

**HYPROP INVESTMENTS LIMITED
COMPANY POLICIES
2014**

INTRODUCTION	3
COMPANY VISION, MISSION AND COMMITMENT	4
EMPLOYEE CODE OF CONDUCT	5
RECRUITMENT AND APPOINTMENT	11
HARRASSMENT	14
PERFORMANCE MANAGEMENT	16
TRAINING AND DEVELOPMENT	18
RETIREMENT.....	22
RESIGNATIONS AND DISMISSALS	23
DISCIPLINARY CODE AND PROCEDURE	24
REMUNERATION AND BONUSES	29
WORKING HOURS AND MEAL INTERVALS.....	31
DRESS CODE AND PUNCTUALITY	32
PARKING	33
COMPANY TELEPHONES AND CELLPHONES.....	34
INTERNET AND EMAIL	35
COMPANY VEHICLES.....	37
TRAVEL POLICY	39
ALCOHOL AND DRUG USE AND/OR ABUSE.....	43
SMOKING.....	45
HEALTH AND SAFETY.....	47
SECURITY POLICY.....	48
HIV / AIDS POLICY.....	49
COMPANY ETHICS LINE POLICY	54
ANTI-FRAUD STATEMENT	57
EMERGENCY/CRISIS COMMUNICATION PROCEDURE	59
BBBEE BEST PRACTICE	68
TENDER PROCEDURES.....	70

INTRODUCTION

This code and company policy establishes the basic standards and rules of conduct and obligations of Hyprop Investments Limited and its employees.

Each employee is bound by the employment conditions and is obliged to ensure that the employment conditions are enforced at all times and that his/her conduct in or out of the workplace shall at all times be in accordance with the conditions set out herein.

Failure to comply with the code will be viewed as a serious disciplinary breach and in appropriate circumstances, in accordance with the company's disciplinary code and procedures and labour laws prevailing from time to time, could give rise to disciplinary action and/or legal action being taken against the offender.

This code is reviewed and updated annually.

COMPANY VISION, MISSION AND COMMITMENT

VISION

“Hyprop aspires to be a leading listed property fund in Africa, offering access to income and capital growth through a specialist portfolio of premium, high quality shopping centres in a transparent, sustainable investment vehicle.”

MISSION

- To be a world class shopping centre fund that adheres to global best practice
- To be the partner of choice for tenants, shoppers, employees and investors
- To provide a trustworthy, transparent and sustainable investment
- To promote social and environmental sustainability

The prestige and success of the company depends to a great extent on the ethical standards observed by its employees, both in their association with one another and in their conduct within the real estate industry in general.

The company encourages the highest standards in real estate practice and aims to have its employees respected and trusted by its tenants, industry peers and the customers who make use of our centers.

Employment at the company must connote innovation, excellence, fairness, integrity, professionalism and best practice resulting from adherence to the highest moral and ethical conduct in business relations.

EMPLOYEE CODE OF CONDUCT

Acceptance of the code of conduct (“the code”) shall mean that every employee pledges to observe in word, conduct and spirit the ethical obligations set out hereunder. This code, and the associated commitment to adhere thereto, are actively endorsed by the directors of the company and are based on a fundamental belief that business should be conducted honestly, fairly and legally.

The primary purpose of the code is to promote exemplary conduct that will allow the company to:

- be a leading world-class shopping centre fund that meets global standards;
- create unique shopping experiences, jobs, community strength and sustainability, a deep skills base and wealth;
- be the partner of choice for tenants, shoppers, employees and investors alike;
- provide a trustworthy, transparent and sustainable investment; and
- ensure social and environmental sustainability.

This can be achieved through:

- service excellence;
- striving for international best practice;
- effective delegation;
- promoting leadership;
- utilising best technology and building principles; and
- applying best business practice.

APPLICATION

The code applies equally to all employees and other representatives of the company and is designed to inform employees of the company’s rules and expectations in various areas.

It is each employee’s responsibility to ensure that he/she:

- is aware of and understands the content of this code; and
- subscribes to the values, obligations and requirements outlined in this code.

Compliance with the code by all employees is mandatory. If any employee becomes aware of, or suspects a contravention of this code, they are expected to promptly and confidentially advise their general manager or a member of the executive management team.

The code is a guideline and does not purport to incorporate an exhaustive set of rules regulating standards of conduct.

COMPLIANCE WITH LAWS AND REGULATIONS

Employees must comply with all applicable laws and regulations, which relate to their activities for and on behalf of the company. The company will not condone any violation of the law or unethical business dealing by any employee. Payment for, or participation in an illegal act such as bribery, kickbacks, money laundering activities, fraud or unlawful possession of company property shall be condemned by the company.

Employees must ensure that their conduct cannot be interpreted as being in any way in contravention of applicable laws and regulations governing the operations of the company. Employees should bear in mind that the perception of their actions by others is important, and they should act accordingly.

CONFLICT OF INTEREST

The company expects its employees to perform their duties conscientiously, honestly, courteously and in accordance with the best interests of the company.

Employees must not use their position, or knowledge gained through their employment with the company, for private or personal advantage, or in such a manner that a real or perceived conflict could arise where an employee, a member of an employee's family, or a business with which the employee or the employee's family is associated obtains a gain, advantage or profit by virtue of the employee's position with the company or knowledge gained through that position.

If any employee feels that any course of action which he or she may have pursued, is pursuing or is contemplating pursuing, may cause a conflict of interest situation or a perceived conflict of interest situation, he or she shall immediately make all the facts known, in writing, to their most senior manager at place of work or report the situation or complaint using the Hyprop Ethics line.

It is a condition of employment that no employee while in the employ of the company may, without the prior written consent of the company, be directly or indirectly engaged in any other business, association, or undertaking, which may result in a conflict of interest between that business, associations, or undertaking, and the company or prevent the employee from effectively completing their work.

Permission as set out above will only be granted provided that the company is satisfied, that the employee's efficiency and duties towards the company will in no way be impaired by the proposed activity.

Employees will not, before, during or after termination of employment, use for their own benefits or that of any person, firm or company, any confidential information relating to the affairs of the company. The employee needs to give the company written notification if they are involved in any outside employment.

Employees who hold, or have been invited to hold, outside directorships should take particular care to ensure compliance with all provisions of this code. When outside business directorships are being considered, prior written notification must be handed to the Human Resource Executive before the directorship is accepted.

RELATIONSHIPS WITH CLIENTS, TENANTS, CUSTOMERS, SUPPLIERS, CONTRACTORS OR ANY OTHER THIRD PARTIES

The company recognises those relations with clients, tenants, customers, suppliers, contractors or other third parties (hereinafter referred to as "third parties") give rise to many potential situations where conflict of interest, real or perceived, may arise.

Each employee must ensure that he or she is independent, and is seen to be independent, from any business organisation or third parties having a contractual relationship with the company or providing goods or services to the company, if such relationship might influence or create the impression of influencing their decisions in the performance of their duties on behalf of the company. In such circumstances, employees must not invest in, nor acquire a financial interest, directly or indirectly, in such an organisation.

GIFTS, HOSPITALITY AND FAVOURS

Conflicts of interests can arise where employees are offered gifts, hospitality or other favours which might, or could be perceived to, influence their judgment in relation to business transactions such as the placing of orders and contracts.

Employees must not accept gifts, hospitality or other favours from third parties, in return for any kind of favour, service or treatment offered by virtue of being an employee of the company.

However, acceptance of the following will not be considered contrary to such policy:

- Advertising matters up to commercial value of R500.00 (such as corporate gifts);
- Occasional business entertainment such as lunches, cocktail parties or dinners;
- Occasional personal hospitality such as tickets to local sporting events or theatres provided that the cost of any accommodation and travel is borne by the employee;
- Festive season/year-end corporate gifts as an expression of thanks for assistance and support during the year up to the collective value of R1 000; or
- Gifts by tenants to employees in lieu of spend on merchandise.

In addition, no personal favours or other preferential treatment should be accepted by any employee when he or she is offered this as a result of the employee's position within the company and which, therefore, might tend to place that employee under obligation.

REMUNERATION REGARDING SERVICES

No employee may receive or demand directly or indirectly any remuneration, commission, benefit, favour or personal gain arising from or connected with any completed, pending or proposed contract of lease, service or professional appointment from any third parties unless written approval has been received from the Human Resource Executive.

USE OF COMPANY FUNDS AND PROPERTY

The company has developed a number of internal controls to safeguard its assets and imposes strict standards to prevent fraud and dishonesty. All employees who have access to the company's funds in any form must, at all times, follow prescribed procedures for recording, handling and protecting such funds.

Employees must, at all times, ensure that company funds and property are used only for legitimate company business purposes. Where an employee's position requires company funds to be spent, it is his/her responsibility to use good judgment on the company's behalf and to ensure that appropriate value is received by the company for such expenditure.

MISCONDUCT AND FRAUD

If any employee becomes aware of any evidence that company funds or property may have been used in a fraudulent or improper manner, that employee must immediately and confidentially report the case to their direct line manager and member of the executive in writing. Anonymity will be discussed and arranged.

CONDUCT TOWARDS OTHERS

The company places a high value on professional and courteous conduct towards fellow employees and third parties in the workplace or out of the workplace.

The core values the company wishes to strive for in this regard are:

- respect;
- professional conduct towards each other;
- integrity;
- reliability; and
- honesty.

The company's image can easily be tarnished by a breach of these core values and it is each employee's responsibility to ensure that he/she acts in accordance with these values at all times.

Examples of unacceptable conduct are:

- swearing or using profane language;
- derogatory / racist remarks or comments towards another / about another;
- non-verbal gestures such as rolling eyes or hand gestures;
- mumbling under one's breath in the presence of / towards the person against whom the mumbling is directed; and
- verbal abuse.

CONDUCT TOWARDS FELLOW EMPLOYEES

The company accepts that its employees work in stressful and pressurized environments and that this can sometimes result in dealing with others in an inappropriate or disrespectful manner. However, where such conduct persists towards a fellow employee/s, it may become unacceptable and unreasonable conduct. In such instances, the company will investigate any reports / complaints against any staff member acting in an inappropriate or disrespectful manner towards a co-employee. Such investigation may lead to disciplinary action and possible termination of employment.

NON-DISCRIMINATION

Hyprop Investments Limited or any of its officers or employees may not unfairly discriminate, directly or indirectly, against an employee, in any employment policy or practice, on one or more grounds, including race, gender, sex, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language and birth.

