

STOR-AGE PROPERTY REIT LIMITED
KING IV PRINCIPLE DISCLOSURE MAP
2023

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We implemented the King IV Report on Corporate Governance™ for South Africa 2016 (King IV) after thorough consideration of the recommended practices. As a relatively new and growing business, we endeavour to evolve our corporate governance practices, policies and procedures in tandem with our business, taking guidance from the recommended practices outlined in King IV.

Overall, the board is satisfied with the application of the principles and believes that it effectively discharges its responsibilities to achieve the good governance outcomes of an ethical culture, good performance, effective control and legitimacy with stakeholders.

How we create an ethical culture

Our Employee Handbook outlines the standards of behaviour expected of every Stor-Age employee, including members of the board. Our Core Values form the foundation of our company culture and guide not only “what we do” but also “how we do it”. These Core Values form part of our performance evaluations for all employees. To support ethical behaviour throughout the business, Stor-Age adopts an “open door policy”, and all employees are encouraged to talk openly with management about any concerns relating to a breach in ethical or acceptable behaviour (as outlined in the Employee Handbook). The board charter stipulates the ethical responsibilities of the board, outlined in the Code of Ethics.

How we ensure effective control

To ensure a clear division of responsibilities and an appropriate balance of power and authority, the board regularly reviews the decision-making authority given to management and those matters reserved for decision-making by the board.

The board and audit and risk committee continues to assess the requirement to have an internal audit function as the company grows. For the year ended 31 March 2023, the audit and risk committee approved the appointment of an external assurance provider to perform internal audit work. The audit and risk committee has approved the internal audit charter defining the function, purpose, authority and responsibility. A risk based internal audit plan has also been approved by the committee. The status and results of the internal audit plan will be communicated and reviewed at each meeting of the audit and risk committee. The audit and risk committee will continue to assess the requirements of the outsourced internal audit function based on the risk profile of the group. In addition to the audit and risk committee, the group has several other board committees that oversee the various other aspects of the group’s business operations. Risk management is an integral part of the group’s strategic management – and we are committed to managing risk in a proactive and efficient manner to remain competitive and sustainable over the long term. Read more in our audit and risk management report, which is available in our integrated annual report online.

How we ensure good performance

In line with our Core Value of Excellence, we set our standards exceptionally high across the business. In pursuit of Excellence, we prioritise ongoing training, learning and development to ensure a team of high-calibre employees who can contribute to the growth and success of our business. This is bolstered by ongoing communication to ensure an engaged workforce and a company culture where management is accessible and employees are encouraged to improve and challenge the status quo. In addition, we offer competitive remuneration packages and financial rewards. Employee performance is assessed annually at all levels, with remuneration directly linked to performance. The key performance areas and competencies against which employees are assessed are reviewed regularly and kept up to date with the changing needs of the group.

How we create legitimacy

At Stor-Age, we exist to fulfil a need in society. Our customers come to us because of a need, not because of a want, and they often come to us when their lives are in a state of transition. In return, we provide a real and meaningful solution to their storage space problems. Our business therefore depends on the trust of our tenants, and on our ability to exceed their expectations with care as well as commitment to our Core Values. Our customers have access to various channels across multiple platforms and at different stages of their journey with us through which they can provide feedback on the level of service received from Stor-Age employees. This feedback informs

our approach to training, learning and development to support our drive to operate with Excellence, Relevance and Integrity.

The following table provides a high-level overview of our application of the 16 King IV principles, with references to where detailed information can be found within our integrated annual report.

We have indicated the maturity level of our disclosure per principle, indicating effective disclosure or areas where our disclosure can be improved.

