company to improve the employment conditions of all employees while maintaining high standards of corporate citizenship and the Company's duty towards its other stakeholders.

4. REMUNERATION FRAMEWORK OVERVIEW

Spur's remuneration structure is as follows:

Paterson Grade	Eligible participant	Guaranteed remuneration CTC	Thirteenth cheque	STI	LTI
D Upper and above	Executives	Yes	n/a	Yes	Yes
	Senior Management	Yes	n/a	Yes	Yes
	Middle management	Yes	n/a	Yes	Yes
D lower and below	Other employees below middle management	Yes	Yes	n/a	n/a

Employees either participate in the Company's STI and LTI schemes or the Thirteenth cheque scheme.

The table above serves as a guide for determining participation in the various incentive schemes. Where considered appropriate, the Remco may include as participants of the STI and LTI schemes employees at role grades lower than those specified and, conversely, exclude as participants of the STI and LTI schemes employees at role grades who would ordinarily be eligible for participation.

Spur's remuneration structure for executives and employees in senior management positions comprises both guaranteed (including benefits) and variable remuneration (together referred to as the "pay mix"). A different set of rules and guidelines is applicable to each component of remuneration.

Variable remuneration includes an STI and an LTI for employees where applicable as indicated above. The remuneration structure is reviewed by the Remco and the Board from time to time, considering the business cycle of the Company and to ensure that it remains fit for purpose and achieves Spur's strategic objectives and long-term goals.

The appropriate pay mix may vary throughout the Company as a result of, for example, employee position, seniority, etc. The pay mix should take into account both the Company's strategy as well as an employee's line of sight and ability to drive the execution of the strategy.

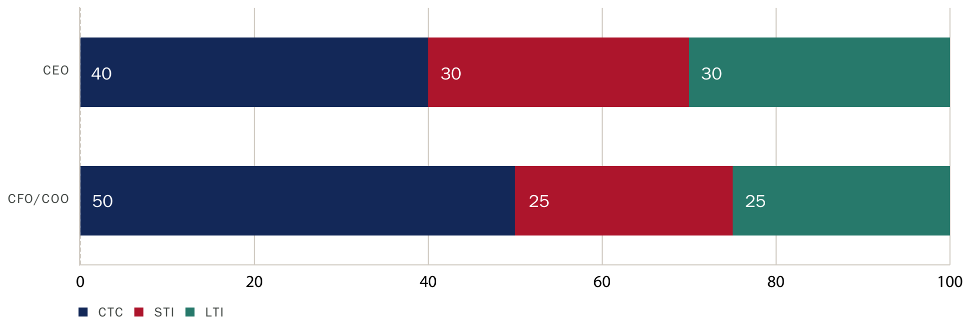
The Company targets total remuneration at the median of benchmarked remuneration levels for each individual's area of expertise and responsibility. At lower levels, the pay mix is weighted in favour of guaranteed remuneration with the possibility of participating in the STI and LTI or receiving a thirteenth cheque.

4.1 PAY MIX

Spur aims to align its on-target pay mix according to market norms considering factors such as the Company strategy, stakeholder input, benchmarking outcomes and other extenuating circumstances as the Remco sees fit. The pay mix is organic and certain variables may influence the actual pay mix outcomes which may result in a differentiation from the on-target pay mix. Should the actual pay mix outcomes vary drastically from the on-target pay mix, the Remco may reconsider the pay mix and, if necessary, approve a process to rectify and align the pay mix for future awards.

The standard policy on-target pay mix for the group chief executive officer (CEO), group chief financial officer (CFO) and group chief operations officer (COO) is presented below:

ON TARGET PAY MIX (%) PER STANDARD POLICY



5. GUARANTEED REMUNERATION AND BENEFITS

Guaranteed remuneration includes a basic CTC package consisting of a base salary and benefits which include a medical aid contribution and a provident fund contribution.

The basic CTC package is provided to all employees, excluding NEDs.