CONDUCT TOWARDS THIRD PARTIES

The term “third parties” in this code refers to clients, tenants, customers, suppliers or contractors.

Employees are expected to act in a professional, courteous and respectful manner at all times when dealing with any third parties or their representatives.

Employees must always be aware that poor conduct towards third parties can damage the company’s good name and reputation. The company’s aim is to continue to invest in its business with the objective of sustained growth and achievement. The company therefore relies on, amongst other things, its good name in the market and this is achieved by good communication and healthy relationships with third parties. Arrogance, impatience, disrespect and or verbal abuse towards third parties shall not be tolerated.

The company expects its employees to be ambassadors of the company and represent the company in a positive and favourable light when dealing with such parties.

The company strives towards 100% customer and tenant satisfaction and making both the customer and tenants its highest priority.

AUTHORITY

No employee may abuse his or her authority or unduly influence other employees or third parties, nor be influenced to abuse his or her authority.

All employees must be polite, helpful and reasonably accessible in their dealings with colleagues and third parties.

CONFIDENTIALITY

No employee shall without just cause, divulge to any third party any confidential information obtained by him or her concerning the business affairs, trade secrets, technical methods, standard operating procedures or intellectual property of the company, its agents or service providers nor the turnover figures, performance history or credit worthiness of any tenant within the company.

DISCLOSURE

The employee is obliged to disclose forthwith to the company any of the following:

- Any mental health or any medical deficiencies, conditions or any such circumstances which could detrimentally affect or in any way influence the employee’s employment or the fulfillment thereof with the company, as soon as the employee becomes aware of same.
- Any criminal offence specified in Schedule 1 of the Criminal Procedure Act No 51 of 1977 or any amendments or variations thereof from time to time, the employee has been convicted of.
- The employee undertakes to disclose any change in personal particulars to the employer in writing or by updating the information the employee self-service system (ESS).

GENERAL

Every employee must deal fairly, professionally and equitably with other employees and third parties irrespective of race, gender, ethnic or social origin, colour, sexual orientation, age, religion, political persuasion, conscience, belief, culture or language.

Employees should strive to be creative in thought and in the application of their duties whilst seeking innovative ways to solve problems and enhance effectiveness and efficiency within the workplace.

The company does not make any donations to any political party.

CONTRAVENTION OF THIS ETHICAL CODE OF CONDUCT

The company regards any contravention of this code as a serious matter. At the same time, any suspected or alleged contravention under investigation will be treated in confidence and only disclosed as and when required in order to take the necessary action against the perpetrator.

If an employee believes that his or her own actions have, or may have, contravened this code, he or she must as soon as possible advise one of the Executive in writing.

If employees suspect that a contravention of the code has been committed by another employee of the company, such employee is expected to promptly and confidentially report this, in writing, to one of the Executives. The employee must not confront the individual concerned. By following this process, confidentiality will be maintained and only disclosed as and when required in order to take the necessary action against the perpetrator. The matter will be investigated impartially.

As a contravention of the code is a serious matter, it may result in one or more of the following:

- disciplinary action and termination of employment;
- civil proceedings; or
- criminal proceedings.

CHANGES / ADDITIONS / AMENDMENTS

Please note that from time to time the content of this code may change and the company reserves the right to use this code at any time. Should any such changes take place, all employees will be duly notified.

RECRUITMENT AND APPOINTMENT

RECRUITMENT

SCOPE OF RECRUITMENT

As appropriate, the company will recruit both within and outside its workforce to obtain qualified applicants. To support career progress of qualified internal candidates, internal recruitment may be utilised as long as it is consistent with equal employment and affirmative action objectives, and results in a diverse pool of qualified applicants.

EXCEPTIONS TO RECRUITMENT

Recruitment is not required when a position is to be filled by:

1. recall of a laid-off employee or placement of an employee with preference for reemployment or transfer;
2. an employee whose responsibilities or title have changed as a result of a reorganisation or reassignment of functions among positions within the same organisational unit; or
3. an employee, who is competitively selected for a company-sponsored internship program and upon completion of the internship, is appointed to a vacant position for which he or she meets the minimum qualifications.

WAIVER OF RECRUITMENT

Local procedures may include waiver of recruitment in special circumstances consistent with equal opportunity and affirmative action objectives.

APPOINTMENT SELECTION

The individual who, in the judgment of the hiring authority, possesses the qualifications required to perform the duties of the position most effectively is to be selected for the position. The hiring authority shall give due consideration to providing promotional opportunities to company employees.

PREFERENCE FOR REEMPLOYMENT OR TRANSFER

Professional and support staff applicants with preference for reemployment who appear to meet the requirements of the position shall be referred to the human resource department for first consideration.

EMPLOYEE APPLICANTS

With reasonable notice, an employee shall be granted reasonable time off with pay to interview for company positions.

BACKGROUND CHECKS

To ensure that individuals are selected who possess the qualifications to perform the duties of the position most effectively and who are best able to serve the company's interests, the company requires job-related background information on final candidates for critical positions and employees who are promoted, reclassified, or transferred into critical positions. Background checks may include, but will not necessarily be limited to, confirmation of an individual's identity, review of an individual's criminal conviction record, if any, or verification of any license, certificate, or degree required for appointment. Except for fingerprinting, a background check is

completed prior to appointing a person to a critical position. A background check that includes fingerprinting may be completed after appointment and the results shall be used to assess the employee's suitability for continued company employment.

Employment and educational reference checks are normally conducted for all positions including critical positions.

CITIZENSHIP, WORK STATUS AND IMMIGRATION REQUIREMENTS

Under South African law, the company may employ only individuals who are legally eligible to work in the Republic of South Africa.

NEAR RELATIVES

The employment of near relatives in the same department or business unit may not be permitted, and only subject to approval by the CEO will near relative appointment be considered if such concurrent employment would be in the best interests of the company. For the purpose of this policy, a near relative is defined as a spouse, domestic partner, parent, child (including the child of a domestic partner), or sibling. In laws and step relatives in the relationships listed, including relatives of the domestic partner who would be covered if the domestic partner were the employee's spouse, are also defined as near relatives.

OFFICE ROMANCES/RELATIONSHIPS

It must be noted that the company does not encourage office romances/relationships and would prefer that these do not occur. Whilst an employee cannot get fired for an office romance, various behaviours within the office can lead to disciplinary action should they affect any aspect of an employee's, or their colleagues' performance.

Regarding office romances/relationships, the company requires that employees be discreet, inform the Human Resources Executive that the relationship exists and to avoid public displays of affection.

PROBATION PERIOD

All new permanent employees will be subject to a twelve (12) week probationary period on employment with the company. The probation period is a time of mutual assessment for Hyprop and the new employee. This period is critical for both the employer and the employee to determine the employee's suitability for continued employment. The employee's performance will be closely monitored and regular appraisals will take place within these twelve weeks. The employee's probation will be reviewed after the twelve week period. On review of the probation period, the probation can either be extended for a period determined at the discretion of the company, employment can be confirmed, or alternatively the company can convene an inquiry with a view to terminating employment in accordance with substantive and procedural fairness relating to poor performance/ incapability.

HARRASSMENT

POLICY

The company is committed to creating and maintaining a climate where all employees, job applicants and other persons who have dealings with the business are treated with dignity and respect. To meet these ends the company has formulated the following policy statements:

- harassment in the workplace will not be permitted or condoned under any circumstances;
- persons who have been subjected to harassment in the workplace have the right to raise a grievance in respect of such harassment;
- grievances raised in respect of harassment will be dealt with timeously, sensitively and confidentially;
- no person who raises a grievance about harassment will be victimized;
- all persons will be protected against false accusations of harassment;
- perpetrators will be severely disciplined;
- all managers responsible for dealing with grievances will be appropriately trained to deal with sensitive grievances such as harassment;
- handling of harassment cases will be underpinned by consistent, fair and non-discriminatory practices and procedures; and
- any form of harassment of a fellow employee and/or non-employee will constitute a serious act of misconduct. Therefore any allegations of sexual harassment will be dealt with seriously, expeditiously, sensitively and confidentially.

LEGAL FRAMEWORK

It is the policy of the company to provide a conducive working environment for its employees that is free from all forms of discrimination, harassment or discrimination.

The policy is taken from Legislation regarding harassment. These include:

- Constitution of the Republic of South Africa;
- Employment Equity Act, 1998 Act 55 of 1998;
- Labour Relations Act 65 of 1995 and as amended; and
- Basic Conditions of Employment Act, No 75 of 1997.

This policy shall apply to all employees, as defined in the Labour Relations Act, as amended, and shall include job applicants, suppliers, clients, contractors and all members of management.

DEFINITION

- Sexual harassment is defined as unwanted conduct of a sexual nature, which may include physical, verbal or nonverbal conduct. The unwanted nature of sexual harassment distinguishes it from behavior, which is welcome and mutual.
- Sexual attention becomes sexual harassment if the:
 - behaviour is persisted in, although a single incident of harassment can constitute sexual harassment, and/or;
 - recipient has made it clear that the behaviour is considered offensive, and/or;
 - perpetrator should have known that the behaviour is regarded as unacceptable.
- Other forms of harassment are defined as unwanted behaviour of any other nature, which may include physical, verbal or nonverbal conduct.
- The unwanted nature of behaviour distinguishes it from acceptable behavior, which is welcome and mutual. Unwanted behaviour becomes harassment if:
 - The behaviour is persisted in, although a single incident of harassment can constitute harassment in itself, and/or;
 - The recipient has made it clear that the behaviour is considered offensive, and/or;
 - The perpetrator should have known that the behaviour is regarded as unacceptable.
- In addition to the above the following is also to be noted:
 - harassment is unwanted conduct or behaviour, which may be of a sexual nature; however
 - it may also include unwanted conducted or behaviour directed at a person's race, gender, sex, pregnancy, marital status, family responsibility, ethnic or social origin, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language, birth.

GRIEVANCE PROCEDURE

Employees who have been harassed are entitled, and are urged, to use the grievance procedure in place at the company.

The harassed employee need not report the grievance to his/her direct superior, but may report it to any superior with whom they feel comfortable.

Harassment grievances must be dealt with by way of the formal grievance hearing process detailed in the grievance procedure.

PERFORMANCE MANAGEMENT

Performance management is an ongoing process of communication between a manager and an employee that occurs throughout the year, in support of accomplishing the strategic objectives of the company. The communication process includes setting objectives, identifying goals, providing feedback and evaluating results.