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Principle	High-level disclosure	Reference for further information	Disclosure
1. The governing body should lead ethically and effectively.	<ul style="list-style-type: none"> <input type="checkbox"/> Arrangements by which members are held accountable for ethical and effective leadership, including codes of conduct and performance evaluations 	Corporate governance report – page 67 Governance structure – page 67 Board ethics and efficiency – page 73 Chairman’s letter – page 18 Also discussed in the table above	Effective
2. The governing body should govern the ethics of Stor-Age in a way that supports the establishment of an ethical culture.	<ul style="list-style-type: none"> <input type="checkbox"/> Arrangements for governing and managing ethics <input type="checkbox"/> Key focus areas for ethics <input type="checkbox"/> Measures taken to monitor organisational ethics and how the outcomes were addressed <input type="checkbox"/> Future focus areas 	Social and ethics committee report – page 102 Chairman’s letter – page 18 Board ethics and efficiency – page 73	To be improved
3. The governing body should ensure that Stor-Age is and is seen to be a responsible corporate citizen.	<ul style="list-style-type: none"> <input type="checkbox"/> Arrangements for governing and managing responsible corporate citizenship <input type="checkbox"/> Key focus areas for corporate citizenship <input type="checkbox"/> Measures taken to monitor corporate citizenship and how the outcomes were addressed <input type="checkbox"/> Future focus areas 	Our business – page 20 Bringing our core values to life – page 62 Acting sustainably – from page 52 Governance structure – page 67 Social and ethics committee report – page 102	Effective
4. The governing body should appreciate that Stor-Age’s core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.	<ul style="list-style-type: none"> <input type="checkbox"/> Integrated annual report <input type="checkbox"/> Corporate governance disclosures <input type="checkbox"/> Annual financial statements 	Introducing our 2023 integrated annual report – page 1 Governance structure – page 67 Audit and risk management report – page 74	Effective

Principle	High-level disclosure	Reference for further information	Disclosure
5. The governing body should ensure that reports issued by Stor-Age enable stakeholders to make informed assessments of Stor-Age's performance, and its short, medium and long-term prospects.	<input type="checkbox"/> Integrated annual report <input type="checkbox"/> Corporate governance disclosures <input type="checkbox"/> Annual financial statements	Introducing our 2023 integrated annual report – page 1	Effective
6. The governing body should serve as the focal point and custodian of corporate governance at Stor-Age.	<input type="checkbox"/> Number of meetings and attendance <input type="checkbox"/> Statement on whether the board is satisfied that it has fulfilled its responsibilities	Board and subcommittee meetings – page 68 King IV – page 69	Effective
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.	<input type="checkbox"/> Statement on whether the board is satisfied that its composition reflects the principal objectives <input type="checkbox"/> Targets set for gender and race representation with progress details <input type="checkbox"/> Members' profile details <input type="checkbox"/> Reasons why any members have been removed, resigned or retired <input type="checkbox"/> Whether the chair is considered to be independent <input type="checkbox"/> Whether or not an independent non-executive member of the board has been appointed as the lead independent, and the role and responsibilities assigned to the position	Corporate governance – from page 67	To be improved
8. The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement, and assist with balance of power and the effective discharge of its duties.	For each committee: <ul style="list-style-type: none"> <input type="checkbox"/> Overall role and associated responsibilities and functions <input type="checkbox"/> Composition, including each members' qualifications and experience <input type="checkbox"/> External advisors or invitees <input type="checkbox"/> Key focus areas during the reporting period <input type="checkbox"/> Number of meetings held and attendance <input type="checkbox"/> Statement on whether the committee is satisfied that it has fulfilled its responsibilities in accordance with its terms of reference for the reporting period Additional disclosures required for the audit committee	Governance structure – from page 67 Social and ethics committee report – page 102 Remuneration committee report – from page 79 Investment committee report – page 104 Audit and risk management report – from page 74	Effective
9. The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members	<input type="checkbox"/> Performance evaluation detail and approach <input type="checkbox"/> Evaluation results and actions <input type="checkbox"/> Statement on satisfaction and whether the evaluations are improving the board's performance	Chairman's letter – page 18 Board ethics and efficiency – page 73	To be improved