To ensure that Spur is able to attract and retain executives and key talent in a competitive job market, total remuneration is positioned at the median of the market, with guaranteed remuneration being positioned between the median and the upper quartile of the market.

The Remco will reassess the positioning of remuneration on an annual basis to ensure that it aligns with the Company's strategy and may work to amend the positioning of guaranteed remuneration to the median of the market and increasing total remuneration to the upper quartile to further enhance a pay for performance culture over time as required.

In determining the appropriate CTC package and increases thereon, the following factors are to be considered:

- "Horizontal fairness" is considered and applied, taking into consideration the following:
  - seniority or length of service;
  - qualifications, experience, ability, competence, potential;
  - employee demotions due to restructuring or legitimate reason without a reduction in pay or remuneration;
  - shortage of relevant skill in a particular job classification; and
  - work performance.
- "Vertical fairness" is considered and applied.
- The results of the latest benchmarking or salary survey exercise is considered to ensure market competitiveness.
- Inflation and cost of living expenses.
- Company affordability.

Cognisant of the need to attract and retain skilled talent, in instances where there is a shortage of skilled talent for critical jobs, Spur may adjust the standard remuneration level for the position to include an additional premium of 10% to 15% of the guaranteed package payable for the position.

5.1 BENCHMARKING METHODOLOGY

Spur will undertake organisation-wide competitive benchmarking at least every two to three years. On an *ad hoc* basis, remuneration information on market-related remuneration packages is specifically requested from reputable service providers to perform a comparison.

In performing benchmarking exercises and determining an appropriate peer group, Spur will consider factors such as sector, size and market capitalisation, turnover, number of employees, operations, geographic location and similarity to Spur.

5.2 INCREASES TO GUARANTEED REMUNERATION

The basic CTC package is fixed for a period of 12 months and is subject to an annual review with effect from 1 July each year. Increases are based on inflation, outcome of any benchmarking exercise performed, core skills, changes in responsibilities and Spur's financial performance measures, underpinned by individual performance. Subject to the parameters approved by the Remco, increases are proposed by the relevant line managers, reviewed and recommended by the group PLC executive, CFO and COO and reviewed and approved by the CEO.

Executive directors' increases are recommended by the CEO and the Remco to the Board, who approves the remuneration. The Remco makes a recommendation pertaining to the CEO's remuneration, which is ultimately to be approved by the Board.

As it relates to the CEO's remuneration, he/she formally recuses him/herself from the Remco's discussion on his/her remuneration.

5.3 BENEFITS

All employees are required to be covered by medical aid, the cost of which is to be borne by the employee. All local corporate employees are required to be a member of the group's provident fund, which is administered externally to the group. Employees must contribute a minimum of 15% of their CTC (net of travel allowance, and provident fund contribution) to the fund but may voluntarily increase this to 20%. The contribution includes group life cover as well as income protection cover in the event of incapacity.

In certain instances where employees are regularly and routinely required to travel for business purposes, a travel allowance or company car may be granted to employees.

Travel allowances are included in guaranteed remuneration in 5.2 above.

Company cars are granted at the discretion of the Company. The type of vehicle is at the Company's discretion.

6. VARIABLE REMUNERATION

Variable remuneration (including STIs and LTIs) is designed to encourage and reward superior performance (both individual and Company performance) and to align the interests of the employees with those of the Company's shareholders.

For executives and senior management, multiple metrics are used to determine performance, which are aligned with Spur's strategy and shareholder interests. The Remco and the Board review and approve the performance measures, targets and weightings that are to be applied to STI and LTI awards respectively to drive the achievement of the Company's strategic objectives and long-term goals. The Remco must ensure that the performance measures used support positive outcomes across the economic, social and environmental context in which the Company operates, and/or all the capitals that Spur uses or affects.

For the avoidance of any doubt, NEDs do not participate in any form of variable remuneration.

6.1 SHORT-TERM INCENTIVE

6.1.1 Purpose

The STI is designed to align the interests of eligible employees with those of shareholders in the short term. The STI takes the form of a bottom-up additive plan with the purpose of ensuring transparent remuneration through a measurable incentive and entrenching a pay-for-performance culture.