PERFORMANCE APPRAISAL

The performance of each employee shall be appraised at least annually by the employee's immediate manager.

The performance appraisal is an opportunity for the manager and employee to review whether previously discussed performance expectations and goals have been met, to discuss professional development opportunities and to identify options for acquisition of additional skills and knowledge to foster performance improvement and career growth. Additionally, the appraisal provides appropriate documentation to support any recommended merit increases and/or other performance based awards.

Managers are strongly encouraged to oversee employee performance and provide feedback throughout the year. In addition to monitoring the results of work activities and evaluating performance, managers are encouraged to solicit feedback and input from the employee. Ongoing communication allows the manager and employee to address issues in a timely fashion.

The appraisals are undertaken electronically on the ESS system prior to the annual meeting taking place. These appraisals form part of the determination of assessing employee performance, determining annual salary increases and bonuses if applicable.

The meetings will be scheduled by the employee's manager ahead of time. Prior to the meeting, appraisal forms will be made available to the employee on the ESS system and a notification will be sent to the employee to complete the appraisal.

Once the meeting has been completed the employee and manager must rate the employee's performance on ESS. Remember to add comments where applicable to provide clarity as to why the specific score has been awarded.

The review rating system:

1. Unsatisfactory
2. Below Expectations
3. Solid Performance
4. Above expectations
5. Exceptional

Appeals

An employee is entitled to appeal, should he/she feel unfairly treated regarding the final rating or the process that was followed.

The employee will be responsible to lodge the appeal with his line manager. The next level manager will investigate the matter and make a final and binding decision regarding the rating.

The performance appraisal, documenting individual employee performance, addresses the following at a minimum:

- whether the employee's expectations regarding job performance and goals have been met;
- any feedback on areas of concern; and
- any needed improvements in job performance.

Managers are in addition encouraged to address the following in the performance appraisal:

- identify opportunities for professional development and options for acquiring additional knowledge and skills to support career growth;
- determine if previously identified performance goals have been met; and
- outline future steps necessary to meet professional development and job-related goals.

Appraisal procedures may require that performance appraisals include measurement of additional performance milestones, and indicate the specific steps an employee and/or the manager are to follow throughout the performance appraisal process.

Once the evaluation has been completed and the employee has been given the opportunity to provide feedback, the employee must submit a self-assessment on the company appraisal system.

TRAINING AND DEVELOPMENT

The company acknowledges that its employees and their skills are primary assets. Training and development actions will therefore be carried out to meet business and individual needs.

The objective of development initiatives include:

- improving an individual's knowledge and job skills;
- preparing an individual to contribute more effectively;
- encouraging individuals to enrol in outside courses to enhance abilities in current positions and to increase eligibility for promotion; and
- supporting employment equity initiatives in the company (refer to employment equity policy).

SCOPE

All permanent employees who have been employed by the company for a minimum of 12 months may apply for training.

RESPONSIBILITY

The individual in conjunction with the manager is responsible for training and development. The identification of training needs will be done during the performance discussions. All courses must be approved by the individual's manager, general manager, regional executive and National Human Resources Executive.

TRAINING

Reservations for short professional courses and conferences are decided and booked by the Human Resource Department.

EDUCATIONAL ASSISTANCE

The company will provide assistance that will cover the following:

- tuition fees; and
- examination and exemption fees.

Conditions

- the training/studying must be in line with current job functions or future job development;
- the course must be motivated by the individual's direct manager;
- all fees, including tuition and examination fees are to be stipulated by a recognised institution; and
- the human resources department needs to approve all courses and training institutions.

Procedure

- The need or desire of an individual to attend an external training session or formal tertiary institution must be agreed with the individual's direct manager.
- The relevance of the course content to the individual's current or future position in the company will be assessed by management
- The employee is required to sign an agreement in writing accepting that he/she will work a prescribed period of service for the company once his/her studies have been completed.

- If further studies are to be pursued, then the contract time will run consecutively and in sequence in which such agreements are entered into.
- If the employee leaves the service of the company within a period of up to one year after the completion of the course, monies expended by the company for the previous year will have to be repaid.
- The course amount is claimable immediately and payable on demand to the company if:
 - the employee resigns from the company;
 - the employee fails to write or pass the prescribed exams;
 - the employee is dismissed after a formal disciplinary hearing; or
 - employees will be required to transfer new skills to other interested and relevant employees. this feedback may be done by means of a formal presentation or informally.
- Length of service, performance and financial conditions will be considered at the time of the application.

GRADUATE PROGRAM

The company has formed an graduate programme as part of the employee investment initiative. The financial assistance to successful applications will contribute to the succession planning of the business.

The objectives of the undergraduate programme include:

- improving an individual's knowledge and skill in job performance;
- preparing an individual to contribute more effectively;
- to encourage individuals to enrol in outside courses to assist in current positions and to increase eligibility for promotion;
- to support employment equity initiatives in the company (refer to employment equity policy); and
- to contribute to the company's skills succession planning for the future.

Requirements

- All permanent employees who have been employed by the company for a minimum of 24 months may apply for the programme.
- An applicant needs to have a completed Matric certificate and be eligible to be enrolled at a registered institution.

Responsibility

- The individual in conjunction with the manager is responsible for training and development.
- The identification of undergraduate programme requirements/desires will be done during the performance discussions.

All courses must be approved by the individual's direct manager.

Educational assistance

Once an employee's application has been successful the company will provide assistance covering the following:

- tuition fees; and
- examination and exemption fees.

Conditions

- The training /studying must be in line future job development;
- The course must be motivated by the applicant and the individual's direct manager;
- All fees, including tuition and examination fees are to be stipulated by a recognised institution; and
- The Human Resources department needs to approve all courses.

Procedure

- The needs and/or desires of an individual to attend a formal tertiary course must be discussed with the individual's direct manager
- The relevance of the course content to the individual's current or future position in the company must be motivated by the individual.
- The employee is required to sign an agreement in writing accepting that he/she will work a prescribed period of service for the company once his/her studies have been completed.
- If further studies are to be pursued, then the contract time will run consecutively and in sequence in which such agreements are entered into.
- If the employee leaves the service of the company within a period of up to one year after the completion of the course, monies expended by the company for the previous year will have to be repaid.

- The course amount is claimable immediately and payable on demand to the company if:
 - the employee resigns from the company;
 - the employee fails to write or pass the prescribed exams; or
 - the employee is dismissed after a formal disciplinary hearing
- Employees will be required to transfer new skills to other interested and relevant employees. This feedback may be done by means of a formal presentation or informally.
- Length of service, performance, financial conditions will be considered at the time of the application.

RETIREMENT

Retirement is defined as the permanent separation of an employee from the company payroll due to an employee having reached the age of retirement. Employees may consider early retirement upon attaining age 55, subject to approval of the company. Normal retirement age is 65 and is deemed the 'maximum retirement age'.

OBJECTIVES

It is management's responsibility to ensure that succession plans exist which ensure that an adequately developed replacement is able to fill the position a retiring employee vacates.

Should early retirement not have occurred prior to the age of 65, retirement will automatically take place at the end of the month in which an employee reaches the age of 65.

RE-EMPLOYMENT

Should an employee request to remain with the company after having reached the maximum retirement age, the company may, at its discretion, re-employ the employee.

Re-employment of retirees will occur on the following basis:

- a new contract of employment will be entered into in terms of which the employee will be employed for an additional period not exceeding 12 months in duration; and
- re-employment of a retiree must be approved by the chief executive officer in the existing organisational structure.

COUNSELING

The company will provide employees with access to pre-retirement awareness planning upon reaching 55 years of age.

RETIREMENT PAYMENTS

The retiring employee will receive normal retirement benefits due to him/her upon retirement.

Retirement benefits include those due to the employee in terms of their membership of the company pension or provident fund.

The company will endeavor to assist retiring employees through flexible remuneration options, taking into account existing tax and other relevant legislation when making retirement payments.

RESIGNATIONS AND DISMISSALS

Unless otherwise stated in the Contract of Employment, the notice periods for resignations are:

- 1 (one) week, if the employee has been employed for four weeks or less;
- 2 (two) weeks if the employee has been employed for more than four weeks, but not more than one year; and
- 1 (one) to 2 (two) calendar months if the employee has been employed for more than one year.

If an employee wishes to resign, it must be done in writing. This notice is to be given to the employee's manager by no later than the close of business on the last working day of the month prior to the notice month.

Dismissal will only take place in terms of the company's Disciplinary Code and Procedure. This procedure makes provision for a neutral person to evaluate both any superior's and the employee's position in a formal disciplinary inquiry. An appeal procedure is available if the employee feels that the decision taken is unfair.

Upon the request of the employee, all relevant codes and procedures will be made available to the employee.

It shall be the sole discretion of the company to require the employee to either work out his or her notice, or to pay the employee in lieu of notice.

Payment to the employee for the notice period will take place on the last working day of the notice period and the employee will be required to sign acknowledgement of receipt of the said salary. The employee will also be required to return all company property, i.e. access cards, uniforms and any other company property the employee may have in their possession.

DISCIPLINARY CODE AND PROCEDURE

Disciplined behaviour is essential both for the successful achievement of the employer's objectives and for the safety and fair treatment of the employees.

The purpose of the disciplinary code is to promote the objectives of the Labour Relations Act No 66 of 1995 as amended and thus to provide fair and equitable labour relations within the company.

It is the responsibility of management to maintain disciplined behaviour. All disciplinary action needs to be communicated to the Human Resources Executive.

For discipline to be maintained fairly, the employees should know what constitutes misconduct and the procedure which will be followed when dealing with misconduct.

PRINCIPALS

The company's disciplinary code and procedure is based on the following principles:

- Disciplinary action should be corrective as opposed to punitive, the aim being to bring about change in the behaviour of employees who have indulged in undesirable actions so that such employees adhere willingly through greater acceptance and understanding, to standards of conduct and performance.
- Punitive action should only be taken when prior corrective action has proved ineffectual or when an offence is so serious that the relationship of trust between the parties is destroyed.
- Discipline is the prerogative of management only.
- As far as is practicable, similar offences committed in similar circumstances should be treated equally through similar disciplinary action subject to aggravating or mitigating circumstances which may exist.

POLYGRAPH TESTING

The company cannot force the employee to take a polygraph test. Refusal to do so does not indicate guilt and is not necessarily grounds for dismissal. The company will obtain written consent to conduct the testing. Secondly, the company is required to agree with the polygraphists on the questions to be asked.

