



HYPROP

2026 King IV™ application

The Board recognises the value of, and supports a holistic approach to, corporate governance and the application of the King IV™ principles. These principles are integrated into the Group's governance structures, policies and practices to ensure that an ethical culture, effective control, good performance and legitimacy are embedded in the Group.

This document sets out the application of the principles in King IV™ and should be read in conjunction with the Group's Integrated Annual Report (IAR), Annual Financial Statements (AFS) and ESG report for the year ended 30 June 2026 (FY2026) which are available on our website at www.hyprop.co.za.

The Company's application of the King IV™ principles is as follows:

1 The governing body should lead ethically and effectively.

The Board is responsible for leading the Group ethically, effectively and responsibly in pursuit of its strategic objectives and the creation of sustainable stakeholder value. Collectively and individually, Board members uphold and demonstrate the Group's core values of collaboration, execution, responsibility, integrity and creativity. Through effective oversight, sound judgement and constructive engagement with management, the Board promotes good governance and supports the sustainable creation of value for all stakeholders.

Board members are required to promote and uphold an ethical culture by making annual declarations of interests and providing ad hoc disclosures as and when required. This supports transparency, accountability and the effective management of actual or perceived conflicts of interest. Declaration of interests is a standing agenda item at all Board and Board Committee (the Audit and Risk, Remuneration, Nomination, Investment and Social, Ethics and Sustainability Committees) meetings.

The Group's Code of Conduct and Ethics (Code) and the Social, Ethics and Sustainability Committee promote the monitoring of ethical activities and matters within the Group. Key matters arising from its function are reported to the Board.

The performance of the Board and its Board Committees, as well as performance of individual directors, is formally evaluated against their respective roles and responsibilities. Refer to principle 9 for more information on board performance evaluations.

2 The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.

The Board ensures the sustainability of an ethical culture and the effective application of governance practices that support the governance outcomes envisaged by King IV™.

Hyprop ensures it promotes good corporate citizenship and values. Various Group policies envisage ethical interaction with internal and external stakeholders and broader society. Hyprop ensures that the Group's business dealings comply with applicable laws and regulations and are conducted with due regard for ethical business practices.

Ethical conduct and responsible business practices are embedded across the Group's operations and activities. Management promotes and reinforces the Group's Code of Conduct through both top-down leadership and bottom-up accountability, ensuring that employees at all levels understand and apply its principles in their daily decision-making. The Group further expects all external stakeholders and business partners to uphold comparable ethical standards and to comply with the requirements of the Supply Chain Code of Conduct.

Hyprop has a total of eight ethics-related policies and training programmes in place.

An independent whistleblowing help line operated by an external service provider enables the anonymous reporting of ethics incidents, and reports are sent directly to the Chairman of the Social, Ethics and Sustainability Committee. Eleven incidents were reported during FY2026, (2025: three incidents reported). None of the matters were significant. Nine of the matters have been investigated, addressed and resolved by management. The last two are still under investigation and pending closure.

3 The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.

Hyprop adheres to its corporate citizenship responsibilities by considering the economic, social and environmental impacts of its activities. Ethical and sustainable business practices, responsible stakeholder engagement and creation of long-term values are commitments that the Group endeavors to achieve in relation to its stakeholders and the communities it operates in.

The Group's sustainability framework and ESG initiatives reflect its commitment to responsible corporate citizenship, sustainable value creation and the achievement of environmental and social objectives in line with recognised international standards and best practice. Further information on our environmental and corporate social responsibility initiatives is included in the ESG section of the FY2026 IAR.

4 The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

The Board is responsible for Hyprop's performance, provides strategic direction and oversees the adoption and execution of the strategy formulated by management. Annually, the Board approves the Group's strategy, objectives and budget for the ensuing financial year, including key risks, opportunities, priorities and sustainability-related matters. In collaboration with management, the Board ensures that the strategy and its objectives are embedded throughout the organisation, enabling all employees to contribute to its achievement and ensuring that the strategy remains a living and evolving framework. Risk management, budgeting and sustainability initiatives are aligned with and support the strategic objectives approved by the Board.

The Board monitors performance against the approved strategy through regular financial updates, business segment reviews, and progress reports on key strategic priorities and sustainability objectives which are presented at Board meetings. Refer to the FY2026 AFS and IAR for further information on our business model, strategy, risks and performance.

5 The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short-, medium- and long-term prospects.

Reporting, materiality and reporting frameworks are determined by management and overseen and monitored by the Audit and Risk Committee, and ultimately the Board. The Group produces a full suite of reporting publications to cater for the needs of key stakeholders.

The Company's external auditor, KPMG Inc., audits or reviews, as appropriate, the AFS and material non-financial information included in the IAR.