6.1.2 Eligibility

Subject to the Remco's discretion (as noted above), participants in the STI are *bona fide* full-time eligible employees of Spur who are employed at Paterson Grade D Upper and above, and who have been determined to have sufficient discretionary managerial or executive (depending on the status of the eligible employee) decision-making authority, influence and ability to have a meaningful impact on the financial performance of the Company.

6.1.3 STI structure

The STI operates based on a bottom-up additive structure and is determined using the following formula:

Annual CTC x on-target percentage x [(business performance weighting x business performance score) + (personal performance weighting x personal performance factor)]

6.1.4 STI on-target percentages

The on-target percentages are determined based on employment level.

The following on-target percentages apply, depending on the participant's role grade:

	As a % of Annual CTC
CEO	75%
CFO and COO	50%
Paterson Grade E	25%
Paterson Grade D Upper and below	16.67%

6.1.5 Performance conditions and target setting

Performance conditions and targets are determined at the discretion of the Remco, taking into consideration the principles of this policy, the cost of the incentive to the Company and input from various stakeholders.

6.1.6 Weightings of performance conditions

The on-target bonus is allocated to the following components:

	Personal performance weighting	Business performance weighting	
		Divisional performance	Company performance
CEO	20%	–	80%
CFO	20%	–	80%
COO	20%	–	80%
For all other participants, who are allocated to support services	50%	–	50%
For all other participants, who are allocated to profit-generating business units	50%	35%	15%

6.1.7 Performance score

6.1.7.1 Personal performance

The performance management system will be used and a factor of between 0% and 150% will be assigned depending on the personal performance achieved. Performance below a prescribed minimum level, as determined by the Remco, will disqualify an employee from benefitting from the STI as follows:

Performance level	Performance factor
Meets expectations	100%
Exceeds expectation	150%
Below meets expectations	0%

The minimum threshold may differ from award to award at the Remco's discretion.

6.1.7.2 Business performance

Four performance levels will be used for business performance:

Performance level	Performance score
Below threshold	0%
Threshold	50%
On-target	100%
Stretch	150%

Linear vesting will apply between threshold and on-target, and on-target and stretch performance targets.

6.1.8 Safeguards

A gatekeeper amount is used, ensuring that the aggregate STI is capped and does not exceed the pool of funds available for the annual STI spend. As a further safeguard, to ensure sufficient cash is available to settle STI obligations, a free cash flow condition and solvency and liquidity test is used as a settlement condition. STI payments are capped at 150% of guaranteed remuneration.

6.1.9 Payment

The approval and payment process as set out in the STI plan rules, as updated from time to time, is to be followed.

6.1.10 Termination of employment

Should a participant leave the employment of Spur before an STI has been paid, he/she will forfeit the STI in its entirety.

6.2 THIRTEENTH CHEQUE

The thirteenth cheque is available to all other employees that do not qualify for participation in the STI. Thirteenth cheques are dependent on whether the Company achieves the requisite financial performance parameters set by the Board. If Spur's financial performance parameters are achieved, the thirteenth cheques are then based on each individuals' annual performance and KPA results.

A thirteenth cheque bonus pool calculated as the aggregate of one month's guaranteed remuneration for all participating employees is available to fund the thirteenth cheque payments and allocated to each business unit. While a default position of one month's guaranteed remuneration is allocated to each participant, this may be adjusted upwards or downwards depending on individual performance during the year under review, provided that the total bonus pool allocated to each business unit is not exceeded. Thirteenth cheques are proposed by the relevant line managers, reviewed and recommended by the group PLC executive, CFO and COO, and reviewed and approved by the CEO.

6.3 LONG-TERM INCENTIVES

6.3.1 Overview

Two LTI schemes were approved for the 2021 financial year onwards, namely the SAR 2020 and RSP 2020 (collectively the 2020 LTIs).