Consent means informed consent. For that purpose the employee will be informed that the examinations are voluntary, the reasons for and type of questions should be explained, it will be explained that he/she has a right to have an interpreter and should he/she prefer, another person may be present during the examination, provided that person does not interfere in any way with the proceedings.

The company must have been subjected to economic loss or injury to the business such as theft of company property or the employer is involved in situations such as combating dishonesty in positions of trust, or combating serious alcohol, illegal drugs or narcotics abuse or fraudulent behaviour within the company or deliberate falsification of documents and lies regarding the true identity of the people involved.

Polygraph results cannot be released to any person but only to an authorised person. Generally it is the person specifically designated in writing by the company.

OFFENCES

Offences can be divided into two broad categories, namely:

- Serious offences
- Moderate offences

Serious offences

These could, subject to an inquiry, result in action against employees, in the form of dismissal.

- Examples of serious offences include:
 - theft, bribery or fraud;
 - gross negligence or incompetence;
 - making false statements when applying for employment ;
 - absence from the workplace while on duty (depending on the nature of the job, e.g. an employee whose absence will hold up the work of other employees and cause serious disadvantage to the employer);
 - unauthorised absenteeism;
 - willful damage to the employer's equipment or the property of other employees, or the property of clients;
 - fighting, assault or attempted assault;
 - being drunk or under the influence of illegal drugs during work hours;
 - causing damage to employer's property through drunkenness or serious neglect;
 - sabotage by damaging machinery, or causing damage to the company's property in any way whatsoever;
 - illegal striking or influencing others to strike illegally;
 - refusal to obey instructions given by another employee or by a supervisor designated by the employer;
 - failure to report misconduct;
 - desertion; or
 - persistent misconduct

The examples listed are not exhaustive and serve only for illustration.

Moderate offences

These usually consist of breaches of general discipline resulting in disciplinary action.

- Examples of moderate offences include:
 - laziness/loafing: passing time idly or failing without reasonable cause to complete tasks set;
 - poor workmanship/inefficiency: failure to carry out work to the required standard without reasonable cause and/or concealing defective work;
 - poor time keeping (tardiness or leaving early);
 - disorderly behaviour on employer's premises; or
 - negligence: negligent loss, damage or misuse of employer's property/failure to exercise proper care in executing duties to the extent that tasks have to be repeated.

The examples listed are not exhaustive and serve only for illustration.

DISCIPLINARY SANCTIONS

There are four basic sanctions which can be imposed against any employee. In order of severity these are:

1. Verbal warning:
 - In case of a moderate offence, a superior should conduct an informal disciplinary interview with the employee which may result in a verbal reprimand.
 - Written record is kept of this warning.
 - A written warning is only to be issued once the employee has been given the opportunity to state his or her case.

2. Written warning and final written warning:
 - If the verbal warnings fail, the manager or one of the directors should give the employee a formal written warning. A repetition of wrongful behaviour or a more serious offence can result in a final written warning.
 - A written warning is only to be issued once the employee has been given the opportunity to state his or her case
 - A written warning shall be valid for a period of 6 (six) months, or as determined by the Chairperson.
 - All written warnings will be recorded on a disciplinary form which will be placed in the employee's file. A copy of the disciplinary form will be handed to the employee.

3. Dismissal with pay in lieu of notice or summary dismissal:
 - When, in the employer's opinion, a series of performance improvement measures have not produced the anticipated effect; or a series of verbal or written reprimands given for minor misconduct have not been effective; or when an employee is alleged to have committed major misconduct.
 - The company should prior to taking disciplinary action hold a formal disciplinary inquiry and/or hearing.
 - All dismissal proceedings need to be referred to the Human Resources Department.

4. Formal disciplinary inquiry or hearing:
 - All dismissal proceedings need to be referred to the Human Resources Department
 - Before an employer imposes any disciplinary sanctions on an employee, a disciplinary inquiry or hearing should be held
 - The following principles should be observed at that inquiry:
 - i. The inquiry should be held as soon as possible after the event, provided that a reasonable time is accorded to the employee to prepare for his defense.
 - ii. The employee may, if necessary, be suspended on pay prior to, during or pending the outcome of the inquiry.
 - iii. The employee should within a reasonable time after the commission of the alleged offence be notified in writing of the date, time and venue of the inquiry and the misconduct to which he/she is alleged to have committed, including his/her rights at the inquiry.

CONDUCTING A FORMAL DISCIPLINARY INQUIRY

Normally present at the inquiry are:

- The chairperson of the inquiry. The company may make use of an external impartial chairperson.
- The accused.
- Employee representative (unless the accused does not require representation). The representative should be a fellow employee - no outside representation will be allowed.
- Interpreter (if necessary).

The chairperson should ask the accused if he/she understands the complaint and if so whether he/she pleads guilty or not guilty.

The employee's rights at the inquiry are to:

- have an interpreter, if requested.
- have representation by a fellow employee, if requested;
- have the opportunity to confer with the representative, at reasonable times before, during and after the inquiry;
- question the complainant and witnesses during the inquiry either him or herself or through his/her representative;
- give evidence him or herself (he/she cannot be compelled to do so); and
- to call witnesses to give evidence as to whether the misconduct occurred.

After hearing all sides of the case, the chairperson must decide whether the alleged misconduct was committed or not and if so, on the action to be taken. The action taken should be in line with the employer's policy and thus with previous decisions involving the same or more or less the same circumstances.

The outcome of the inquiry may include:

- exoneration;
- a verbal reprimand;
- a written reprimand;
- dismissal with pay in lieu of notice; or
- summary dismissal.

The chairperson must not consult the employee's previous work records until after he has reached a decision on whether or not the alleged misconduct was committed.

INDUSTRIAL ACTION

In the event of collective industrial action by employees it shall not be necessary for the employer to conduct individual disciplinary enquiries into disciplinary breaches arising out of such collective industrial action if the employer has notified employees of its intention to discipline participating employees, and has permitted representatives of the said employees to state the said employees' case for them.

RIGHT TO APPEAL

An employee has the right to appeal to a person appointed by the employer against any sanction. Such appeals should be lodged on the official form within 3 (three) days of the decision. An appeal can be held in the form of a full re-hearing of the matter, or it can take the form of a review of the disciplinary inquiry. The form which the appeal will take will be at the discretion of the chairperson of the appeal hearing and will depend on the reasons of the appeal. An employee is not contractually entitled to 2 (two) hearings. Furthermore, an employer is entitled to cure any defect, whether procedural or otherwise, at the appeal hearing.

REMUNERATION AND BONUSES

SALARY PAYMENT

Salaries will be paid by the last business day of each month by direct deposit into the employee's bank account.

Change of bank details have to be submitted to the Human Resources Department in writing.

The employee will have access to their personal information and pay slip via the Employee Self Service System (ESS) which details the breakdown of the amount paid for the month and cumulatively for the tax year to date.

It is each employee's responsibility to comply with South African tax legislation and to submit any returns that may be required. On an annual basis employees will be issued with an employee's tax certificate (IRP5) which sets out their earnings and tax deducted for the tax year just ended.

SALARY REVIEW

Salary reviews will take place on an annual basis and if granted by the Remuneration and Nomination Committee will be implemented effective 1 January of each year. The reviews will be in accordance with the prevailing economic conditions as well as individual performance and merit, which will be recognised in assessing increments. It is specifically recorded that no employee is entitled as a right to an annual increase in his or her monthly remuneration.

COST-TO-COMPANY CONCEPT

The salaries of employees are structured on a total cost-to-company basis. The formal structuring is done in consultation with the Human Resources Department. Any amendments may, therefore, be implemented with effect from 1 January of each year. The only exception to this will arise from significant changes to the Income Tax Act, which will necessitate a revision in the structure of remuneration packages.

SALARY DEDUCTIONS

The company will be entitled to deduct from the employee's remuneration any amount, which the company is legally obliged to deduct, and/or any amount which the employee has agreed in writing may be deducted.

Employees are required to keep details of their remuneration private and confidential. To the extent that an employee is required to perform the functions of another employee in an acting capacity, that employee will not be entitled to claim any additional remuneration.

ANNUAL BONUSES

All annual bonuses paid by the company to employees are discretionary and not guaranteed. In exercising its discretion, the company will take the employee's performance into account, as well as the financial situation of the company and its ability to pay such annual bonus.

In the event of annual bonuses being paid by the company to employees, such bonuses will be paid at the end of the company's financial year, or at such time determined by the Remuneration and Nomination Committee.

Annual bonuses will furthermore only be payable to employees who are actually employed by the company at the time of the payment of the said annual bonuses, and no bonuses whatsoever shall apply to employees not in the actual employment of the company at such time.

Full annual bonuses will only be paid to employees with a minimum of 12 (twelve) months uninterrupted service.

WORKING HOURS AND MEAL INTERVALS

WORKING HOURS

Employees must comply with their working hours and the company shall not tolerate abuse of time.

All permanent employees are required to work 45 hours per week or as agreed in their contracts of employment.

It may be that due to the operational requirements of the company that employees work according to a shift system. The hours of work of those employees who work in accordance with a shift system will be determined by their managers.

It is a condition of employment that employees work overtime from time to time as required by the company. Payment for overtime will be in accordance with the relevant labour legislation as amended from time to time.

Sleeping on duty is a serious offence, which may warrant the termination of such an offender's employment.

MEAL INTERVALS

Each employee is entitled to a meal interval of one (1) hour, if the employee has worked continuously for more than five (5) hours. The time that the lunch hour is taken must be arranged with the employee's manager/supervisor.

DRESS CODE AND PUNCTUALITY

Hyprop is a professional organisation, priding itself on its dedication to service excellence. All employees are therefore expected to ensure that their appearance complements the company's image.

All employees must dress in a smart, conservative manner ensuring that they refrain from wearing:

- 'casual' clothes;
- clothes that display advertising slogans;
- clothes that display political and/or social commentary slogans;
- sporting gear;
- slip slops;
- nose rings and body piercings; or
- clothing that could be regarded as 'suggestive'.

This list is not exhaustive and serves for illustrative purposes.

Men are expected to wear collared shirts with long pants, and should wear a tie (and a suit jacket if meeting clients or outside parties) and leather shoes.

Women are expected to wear an equivalently appropriate level of attire. This means that women should not wear:

- tops with plunging necklines;
- skirts/dresses with high slits;
- tops with spaghetti straps;
- skirts with hemlines above knee height;
- tops that expose midriffs;
- diaphanous blouses;
- beach wear; or
- tracksuits/sports gear.