The Board promotes responsible transparency and accountability by fostering open and transparent communication with stakeholders. To support informed stakeholder engagement and decision-making, relevant corporate, governance and investor information is published through Stock Exchange News Services (SENS) (where required) or on the Company's website (www.hyprop.co.za) and disseminated through appropriate communication channels. Investor presentations include an appropriate balance between historic performance and key priorities for ensuing periods.

6 The governing body should serve as the focal point and custodian of corporate governance in the organisation.

The Board has ultimate accountability for the performance, affairs and governance of the Group. Its role, responsibilities, membership requirements and procedural conduct are documented in the Board Charter. The Board Charter is reviewed regularly to ensure alignment with King IV™, legislative requirements and governance best practice. Annual work plans support the effective execution of the responsibilities entrusted to the Board and its Committees.

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.

The composition of the Board, including director rotation, succession planning and vacancies, is reviewed annually by the Nomination Committee, which makes recommendations to the Board. The Nomination Committee considers the appropriate balance of skills, experience, diversity, independence and knowledge required for effective governance. New appointments seek to maintain a diverse and balanced Board with the requisite skills and experience to oversee the Group's strategy and performance. Fit-and-proper tests are conducted for all new appointees.

The Nomination Committee monitors succession planning for the Board, the CEO and executive director(s) to ensure effective leadership continuity. Succession plans for key senior positions are reviewed regularly to identify and develop talent, mitigate key-person dependency risks and support the Group's long-term strategic objectives.

The Governance Report included in the FY2026 IAR outlines the composition of the Board and provides details of each director's categorisation, qualifications, experience, skills, tenure, independence status (where applicable) and demographic profile.

Details of Board members' memberships of other governing bodies or professional positions held are set out in the ESG data pack.

8 The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with the balance of power and the effective discharge of its duties.

The Group's governance framework and delegation of authority structures promote independent judgement and maintain an appropriate balance of power and authority at Board level. The Board delegates specific responsibilities to the Board Committees in accordance with their respective Terms of Reference, while retaining overall accountability for the performance, affairs and governance of the Group. Certain matters are reserved exclusively for the Board and shareholders, consistent with

applicable legislation, regulatory requirements and governance best practice. The Board Committees play a key role in supporting the Board's oversight responsibilities and contribute to the effective governance of the Group through focused oversight and informed recommendations.

The responsibilities and composition of the Board Committees are disclosed in the FY2026 IAR. Each Committee Chairperson reports to the Board on material matters discussed and recommendations made at Committee meetings. The activities and key areas of focus of each Board Committee are reported annually in the IAR and, where required, at the Annual General Meeting.

Board members may be invited or may attend, with the approval of the respective Committee Chairperson, meetings of Board Committees on which they do not serve. Their attendance is in an observer capacity and does not confer any voting or decision-making rights in relation to the Board Committee matters.

9 The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members support continued improvement in its performance and effectiveness.

The Board and its Committees undergo independent performance evaluations every two years, with the most recent evaluation conducted in FY2025 which confirmed that the Board and its Committees are performing well. The next evaluation will take place in FY2027. To promote transparency, independence and fairness, the evaluations are facilitated by an external party. The evaluation process assesses the effectiveness of the Board and the Board Committees in discharging their governance responsibilities and supporting the achievement of the Group's strategic objectives.

The assessment criteria are periodically reviewed and updated to evaluate the efficiency, performance and governance practices of the Board and the Board Committees, and to identify opportunities for continuous improvement.

10 The governing body should ensure that the appointment of, and delegation to, management contributes to role clarity and the effective exercise of authority and responsibilities.

A clear division of responsibilities exists between the roles of the Chairman and the Chief Executive Officer (CEO), as set out in the Board Charter, ensuring an appropriate balance of authority and accountability. The Board reviews and approves the Delegation of Authority Framework, which defines the authorities delegated to the CEO, executive directors and management.

The appointment of the CEO, Chief Financial Officer (CFO) and Chief Investment Officer (CIO) is the Board's responsibility. Clear short- and long-term key performance indicators (KPIs) are established for these executives, and their performance against these measures is assessed annually by the Remuneration Committee.

The Audit and Risk Committee annually evaluates the performance of the CFO and the effectiveness of the finance function and reports the outcome of its assessment in the Audit and Risk Committee Report contained in the AFS.

The Board appoints the Company Secretary and ensures that the office is appropriately empowered and supported. The Company Secretary possesses the requisite competence, experience, gravitas and objectivity to provide independent guidance to the Board and support the effective functioning of the Group's governance framework.

11 The governing body should govern risk in a way that supports the organisation in setting and achieving strategic objectives.

The Group maintains a comprehensive risk management framework that establishes the Group's risk governance approach, including risk appetite and tolerance levels, and provides for the identification, assessment, management and monitoring of material risks and opportunities. The framework supports informed decision-making, the achievement of the Group's strategic objectives, and the creation and protection of stakeholder value.