Principle	High-level disclosure	Reference for further information	Disclosure
support continued improvement in its performance and effectiveness.			
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.	<ul style="list-style-type: none"> <input type="checkbox"/> Authorities framework statement on contribution to clarity and the effective exercise of authority and responsibilities <input type="checkbox"/> Notice period for the chief executive officer (CEO) and termination conditions <input type="checkbox"/> Other professional commitments of the CEO <input type="checkbox"/> Statement on succession planning <input type="checkbox"/> Arrangements for accessing professional corporate governance services and whether these are effective 	Corporate governance – from page 67	Effective
11. The governing body should govern risk in a way that supports Stor-Age in setting and achieving its strategic objectives.	<ul style="list-style-type: none"> <input type="checkbox"/> Nature and extent of the risks and opportunities Stor-Age is willing to take – without compromising sensitive information <input type="checkbox"/> Arrangements for governing and managing risk <input type="checkbox"/> Key focus areas including objectives, key risks and those taken outside of risk tolerance levels <input type="checkbox"/> Measures taken to monitor risk management and how the outcomes were addressed <input type="checkbox"/> Future focus areas 	Audit and risk management report – from page 74	Effective
12. The governing body should govern technology and information in a way that supports Stor-Age in setting and achieving its strategic objectives.	<ul style="list-style-type: none"> <input type="checkbox"/> Arrangements for governing and managing technology and information <input type="checkbox"/> Key focus areas including objectives, changes in policy, acquisitions and remedial actions for incidents <input type="checkbox"/> Actions taken to monitor effectiveness of technology and information management and how the outcomes were addressed <input type="checkbox"/> Future focus areas 	Enhancing our cyber security – page 37 IT governance – page 73	Effective
13. The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports Stor-Age being ethical and a good corporate citizen.	<ul style="list-style-type: none"> <input type="checkbox"/> Arrangements for governing and managing compliance <input type="checkbox"/> Key focus areas <input type="checkbox"/> Actions taken to monitor effectiveness of compliance and how the outcomes were addressed <input type="checkbox"/> Future focus areas <input type="checkbox"/> Material or repeated regulatory penalties, sanctions or fines <input type="checkbox"/> Details of monitoring and compliance inspections by environmental regulators, findings on non-compliance with environmental laws or criminal sanctions and prosecutions 	Approach to compliance – page X Acting sustainably – from page 73	Effective
14. The governing body should ensure that Stor-Age remunerates fairly, responsibly and transparently so as to promote the achievement of	<ul style="list-style-type: none"> <input type="checkbox"/> Background statement <input type="checkbox"/> Overview of the main provisions of the remuneration policy <input type="checkbox"/> Implementation of the remuneration policy <input type="checkbox"/> Annual general meeting voting results on remuneration 	Remuneration committee report – from page 79	Effective

Principle	High-level disclosure	Reference for further information	Disclosure
strategic objectives and positive outcomes in the short, medium and long terms.			
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 Stor-Age's external reports.	<p>Types of assurance processes applied to each report in addition to the independent, external audit opinions, including:</p> <ul style="list-style-type: none"> <input type="checkbox"/> the nature, scope and extent of assurance <input type="checkbox"/> a statement by the board about the integrity of the report 	<p>Audit and risk management report – from page 74</p> <p>Responsibility statement and review – page 1</p>	Effective
16. In the 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 interests of Stor-Age over time.	<ul style="list-style-type: none"> <input type="checkbox"/> Arrangements for governing and managing stakeholder relationships <input type="checkbox"/> Key focus areas <input type="checkbox"/> Actions taken to monitor effectiveness of stakeholder management and how the outcomes were addressed <input type="checkbox"/> Future focus areas 	<p>Our business – page 20</p> <p>Social and ethics committee report – page 102</p> <p>Acting sustainably – from page 53</p> <p>Measuring customer satisfaction – page 35</p>	To be improved