This list is not exhaustive and serves for illustrative purposes.

Casual Day is held on every Friday, except if it falls on a public holiday, in which case the day before the public holiday (Thursday) will be Casual Day. Casual Day dress code is 'business casual' apparel.

Management reserves the right to request an employee to change their attire in the event of it being deemed inappropriate.

PARKING

The company is committed to ensuring that the working conditions of all employees contribute to the enhancement of the work experience and this includes the provision of parking spaces for members of staff, in a fair and equitable manner, close to their place of work.

The company will provide its employees with parking on the premises at no cost to the employee. Bays for staff members may be further classified as reserved bays or unreserved bays. There shall be an appropriate proportional allocation of reserved staff bays, unreserved staff bays and visitors bays in the parking areas in general proximity to each group of buildings.

A permanent member of staff suffering from ill health or disability shall be allocated a parking bay that is either convenient to the need of such a member or demarcated for the sole use of the disabled.

COMPANY TELEPHONES AND CELLPHONES

COMPANY TELEPHONES

It is specifically recorded that company telephones are for business purposes only. Every month the company prints out a list of all the calls made to and from the various extensions. To the extent that an employee's extension reflects excessive use of the telephone for personal reasons, the employee will be required to cover the expenses of personal telephone usage. To the extent that the employee continues to abuse the company telephone, the employee will be subjected to disciplinary action in accordance with the company's disciplinary code.

CELLPHONES

If an employee's position requires that they are at times away from the company offices, they will be granted a cellphone allowance at the discretion of the Chief Executive Officer.

If the employee should exceed the allowance amount on business calls, and proof can be provided that they were in fact calls related to business, then the company will reimburse the employee for business call expenses.

Private calls will be for the employee's own account, at all times.

INTERNET AND EMAIL

Internet usage including, web, email, FTP and any other application using internet bandwidth (collectively “internet”), is considered as a necessary medium of communication within the company. Access to the relevant hardware, software and bandwidth will be offered to staff requiring access, but limitations of its use will be prescribed to the employee.

The company operates in a highly competitive industry and the integrity of company information is vital to continued success. Any employee, who operates on the company network and/or internet, must ensure that all the security regulations are adhered to. Electronic communication with any outside agency may only be conducted via the file server, which has all the necessary security checks in place.

In order to prevent abuse of any form, guidelines for usage have been introduced.

Employees are advised that usage of internet and email is monitored and therefore at no time should be considered to be private. You may not use the internet for private purposes.

While not exhaustive, internet usage which incorporates any one or more of the following activities is deemed undesirable while using the company’s internet access and should not be engaged in:

- threats;
- harassment;
- defamation;
- unsolicited chat (e.g. IRC, IDQ etc);
- chain letters;
- pyramid schemes;
- pornography;
- malicious activities (including but not limited to cracking, monitoring, denial of service attacks);
- violating of any copyright;
- fraudulent activities;
- transmission of privileged, confidential or secret material;
- private profit generating activities;
- any usage that has a negative impact in terms of delivery of service, financial repercussions or loss of goodwill for the company
- anything that is illegal in terms of South African law; or
- excessive downloads which may be to the detriment, financially or otherwise, to the company. This will be determined at the sole discretion of the company.

This list is not exhaustive and serves for illustrative purposes.

EMAIL

The company will supply you with an individualised email address. Any private email may not be forwarded to other employees of the company or any outside parties.

Jokes, graphic files and other private email items usually consume large amounts of hard disk space and other computer resources. By using your company email for the proliferation of

undesirable email content, you are affecting the overall performance of the network system, in addition to subjecting your computer to the much increased risk of computer virus infection.

The company's system administrators will administer email servers. Access to user accounts will only be made available to the specific employee. Unless specifically authorised by management, all email messages to an employee from management, company staff, or any client, tenant, contractor or supplier, shall be considered private and confidential and shall not be circulated or passed on to any other party.

Abuse of any of the above provisions will result in disciplinary action being taken against such an offender, which may include the termination of services.

Specific instructions in respect of IT usage may from time to time be issued by the IT department. These must be read as if they form part of this policy.

Employees may not access and read messages or files clearly intended for or saved by other persons without their permission, unless specifically authorised by the company to do so.

Employees are responsible for the integrity of their own password and logon details and security, and will be held responsible for any transaction undertaken under their logon.

When leaving a workstation for an extended period of time, it is mandatory to implement a screensaver with an automatically activated password. Logon passwords and screensaver passwords should be changed whenever prompted by the system.

Employees may not load any software applications on company PCs without authorisation from the IT department as this may compromise the security of the network. Periodic audits will take place and any unauthorised software will be deleted and further action may be taken against employees.

When required the company will access IT equipment allocated to you and will where needed change the password to do so.

Extreme caution should be used when attaching documents and/or electronic files to email. No files containing confidential information concerning or belonging to the company may be forwarded to any person not authorised to receive such information. If any uncertainty exists concerning whether information is confidential or not, it should be treated as confidential and permission should be obtained from the employee's manager before its distribution.

The unauthorised use of electronic messaging systems for purposes of hacking is a violation of company policy and may be grounds for dismissal.

All mail must meet the company requirements in terms of corporate image and features including spelling and grammar, accuracy of information, etc, should be checked before sending a message to any addressee. Members of staff are representatives of their own division as well as the company as a whole.

If you are in violation of the above policy, a warning will be issued. These warnings are stored and should not be taken lightly. As per the disciplinary policy, if you do not adhere to the warning further appropriate disciplinary action may be taken.

Company internet access is not allocated to all staff automatically. If you have been given access it is because the company has identified that you require it for business purposes.

To protect the company against abuse of this system internet activity is constantly monitored. The following must be strictly adhered to:

- Websites that are not to be used for business purposes may not be accessed during working hours

Websites accessed that contain obscene, racist, pornographic or other offensive materials are not permitted and will result in disciplinary action which could result in dismissal.

ELECTRONIC COMMUNICATIONS/ACCESS TO COMPUTERS

Employees, by logging on to the network and proceeding to utilise any of the company computers, acknowledge that:

- Ownership of any hardware, software information, communication system or programme at all times rests in the company;
- Management may at any time peruse, monitor, consider and take copies of any information or communication made or received by an employee utilising any of the aforementioned facilities, irrespective of the purpose in which such communication was intended;
- An employee will have no claim whatsoever against any of the company's management or employees in respect of any perusal, monitoring or consideration of any electronic communication or programming; and
- The employee agrees thereto that his/her usage of the internet and email is monitored AT ALL TIMES. The employee hereby expressly authorises the company to monitor same and hence does not consider it to be of a private nature.

COMPANY VEHICLES

Employees will be held responsible for all vehicles used by them and the contents thereof. In the case of negligent driving, the employee will be held responsible for the payment of damages and/or the excess of insurance payments.

At no stage are any unauthorised passengers or employees allowed in company vehicles. Authorised passengers are persons that have obtained prior approval from management

The vehicle, which the driver will be responsible for, must be maintained in a roadworthy condition. Any defect or problem must be immediately reported to the employee's direct superior.

All accidents involving other vehicles should be immediately reported to the police and the employee's immediate superior, with the relevant case number.

Employees are personally responsible for any traffic fines incurred by him or her whilst driving the company vehicle. Such fines may be deducted from the employee's salary and paid over to the relevant traffic authority.

The employee hereby agrees and authorises that the company can deduct from his salary the cost involved in the event of such loss and/or damage as per stated above, in the event of negligence on the part of the employee being established.

The abuse or any unauthorised use of any petrol/travel card or maintenance account pertaining to any company vehicle shall be considered to be fraud and shall be a dismissible offence.

TRAVEL POLICY

The purpose of this policy is to provide procedures, rules, regulations and guidelines with regard to reasonable expenditure that may be claimed by an employee when he/she is away from their place of work on official business.

The company recognizes the needs of employees who have disabilities and will respond to their specific travel and accommodation needs.

Mindful of the King III principles of corporate governance, the company will make its travel arrangements in a manner to limit its environmental footprint.

For the purposes of this policy, reference will be made to “essential” users and “non-essential” users.

These users are defined as follows:

- Essential user:
This is an employee whose vehicle is a business tool and whose position requires them to travel for business purposes on an ongoing basis and includes, but is not limited to, the following positions:
 - National Executives
 - Regional Executives
- Non-essential user:
This category can be divided into two categories:
 - Non-essential user without a car allowance
 - Non-essential user with a car allowance
 - Both categories refer to employees whose positions do not require them to travel for business purposes on an ongoing basis, but rather on an adhoc basis. Business purposes exclude travel to and from home.
- “Incidental expenses” means the expenditure in respect of tips for waiters or waitress, private telephone calls and liquid refreshments that do not form part of the meals.
- “Daily allowance” means an allowance for the incidental expenses.
- “Fixed daily allowance” means an allowance that is compensated to employees for private accommodation and incidental expenses.
- “Travel expenses” refer to expenses incurred as a result of airplane, bus fare, taxi fare, car hire, railway ticket, private vehicle, subsidized vehicle for official purposes.
- “Subsistence and travel advance” is payment of funds to an employee prior to going on an approved official trip.
- “Place of work” means the place where principal duties of the employee are performed

LOCAL TRAVEL

Use of a private vehicle for company business - non-essential user:

- An employee intending to use his/her private vehicle on company business must obtain immediate line management authority prior to the trip.
- All business travel is to be claimed from their place of work/office.
- Claims must be submitted on the standard Travel Expense Claim Form and must be authorised by the Manager/Head of Department.
- Persons not in receipt of a car allowance will be compensated for the use of their own car at the current AA per km rate, if prior approval was given by management.
- All travel claims will only be approved at the sole discretion of the Regional Executives.

Use of a private vehicle for company business - essential user

- Employees that are classified as essential users will be reimbursed on a monthly basis for travelling done for business purposes.
- All business travel is to be claimed from their place of work/office, therefore, the distance between home and place of work/office must either be deducted or added should such travel be undertaken from home, depending on the direction of the travel.
- Toll fees paid in cash or with a card whilst on business travel may be claimed, as well as parking. Any such claims must be supported by receipts or proof of payment. These claims must be submitted together with the travel claim by the agreed date.

Accommodation

When an employee is executing his or her duties away from their place of work for more than one (1) day, or when it is not practical to drive back within the same day, accommodation may be arranged for him or her.