The 2020 LTIs provide for three instruments, namely share appreciation rights (SARs), conditional shares and forfeitable shares.

The instruments can be awarded in various ways, namely as appreciation awards, performance awards, retention awards or bonus awards (matching or deferral). No new awards will be made under the previously used SAR 2016 and FSP 2016, but existing awards will run their course.

6.3.2 Award types

6.3.2.1 SAR 2020

Appreciation awards – these awards will take the form of SARs awarded under the SAR 2020. SARs will vest after a predetermined vesting period subject to continued employment and may be subject to forward-looking corporate performance conditions. Vested SARs can be exercised during an exercise period.

6.3.2.2 RSP 2020

Performance awards – performance awards will be granted as conditional rights to shares and will vest after the satisfaction of employment and forward-looking corporate performance conditions. Participants will not receive dividends on unvested awards.

Retention awards – these awards will be granted as forfeitable shares. Participants will therefore be shareholders from the award date and will share in voting and dividend rights. Vesting will be subject to continued employment. Executive management will not receive retention awards.

Bonus awards – bonus awards will also be awarded as forfeitable shares, and the quantum of the bonus award will be determined as a form of bonus deferral or bonus matching (dependent on the STI). As prior performance is used as an award condition, vesting will be subject to continued employment only. This creates a clearer line-of-sight for participants, and ensures a strong performance link (through the link to the STI), but ensures that there is also a link to shareholder value creation through the exposure to the share price over a three-year period, and through settlement in shares.

6.3.3 Eligibility and award levels

Subject to the Remco's discretion, middle management and above are eligible to participate in the LTIs. It is not the intention to use all the instruments for all eligible employees. Middle management and above would be eligible for performance awards, bonus awards and SARS. Retention awards are not available to executive management. Award levels will be aligned with market benchmarks and awarded on an expected value basis. It is our intention that executive management will receive a mix of SARs and performance awards and/or bonus awards on an annual basis.

6.3.4 Allocation methodology

The annual allocation of LTIs to participants is recommended by the executive directors, but subject to the approval of the Remco and the Board.

For the avoidance of any doubt, NEDs are not eligible to participate in the LTIs.

6.3.5 Performance conditions and performance period

Awards will be subject to a three-year performance period as determined by the Remco and the Board, based on recommendations by the executive directors. The performance conditions relevant to each award will be set out in the award letters.

For awards subject to performance conditions, vesting levels will be calibrated as follows:

Performance level	Vesting
Below threshold	0%
Threshold	30%
On-target	67%
Stretch	100%

Linear vesting will apply between performance levels.

In addition, a participant must achieve a minimum personal performance qualifying criterion, as determined by the Remco, for the duration of the performance period, for the awards to vest.

6.3.6 Vesting periods and holding periods

The instruments will be subject to a three-year vesting period. SARs will have an exercise period of two years post vesting. At the discretion of the Remco, a holding period could apply to any vested shares or exercised SARs. During the holding period, participants will not be allowed to trade the shares but will not lose the shares should they leave the employment of the Company.

6.3.7 Termination of employment

6.3.7.1 Fault terminations

6.3.7.1.1 Unvested awards and unexercised SARs

Participants terminating employment due to resignation or lawful dismissal from the employ of the Company in compliance with the provisions of the Labour Relations Act will be classified as "fault terminations" and will forfeit all unexercised SARs (albeit vested or unvested) and unvested RSP 2020 awards.

6.3.7.1.2 Terminations during the holding period

The holding period will remain in place for participants terminating as "fault terminations".

6.3.7.2 No fault terminations

Participants terminating employment due to retirement, voluntary retirement, redundancy, disability, death, the sale of a subsidiary company or exceptional circumstances designated as such by the Remco will be classified as "no fault terminations".