The Audit and Risk Committee assists the Board in overseeing the effectiveness of the Group's risk management framework and enterprise risk management processes. Through regular review and monitoring, the Committee provides assurance to the Board that key risks and opportunities are being appropriately identified, assessed and managed. Further information on the Group's principal risks and opportunities is provided in the Risk and Opportunities section of the FY2026 IAR.

12 The governing body should govern technology and information in a way that supports the organisation in setting and achieving its strategic objectives.

The Board has delegated oversight of information and technology governance to the Audit and Risk Committee, which is supported by the divisional Information Technology Risk Committee. An Information and Technology Governance Policy, aligned with the principles and recommended practices of King IV™, is in place to guide the effective and responsible management of information and technology throughout the Group.

The Group maintains disaster recovery and business continuity plans, which are reviewed and tested regularly to support operational resilience and business continuity. Appropriate cybersecurity controls and measures are implemented across the Group to safeguard information assets and mitigate cyber-related risks.

Internal Audit, together with other assurance providers, evaluates the effectiveness of the information technology control environment and provides recommendations to address identified gaps and support continuous improvement. The outcomes of these reviews contribute to ongoing enhancement of the Group's information and technology governance, risk management and control processes.

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.

The Board is committed to maintaining the highest standards of ethical conduct and ensuring compliance with applicable laws, regulations, standards and codes in all jurisdictions in which the Group operates. Compliance with the Company's Memorandum of Incorporation (MOI), the Companies Act and other applicable legal and regulatory requirements is embedded within the Group's governance framework and culture.

The Board delegates responsibility for the implementation and management of compliance programmes to executive management and exercises oversight through its Board Committees, each of which monitors compliance matters falling within its respective mandate. The Board receives regular reports on significant legal, regulatory and compliance matters to support effective oversight.

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 the short, medium and long term.

The Board has delegated responsibility for remuneration governance to the Remuneration Committee, which oversees the establishment, implementation and annual review of the Group's remuneration policy and practices. The Committee ensures that remuneration remains fair, responsible, transparent and aligned with the Group's strategy, market practices and long-term value creation objectives. The Remuneration Committee reports regularly to the Board on its activities and makes recommendations on remuneration-related matters where appropriate.

The Group's remuneration philosophy adopts a total reward approach that supports the achievement of Hyprop's strategic objectives, promotes a high-performance culture and recognises the contribution of employees and teams to sustainable value creation. The remuneration framework seeks to attract, retain and motivate talent through fair and balanced remuneration practices. Further details of the FY2026 remuneration philosophy, policy and implementation are provided in the FY2026 IAR.

The Remuneration Committee recommends fees payable to non-executive directors to the Board for submission to shareholders for approval by special resolution at the Annual General Meeting (AGM), as required by the Companies Act. In line with governance best practice and applicable regulatory requirements, the remuneration policy and remuneration report are tabled annually for approval by shareholders at the AGM.

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.

The Board and its Committees utilise a combined assurance model to obtain appropriate assurance over material risks and significant matters affecting the Group. The combined assurance framework incorporates management oversight, specialist functions, internal assurance providers, internal audit and independent external assurance providers, and is aligned with King IV™'s Four Lines of Defence approach. This coordinated assurance model enhances the effectiveness of risk management, internal controls and governance processes while reducing duplication of effort.

The internal audit service provider provides independent assurance on the effectiveness of the Group's governance, risk management and internal control processes and reports its findings to the Audit and Risk Committee. The Audit and Risk Committee annually assesses the performance, independence, resources and skills of the internal audit function to ensure that it continues to meet the Group's assurance requirements and expectations.

Based on the assurance provided through the combined assurance framework, the Board is satisfied that the framework is effective and sufficiently robust to support its oversight responsibilities and to enable it to place reliance on the integrity of the Group's external reporting.

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 the organisation over time.

The Board is responsible for the governance of stakeholder relationships and is supported in this regard by the Social, Ethics and Sustainability Committee. The Group adopts an inclusive stakeholder approach that seeks to balance the achievement of its strategic objectives with the legitimate needs, interests and expectations of its stakeholders. Through ongoing engagement, the Group seeks to build and maintain relationships founded on transparency, responsiveness and mutual value creation. Information regarding the Group's key stakeholders, their material interests and expectations, and stakeholder engagement activities is provided in the FY2026 IAR.

To support the Board in fulfilling its oversight responsibilities, the Social, Ethics and Sustainability Committee receives regular reports on stakeholder management and engagement across the Group. The Board is kept informed of significant stakeholder matters and engagement outcomes, including interactions with shareholders, investors, financial analysts, tenants, employees, regulators, communities and other key stakeholder groups.

Directors attend the Annual General Meeting and are available to engage shareholders and respond to questions relating to the Group's performance, governance practices and the discharge of the Board's responsibilities.



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