- The accommodation must be arranged only by utilizing the CEO's PA.
- An employee must obtain prior approval of the trip and accommodation from his or her Manager/Regional Executive.
- When approving accommodation for employees, managers must utilize cost effective accommodation that is available and is as near as possible to the place where the employee has to conduct his/her duties.
- Whilst accommodated as contemplated above, an employee may claim the following expenses and must produce receipt or print out for such:
 - laundry services only if the trip is more than three days, dry cleaning is excluded.

Subsistence allowance

- This is a claim for the actual expenses defrayed by an employee whilst working outside his or her usual place of work and includes the daily allowance as determined the company from time to time.
- The daily allowance referred to above is payable only if the employee has to spend a night away from his or her usual place of work for official purposes and the company pays for accommodation and meals. The daily allowance is calculated at 24 (twenty four) hours from the time of departure to the time of return. This allowance is to compensate for incidental expenses.
- The fixed daily allowance is payable only if the employee has to spend a night away from his or her usual place of work for official purposes and has to arrange his / her own private accommodation or stay in self catering accommodation. The fixed daily allowance is calculated at 24 (twenty four) hours, starting from the time of departure to the time of return as determined by the company annually. The employee shall not claim actual expenditure incurred in this regard.
- As per the SARS ruling, the subsistence allowance paid is not subject to PAYE, but will be reflected in full on the annual IRP5 tax certificate.

Cancellation of reservation

If a reservation is cancelled, the employee will be held responsible for any cancellation fees, except where cancellation is at the request of the company or in the event of illness or any other extraordinary personal circumstances, and has the approval of the relevant member of Management.

It is the responsibility of the employee to inform the destination once approval by Management has been obtained for the cancellation.

Air ticket

All employees will travel economy class.

Car rental

Car rental from place of work/home to the airport will not be paid by the company.

Car rental will be booked from place of arrival (airport) to the hotel/guest house and bookings must be done through the PA of the CEO.

For regional offices, the cheapest option for travel to and from the airport will be considered.

Managers should ensure that the correct distance to be travelled is indicated before the trip is undertaken.

Managers must use their discretion in determining the most cost effective of options as outlined below. The cheapest option should be used:

- for use of private car;
- car rental to and from departing airport;
- shuttle service from home to airport; or

- the employee should arrange his or her own transport to and from the airport.

Exceptions and liabilities

The company will not accept any responsibility for any other costs, such as breakdowns, accidents or fines, incurred while travelling on company business.

The company will not reimburse any employee for travelling between his/her home and his/her place of work.

OVERSEAS TRAVEL

If an employee is required to travel abroad for business purposes, the company will bear the entire cost of flights, accommodation, transport and provide a living allowance for the period for which they are abroad, determined by the company at the time of travel.

If an employer requires the employee to travel abroad for educational purposes, the company will bear the total cost of the trip and tuition, or any other fees, if applicable. This is on condition that if the employee leaves the employ of the company within a period of 12 (twelve) months thereafter, they will be liable to refund the company for the full amount.

INSURANCE

Medical and life insurance for the duration of the official travel will be arranged by the employee.

VISAS AND INNOCULATION

The employee must apply for his/her own visa and inoculations and apply for reimbursement of the cost thereof from the company.

ALCOHOL AND DRUG USE AND/OR ABUSE

As the use of alcohol or intoxicating substances such as drugs, cannot be allowed or condoned, the objective of this policy is to prohibit substance abuse in the workplace and/or in the presence of clients. No employee will arrive or be present in the workplace and/or in the presence of company clients while under the influence of any intoxicating substance.

Definitions applicable to this policy:

- “Abuse” use to bad effect or for a bad purpose.
- “Alcohol” a substance taken / drunk to infuse drunkenness.
- “Drugs” medicinal, chemical or natural substance causing addiction.
- “Dependence” unable to work continuously in the normal working sense without the intoxicating substance (in this instance alcohol or drugs).
- “Drunkenness” when rendered incapable by alcohol / drug substance.
- “Employee” any person, excluding an independent contractor, who works for the company
- “Influence” adversely affecting the bodily or mental functioning / faculties as a result of the intoxicating effects of the alcohol / drugs.
- “Premises” includes any building or vehicle.
- “Workplace” means any premises or place where a person performs work in the course of his/her employment.

The consumption of and the possession without permission of any intoxicating substance, including prescription medication and then only when certified by a medical practitioner, is prohibited by the provisions of this Policy.

The company shall only allow employees taking such medicines to perform duties at the workplace if the side effects of such medicines do not constitute a threat to the health and safety of the employee concerned or other persons at such a workplace.

No employee shall be allowed to drive any company vehicle, operate any machinery, maintain/repair vehicles and/or machinery or perform any duty after consumption of any intoxicating substance.

No drugs shall be allowed on the premises of the company. The only exception is where the medicines were supplied to the employee on prescription by a registered medical practitioner and are taken in accordance with the prescription.

Any employee found to be under the influence of alcohol or drugs may not enter or remain on the premises of the company and shall be subject to disciplinary action.

The employee undertakes to undergo any test to verify his/her state, as may be required by the company at its own discretion. Unreasonable refusal to be tested is an offence in terms of this policy. Before an employee is tested, an explanation shall be given as to why the testing needs to be done and the consequences of a positive test shall be explained.

Being under the influence at in the workplace is a serious offence and could lead to the offender's dismissal. For the purposes of this clause 'under the influence' means any level of intoxication, no matter how negligible it may appear.

SMOKING

Hyprop Investments Limited recognizes that all employees have the right to a safe and healthy workplace. In accordance with this recognition and in compliance with relevant legislation, the company regulates smoking in the workplace. This should assist in providing employees with a healthy and efficient working environment and avoid conflict in the workplace.

Legislation, in the form of Tobacco Products Control Act 83 of 1993, has been promulgated to regulate smoking in public places, including the workplace. In compliance with this law and its regulations, it is the policy of the company that smoking is prohibited in all public areas, including all workplaces. Smoking is however, permissible in areas designated as “Smoking Areas” by the company at its discretion.

Section 24 of the constitution of the Republic of South Africa states that “Every person has the right to an environment which is not harmful to their health and well-being”.

This policy applies to:

- all employees, clients, visitors and contractors of the company and no exception will be made;
- all buildings, premises or enclosed spaces occupied, owned, leased or controlled by the company; and
- all workplaces, which include all company buildings, corridors, lobbies, stairwells, elevators, cafeterias, washrooms, toilets or any other common areas frequented by employees.

Smoking is prohibited in the workplace, unless that area is a designated “smoking area”. A designated smoking area must be clearly marked as such and it must be properly ventilated. Ventilation from designated “smoking areas” will be directed out of the building so as to ensure that this smoke filled air is not circulated into other areas of the workplace.

- the number, location and distribution of designated areas will be sole determined by the company;
- all designated smoking areas will be clearly marked with a sign stating that it is a “smoking area”; and
- the company will allow employees who do smoke, to take short breaks during the day to smoke in designated areas. however, the specific times and number of smoke breaks will be dependent upon the following factors:
 - the effect on workflow and organisation of employees being absent from the workplace;
 - the requirements of the workplace and the work processes in that particular area, including considerations relating to client liaison; and

- the impact of absence from the workplace on employees who remain in that workplace, particularly, if the employees, who remain at their workplaces, will have to perform tasks normally performed by those employees who are absent from their workplaces.

Disciplinary action will be taken against any employee who violates the regulations of this policy.

Smoking in a no-smoking area is a dismissible offence.

HEALTH AND SAFETY

It is the policy of the company that it will endeavor to protect the health and safety of its employees, customers and others that might be affected by its activities. Management will strive to do everything within reason in order to attain this.

The responsibility of management and all employees to implement this policy ranks equally with their respective responsibilities relating to customer care and other matters of vital importance to the success of the business.

The company's objectives in fulfillment of this policy are to:

- provide a Health and Safety program which is effective, of a high standard and subject to continuous review and improvement;
- comply with the requirements of the relevant statutory provisions relating to health, safety, and environmental matters as these may affect employees, customers, contractors and the public at large;
- ensure that all employees are properly informed of their responsibilities with regards to health, safety and environmental matters and that they discharge them effectively;
- encourage employees to participate in the prevention of accidents and the preservation of health; and
- provide the resources and training in order to achieve company objectives.

SECURITY POLICY

The following policy is designed to minimize the risk to people working for the company.

Within the workplace:

- each member of staff to sign for keys to the premises.

When leaving your office for the day ensure that:

- windows are closed and locked;
- lights, fans, and any additional heaters are switched off; and
- office door is closed and locked.

If you are the last person to leave the building:

- check all the above for each office;
- check the back doors are locked;
- set the burglar alarm; and
- lock the main door.

Away from normal workplace

Staff who are going to be away on business should make it clear to colleagues where they will be, how long for and how they can be contacted.

If, whilst out of the office, plans change significantly, this should be communicated back to the office.

Holding or carrying money or valuables

Large amounts of cash, other than petty cash, or valuables are not to be kept on the premises.

Visits to the bank are not to be made at a regular time.

Laptops are not to be left on view to the public or left next to an open ground floor window. Laptops are not to be left in locked boot of car when out.

Car security

Car parks are regularly targeted by opportunistic thieves so remember to:

- ensure that your car is locked and all that windows are closed; and
- nothing is left on view inside the car when you leave it.

HIV / AIDS POLICY

INTRODUCTION

The Human Immune Deficiency Virus (HIV) and the Acquired Immune Deficiency Syndrome (AIDS) are serious public health problems that have socioeconomic, employment and human rights implications.

The HIV/AIDS epidemic will affect every workplace, with prolonged staff illness, absenteeism and death impacting on productivity, employee benefits, occupational health and safety, production costs and workplace morale.

HIV knows no social, gender or racial boundaries, but it is accepted that socioeconomic circumstances do influence disease patterns. HIV/AIDS thrives in an environment of poverty, rapid urbanisation, violence and destabilisation. Transmission is exacerbated by disparities in resources and patterns of migration from rural to urban areas. Women particularly are vulnerable to infection in cultures and economic circumstances where they have little control over their lives.

Furthermore, HIV/AIDS is still a disease surrounded by ignorance, prejudice, discrimination and stigma. In the workplace unfair discrimination against people living with HIV and AIDS has been perpetuated through widespread practices such as pre-employment HIV testing, dismissals for being HIV positive and the denial of employee benefits.