6.3.7.2.1 Unvested awards

The vesting of the unvested awards will be advanced to a date as soon as practicable after the date of termination of employment. The extent to which the performance condition(s) (if applicable) have been met will determine the number of shares to vest. Such number will further be prorated to reflect the number of months in employment from the award date to the date of termination of employment, relative to the total number of months in the employment period. The portion of the award that does not vest will be forfeited on the date of termination of employment. The relevant SARs can be exercised within a period of 12 months following the date of termination of employment. The SARs will lapse if not exercised during the aforementioned period. The holding period will not apply in these instances.

6.3.7.2.2 Unexercised SARs

The vested but unexercised SARs will lapse if not exercised within a period of 12 months following the date of termination of employment. Awards which are exercised will not be subjected to the holding period.

6.3.7.2.3 Terminations during the holding period

Shares that are subjected to the holding period will be treated as follows:

- in the event of retirement, voluntary retirement and exceptional circumstances designated as such by the Remco, the settled shares will continue to be subject to the holding period until the release date, unless the Remco determines otherwise; and
- in the event of redundancy, sale of an employer company, disability and death, the settled shares will no longer be subject to the holding period and will be released.

6.3.8 Change of control and/or variation of shares

If the Company undergoes a change of control:

- a portion of the unvested awards will vest. The portion to vest will reflect the number of months in employment from the award date to the change of control date, relative to the total number of months in the employment period and the extent to which performance condition(s) (if applicable) have been met;
- the portion of the awards that does not vest will continue to be subject to the terms of the award letter relating thereto, but may be adjusted as the Remco sees fit, provided the participant is not worse off; and
- after the vesting date, any settled shares will not be subject to the holding period.

Awards will not vest because of an internal restructure or similar event which is not a change of control. In this case, the Remco shall make such adjustment to the number of awards or convert awards into awards in respect of shares in one or more other companies, provided the participants are no worse off.

6.3.9 Dilution limits

An aggregate limit of 5% of the issued share capital may be used for the Company's LTIs. An individual limit of 454 985 shares exists. For the avoidance of doubt, this includes the settlement of any award in terms of the SAR 2016, FSP 2016 and 2020 LTIs (SAR 2020 and RSP 2020). The detailed manner in which the limit is determined is contained in the 2020 LTI plan rules.

7. MALUS AND CLAWBACK

In line with market practice, all variable pay will be subject to malus and clawback should a trigger event occur.

7.1 TRIGGER EVENTS

The trigger events have been defined and approved by the Remco. They include, but are not limited to, the following:

7.1.1 Material misstatement of financial statements

An adverse material misstatement of the financial results resulting in an adjustment to the audited consolidated accounts of the Company.

7.1.2 Actions, omissions and conduct of participants

Actions, events or conduct (including omissions) which, in the reasonable opinion of the Board, amount to grounds for termination of employment for (gross) misconduct or negligence, dishonesty or fraud, including breaches in governance practices, laws, regulations and fiduciary duties. This includes conduct that led to, or is likely to lead to, significant reputational or financial harm to the Company, censure of the Company by a regulatory authority, material failure to oversee or supervise other employees, or breach of any material obligations owed to the Company, including the Company's code of conduct, ethics, or risk policies.

7.1.3 Assessment of performance and calculation of variable pay

- The discovery that the assessment of any performance metric or criteria in respect of the determination of any variable pay or the vesting thereof was based on error, or inaccurate or misleading information; and/or
- The discovery that any information used in the decision to grant any variable pay or determine the quantum thereof was erroneous, inaccurate or misleading, or any information emerges that was not considered at the time any variable pay award was made which, in the discretion of the Board (acting reasonably), would have resulted in an inappropriate benefit or would have materially affected the decision to allocate, make or grant the variable pay, whether at all or at the level at which such variable pay was made.

Malus and clawback will be applied in the following manner should a trigger event arise:

7.2 MALUS (PRE-PAYMENT/PRE-VESTING)

Unpaid STI and unvested or unexercised LTIs will be subject to malus provisions. This means the incentives may be reduced or forfeited if a trigger event arises.