One of the most effective ways of reducing and managing the impact of HIV/AIDS in the workplace is through the implementation of an HIV/AIDS policy and programme. In light of this, a company code has been developed as a guide for company management and employees.

Furthermore, the code seeks to assist with the attainment of a broader set of goals:

- eliminating unfair discrimination in the workplace based on HIV status;
- promoting a nondiscriminatory working environment in which people living with HIV or AIDS are able to be open about their HIV status without fear of stigma or rejection;
- promoting appropriate and effective ways of managing HIV in the workplace;
- creating a balance between the rights and responsibilities of all parties; and
- effecting the regional obligations of the republic as member of the Southern African Development Community.

OBJECTIVE

The policy's primary objective is to set out the guidelines for Hyprop Investments Limited's management and employees to implement so as to ensure individuals with HIV are not unfairly discriminated against in the workplace. This includes provisions regarding:

- creating a nondiscriminatory work environment;
- dealing with HIV testing, confidentiality and disclosure;
- providing equitable employee benefits;
- dealing with dismissal; and
- managing grievance procedures.

The policy's secondary objective is to provide guidelines for Hyprop Investments Limited's management and employees on how to manage HIV/AIDS within the workplace. Since the HIV/AIDS epidemic impacts upon the workplace and individuals at a number of different levels, it requires a holistic response, which takes all of these factors into account.

The code therefore includes guidelines on:

- creating a safe working environment for all employees;
- developing procedures to manage occupational incidents and claims for compensation;
- introducing measures to prevent the spread of HIV;
- developing strategies to reduce the impact of the epidemic upon the workplace; and
- supporting those individuals who are infected by HIV/AIDS so that they may continue to work productively for as long as possible.

PROMOTING A NON DISCRIMINATORY WORK ENVIRONMENT

No person employed by Hyprop Investments Limited may unfairly discriminate against an employee, or an applicant for employment, on the basis of his or her HIV status. This means that no person with HIV or AIDS shall be treated unfairly within the employment relationship or within any Hyprop Investments Limited employment policies or practices, including:

- recruitment procedures, advertising and selection criteria;
- appointment and the appointment process;
- job classification and/or grading;
- remuneration, employment benefits and terms and conditions of employment;
- job assignments;
- the working environment and facilities;
- training and development;
- performance evaluation systems;
- promotion, transfer and demotion;
- disciplinary measures (short of dismissal); or
- termination of services.

Hyprop Investments Limited will adopt appropriate measures to ensure that employees with HIV and AIDS are not unfairly discriminated against and are protected from victimisation through positive measures such as:

- the development of HIV/AIDS policies and programmes for the workplace;
- awareness, education and training on the rights of all persons with regard to HIV and AIDS;
- mechanisms to promote acceptance and openness around HIV/AIDS in the workplace;

- support for all employees infected or affected by HIV and AIDS; and
- grievance procedures and disciplinary measures to deal with HIV-related complaints in the workplace.

HIV TESTING

No person employed by Hyprop Investments Limited may require an employee, or an applicant for employment, to undertake an HIV test in order to ascertain that employee's HIV status, unless authorisation has been obtained from the Labour Court.

This includes HIV testing:

- during an application for employment;
- as a condition of employment;
- during procedures related to termination of employment;
- as an eligibility requirement for training or staff development programmes; and
- as an access requirement to obtain employee benefits.

Where HIV testing has been authorised by the Labour Court it should be carried out in terms of the conditions prescribed by the Court with regard to the:

- provision of counseling;
- maintenance of confidentiality;
- period during which the authorisation for HIV testing applies; and
- category or categories of jobs or employees in respect of which the authorisation for HIV testing applies.

CONFIDENTIALITY AND DISCLOSURE

All persons with HIV or AIDS have the legal right to privacy. An employee is therefore not legally required to disclose his or her HIV status to the company.

Where an employee chooses to voluntarily disclose his or her HIV status to the company, this information may not be disclosed to others without the employee's express consent.

Hyprop Investments Limited will create mechanisms to encourage openness, acceptance and support for those employees who voluntarily disclose their HIV status within the workplace, including:

- using persons openly living with HIV or AIDS in education, prevention and awareness programmes;
- encouraging the development of support groups for employees living with HIV or AIDS; and
- ensuring that persons who are open about their HIV or AIDS status are not unfairly discriminated against or stigmatised.

PROMOTING A SAFE WORKING ENVIRONMENT

Hyprop Investments Limited is obliged to provide and maintain, as far as reasonable practicable, a working environment that is safe and without risk to the health of its employees.

The risk of HIV transmission within most workplaces is minimal. However, occupational accidents involving bodily fluids may occur. Hyprop Investments Limited ensures that its policy deals with:

- the risk, if any, of the occupational transmission of HIV within the workplace;
- appropriate training, awareness and education on the use of universal injection control procedures so as to identify, deal with and reduce the risk of HIV transmission at work;
- providing appropriate equipment and materials to protect employees from the risk of exposure to HIV;
- the steps that must be taken following an occupational accident including the appropriate management of occupational exposure to HIV and other blood borne pathogens, including access to post-exposure prophylaxis;
- the procedures to be followed in applying for compensation for occupational infection;
- the reporting of all occupational accidents; and
- adequate monitoring of occupational exposure to HIV to ensure that the requirements of possible compensation claims are being met.

DISMISSAL

Being HIV positive or having AIDS is not a sufficient reason to dismiss a person. Employees with HIV/AIDS may not be dismissed solely on the basis of their HIV status.

Where an employee has become too ill to work, Hyprop Investments Limited is obliged to follow accepted guidelines regarding dismissal for incapacity before terminating an employee's services. These include attempts to adapt the employee's duties, to accommodate the employee's disability and to find alternative employment for the employee.

This should ensure that as far as possible, the employee's rights to confidentiality regarding his or her HIV status are maintained during any incapacity proceedings. An employee cannot be compelled to undergo an HIV test or to disclose his or her HIV status as part of such proceedings unless the Labour Court authorises such a test.

COMPANY ETHICS LINE POLICY

Whistleblowing encourages and enables employees to raise serious concerns within the company rather than overlooking a problem.

This policy has been adopted to ensure that concerns regarding unethical, unlawful and improper behavior can be raised without fear.

COMPANY COMMITMENT

The company is committed to the highest possible standards of openness, probity and accountability. In line with this commitment the company expects employees, and others that we deal with, that have serious concerns about any aspect of the company's work, to come forward and voice these concerns.

The Policy applies to all employees (including those designated as casual and temporary staff) and contractors working for the company on company premises, for example security guards, cleaning staff, builders and contractors. In addition, it covers suppliers and those providing services under a contract for the company.

The aims of the policy are to:

- encourage confidence in raising concerns and to question and act upon concerns about business practice;
- provide an avenue for raising concerns in confidence and to receive feedback on any action taken;
- ensure that a response to concerns is received and that each employee is aware of how to pursue concerns should they be dissatisfied with the company's response; and
- reassure employees that they will be protected from possible reprisals or victimisation if there is reasonable belief that the disclosure has been made in good faith.

Types of concern included in the code:

- conduct which is an offence or a breach of law;
- failure to comply with a legal obligation;
- health and safety risks, including risks to the public as well as other employees;
- the unauthorised use of company funds;
- possible fraud and corruption;
- sexual, physical or other abuse of clients;
- abuse of company resources;
- theft of company assets;
- nepotism and favoritism;
- not adhering to company policies and procedures;
- other unethical and corrupt conduct; and
- actions which are unprofessional, inappropriate or conflict with a general understanding of what is right and wrong.

SAFEGUARDS AND VICTIMISATION

The company recognises that the decision to report a concern can be a difficult one to make. If what you are saying is true, you should have nothing to fear because you will be doing your duty to your employer and those for whom you provide a service.

The company will not tolerate any harassment or victimisation (including informal pressures) and will take appropriate action to protect you when you raise a concern in good faith.

CONFIDENTIALITY

All concerns will be treated in confidence and every effort will be made not to reveal your identity if you so wish. At the appropriate time, however, you may need to come forward as a witness.

This policy encourages you however to put your name to your concern whenever possible. Please note that must staff:

- disclose the information in good faith;
- believe it to be substantially true;
- not act maliciously or make false allegations; and
- not seek any personal gain.

Information that is protected by law from disclosure without an employee's consent will only be reported to senior management or the Audit Committee with that employee's consent.

HOW TO RAISE A CONCERN OR REPORT A MATTER

As a first step, employees should raise concerns with their immediate manager or the most senior manager at their place of work. This may depend, however, on the seriousness and sensitivity of the issues involved and who is suspected of the malpractice. For example, if you believe that management is involved you should approach a more senior level of management or contact the Hyprop Ethics Line.

HYPROP ETHICS LINE - 0800 00 65 63

The Hyprop Ethics Line is independently operated by KPMG.

The Hyprop Ethics Line may be contacted and a report made through the following mediums:

- A Toll Free telephone number - live independent forensic agents will field reports made in this manner.
- Toll Free Facsimile (Fax) - written reports may be sent via fax to the Hyprop Ethics Line.
- Free post - written reports may be posted (at no cost to the sender) to the Hyprop Ethics Line.
- Secure email - reports may be lodged via a secure email address.
- Web Report - reports may be lodged via a web-based application.

MALICIOUS REPORTING

Those wishing to make reports must guard against making allegations which are false and made with malicious intent. Persons making such reports will not enjoy the protection offered by the Protected Disclosures Act. Furthermore, there are resource and cost implications in respect of initiating investigations, which need to be considered in the event of a false or malicious accusation.

Reports of allegations of suspected improper activities are encouraged to be made in writing so as to assure a clear understanding of the issues raised. Such reports should be factual rather than speculative or conclusory, and contain as much specific information as possible to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures.

The company recommends that any reports by persons who are not employees be reported via the Toll Free Ethics Line on 0800 00 65 63.

If the employee is not satisfied with the response of their supervisor or manager (or if the matter involves their supervisor or manager), they can contact the Toll Free Ethics Line.

The company will investigate all reported concerns appropriately and will, where applicable, provide feedback regarding the investigation outcome. Where applicable a third party may be engaged to assist in the investigation.

All reports not reported via the Ethics Line have to be reported to the Human Resources department whereby a report to the Audit Committee will be presented every six months. The report may be used to improve any compliance culture and the Audit Committee will present any findings to the Board.