7.3 CLAWBACK (POST-PAYMENT/POST-VESTING)

Variable pay will be subjected to clawback if a trigger event arises within a period of three years following payment (in the case of an STI) or settlement in shares (in the case of the LTIs). This means the pre-tax value of the STI will be repaid and LTIs which are subjected to the holding period will be forfeited. If LTIs are not subjected to a holding period, or in instances where the holding period has expired, the pre-tax value of the LTI on vesting will be repaid.

8. SERVICE AGREEMENTS FOR EXECUTIVES

Executive directors have varying notice periods in terms of their employment contracts, ranging between a one-month to a six-month period. No employment agreements provide for any termination benefits, other than those required by law. Termination benefits are not paid, except in circumstances where it is in the Company's interests to do so. The Company does not pay sign-on or attraction awards.

9. NON-EXECUTIVE DIRECTORS' FEES

The Board, based on the recommendations of the Remco, determines the fees to NEDs for their service on the Board and Board committees. The fees for NEDs are to be market-related and commensurate with the time and effort required by the NEDs to undertake and perform their duties.

The fee structure is evaluated on a regular basis based on independent non-executive fee surveys or benchmarking performed against the market for companies of a similar size in a similar sector. Proposed increases in fees for NEDs are considered taking into account surveys and other market information available with regards to trends in NED remuneration applicable to similar-sized companies listed on the JSE Ltd.

Fees comprise an annual retainer of 25% of the approved annual fee, with the remaining 75% being subject to attendance at scheduled ordinary meetings. In addition, NEDs are paid an hourly fee per hour or part thereof for any special assignments or any meetings outside of the scheduled ordinary meetings unless such a meeting exceeds three hours in duration, in which case a fee per meeting is charged.

Proposed fees for NEDs are approved by shareholders by means of a special resolution at the annual general meeting of the Company's shareholders (AGM).

NEDS

- may not participate in any incentive schemes and their remuneration may not be linked to the performance of the Company or its share performance;
- do not have any service agreements with the Company. They are appointed for an indefinite period and are subject to rotation in line with the Company's memorandum of incorporation; and
- are reimbursed for reasonable travel and subsistence expenses in line with the reimbursement policy for employees.

10. STAKEHOLDER ENGAGEMENT

A summary of the remuneration policy (as contained in part 2 of the remuneration report that is available online as a supplementary document to Spur's integrated annual report) as well as the implementation report (as contained in part 3 of the remuneration report) must be tabled for two separate non-binding advisory votes by shareholders at each AGM.

Meaningful stakeholder engagement has always been a primary objective for Spur and the Company places great value on the feedback it receives from stakeholders. To actively promote fair, responsible and transparent remuneration and remuneration reporting, Spur encourages appropriate, frequent and ongoing engagement with shareholders on remuneration-related matters.

At the AGM, should 25% or more of the shareholders vote against either or both the remuneration policy or the implementation report, the Remco must initiate shareholder engagement with dissenting shareholders to ascertain their reasons and legitimate concerns underlying their votes.

In such circumstances, the Remco will extend a notification to dissenting shareholders in the Stock Exchange News Services (SENS) announcement together with the results of the AGM, which:

- invites shareholders to engage with Spur providing details of the manner, date and timing of the engagement; or
- notifies shareholders of Spur's intent to engage with shareholders in the near future (the details of which should be extended to shareholders as soon as is reasonably possible).

Methods of shareholder engagement may include email correspondence, telephone calls, video conferences, one-on-one meetings, investor roadshows and other methods of communication to the relevant contact person at the shareholders. Spur must respond to legitimate shareholder queries explaining, in more detail, the elements of the remuneration policy that caused concern. Where appropriate, the Board may resolve to amend certain elements of the remuneration policy to align the policy to market norms.

11. AUTHORISATION AND REVIEW

This policy has been reviewed and approved by the Remco on 27 October 2022 and the Board on 27 October 2022.

This policy will be reviewed annually, or more frequently should the need arise.

The following persons are administratively responsible to effect and maintain this policy:

Policy manager:	Group PLC Executive
Custodian of this policy:	Chief Financial Officer
Authorisation body:	The Remco and the Board