ANTI-FRAUD STATEMENT

The aim of an anti-fraud policy statement is to establish ground rules which essentially explain that fraud will not be tolerated and to spell out the consequences if fraud is perpetrated. It sets out a framework to ensure a fast and appropriate response to instances of alleged fraud. The overall objective is to limit the company's exposure to fraud, minimising financial loss, and the potential adverse effects of fraud on company image and reputation in the event of its occurrence.

The anti-fraud strategy position statement highlights the robust systems and procedures in place at present.

- Seven specific objectives of an anti-fraud strategy may be defined as:
 - the creation of an anti-fraud culture;
 - maximum deterrence of fraud;
 - successful prevention of fraud which cannot be deterred;
 - prompt detection of fraud which cannot be prevented;
 - professional investigation of detected fraud;
 - effective sanctions, including appropriate legal action against people committing fraud; and
 - effective methods for seeking redress in respect of money defrauded.
- The aim will be to develop these objectives in a comprehensive and professional way. All business associates and employees of Hyprop are stakeholders in this project and will need to be involved in ensuring the highest standards of stewardship of public funds.

Hyprop Investments Limited values its reputation for financial probity and reliability. We recognise that over and above any financial damage suffered, fraud may reflect adversely on its image and reputation.

Our aim therefore is to limit company exposure to fraud by:

- instituting and maintaining cost effective measures and procedures to deter fraud;
- taking firm and vigorous action against any individual or group perpetrating fraud against the company;
- encouraging our employees to be vigilant and to report any suspicion of fraud, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately;
- rigorously investigating of instances of alleged fraud and ensuring perpetrators return any assets fraudulently obtained, together with the recovery of costs;
- assisting the police and all other appropriate authorities in the investigation and prosecution of those suspected of fraud;
- detection, prevention and reporting of fraud is the responsibility of all contractors and employees of Hyprop Investments Limited; and

- the company expects the following of contractors and employees:
 - to act with integrity at all times;
 - to adhere to the appropriate code of conduct, whether for contractors or for employees;
 - to comply with financial regulations; and
 - to report concerns as soon as any impropriety is suspected.

The company encourages all its stakeholders to report an incidence of fraud or misconduct to the Hyprop Ethics line on 0800 00 65 63, which may include the following:

- conduct which is an offence or a breach of the law;
- failure to comply with a legal obligation;
- health and safety risks, including risks to the public as well as to employees;
- unauthorised use of company funds;
- possible fraud and corruption;
- sexual, physical or other abuse of clients/employees;
- abuse of company resources;
- theft of company assets;
- nepotism and favouritism;
- not adhering to company policies and procedures;
- other unethical and corrupt conduct; or
- actions which are unprofessional, inappropriate or conflict with a general understanding of what is right and wrong.

CONFIDENTIALITY

All concerns will be treated in confidence and with anonymity ensured.

EMERGENCY/CRISIS COMMUNICATION PROCEDURE

Introduction

These procedures serve to regulate any communications with the media and/or any other outside party during times of emergencies or crises.

Definitions

1. *Issue*
An issue is a defined problem area that needs a response by a company. When not properly managed, issues can escalate to crises.
2. *Emergency*
An emergency is usually a short-term localized problem probably requiring an immediate response at the incident location.
3. *Crisis*
An emergency or issue may become a crisis. A crisis is an event that threatens the entire future of the organization. A crisis is usually concerned with long as well as short term consequences.
4. *Crisis management*
Crisis management is about implementing operational, environmental, health and safety procedures to resolve the crisis.
5. *Crisis communications*
Crisis communication management is about providing information to all stakeholders involved in the crisis and protection of the company's reputation through managing perceptions.

Communications procedure

1. What to do if you think you have discovered an issue/emergency/crisis:
 - 1.1. Inform your immediate manager.
 - 1.2. Inform the head of your business unit.
 - 1.3. If a serious incident, the head of the business unit to inform the appropriate regional executive. Regional executive to inform CEO and other senior management e.g. human resources executive or investor relations executive, if warranted.
 - 1.4. Prioritize emergency response to situation:
 - 1.4.1. move people away from area
 - 1.4.2. contact emergency services
 - 1.4.3. do not put yourself or others in danger
 - 1.4.4. remain calm
2. How to handle external enquiries about the issue/emergency/crisis:
News of an emergency/crisis travels fast. Very soon after an incident, outside organizations, including the media, will want to know what happened.
 - 2.1. If you receive calls or personal visits, complete the emergency and crisis information sheet - Annexure 1.
 - 2.2. Inform the caller/visitor that you are busy dealing with the emergency response and that a company spokesperson will contact them shortly.

Information requests

1. The authorized spokesperson must be the only point of contact.
2. Under no circumstances is security video footage to be given to any party.

3. In line with South Africa's constitutional right of expression, should tenants or visitors to a property wish to make a statement to the press, you cannot stop them.
4. Never give out the names of crime victims (most importantly victims of rape, sexual abuse or victims who are children).
5. Never give out the names of 'suspected perpetrators' - unless they have been charged in court. You will be exposed to legal action if someone is arrested or detained but not charged, and you made their identity public. You should always use 'the suspect' when referring to the person the police are investigating.
6. You may ask a journalist to see an article before it is published. However, you only have the right to change factual inaccuracies.

Social media

1. Should you become aware of any comment on social media, please contact the Investors Relationship Executive who will formulate a response.
2. Under no circumstances are you permitted to post a response on a social media platform.

Authorized spokesperson guidelines

1. Authorized spokespersons

- 1.1. Only officially authorized spokespersons can interact with the media. A spokesperson has to be authorized by the regional executive. The authorized spokesperson should be a senior manager who best understands the specific emergency situation.
- 1.2. Any situation which is likely to escalate into a crisis will need to be handled at a very senior level with the CEO being informed. A local spokesperson will not be adequate.
- 1.3. For ease of reference, a spokesperson has to be nominated from the following group depending on the nature of the emergency/crisis:
 - 1.3.1. Any crisis: CEO or a person nominated by him.
 - 1.3.2. Safety/technical/electrical emergency at any site: head of business unit, regional executive or a person duly appointed to act in his/her absence.
 - 1.3.3. Any other crisis/emergency: depending on the circumstances, the authorizing regional executive may decide to nominate a capable head of a business unit, executive or responsible person closest to the scene of the emergency.

2. How to behave when dealing with the media and/or other outside parties

(only applicable to authorized spokespersons)

The behaviours that follow serve as a guide when interacting with the media or any other interested outside party:

- remain calm.
 - adopt a positive and co-operative attitude (not aggressive). You are not being blamed.
 - note the name and number and organization of person calling.
 - do not blame anybody.
 - stick to the facts - do not speculate.
 - do not feel you have to answer the question if you do not have the answer. You can undertake to get the answer and provide it later.
 - do not get drawn into emotional arguments by provocative questions.
 - be sensitive to human issues eg loss of life, injury, impact on surrounding area.
 - get answers as quickly as possible to who, what, where, when and why. Make sure you have confirmed these answers before giving any information. Define the message.
 - focus on solutions not problems.
 - correct false information.
 - remember any statement or written communication can be regarded as evidence and you may be cross questioned at a later date - so stick to the facts.
 - request further company assistance with either the emergency response or the communication if the situation escalates or you become uncomfortable.
 - keep your own people informed.
- ### 3. Complete Annexure 2: Emergency and crisis media communications log which has to be used by the spokesperson to facilitate a media briefing.

Note:

In the event of a crisis, the company will need to form a crisis team involving the necessary expertise such as legal advisors, investor/public relations etc.

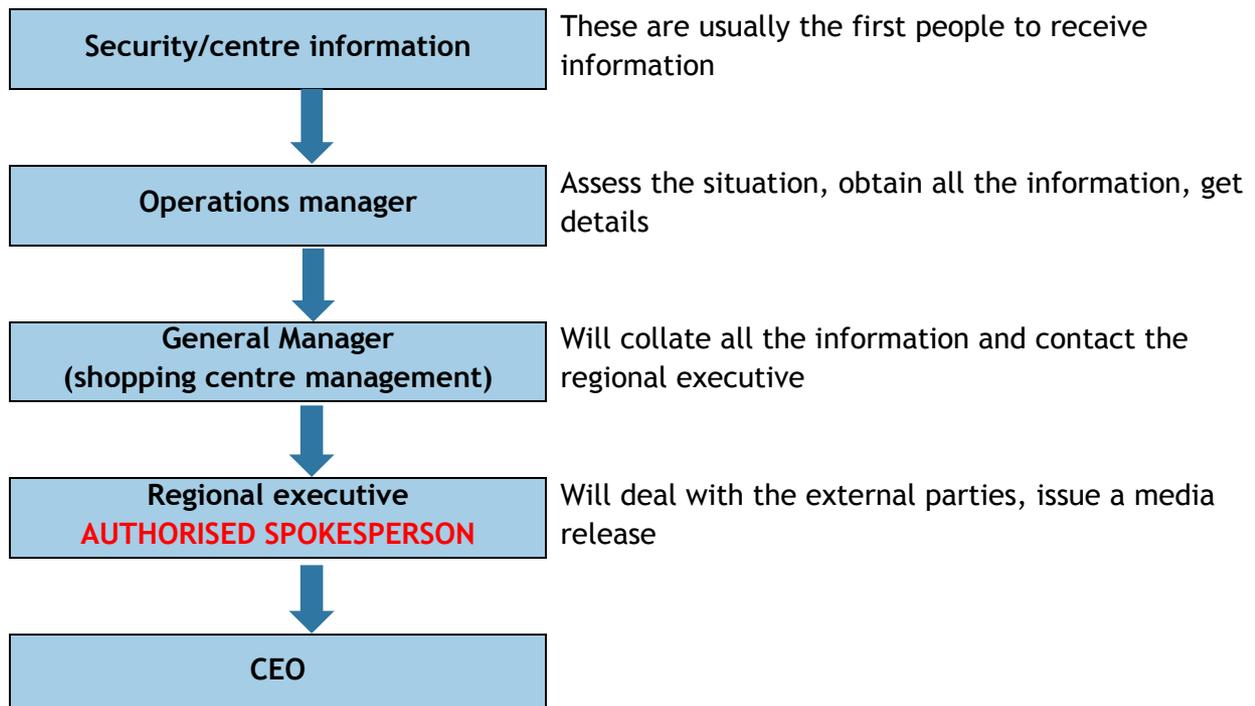
Guidelines for switchboard operators/frontline personnel

1. Responsibility of head of business unit/regional executive
Quite often, in the case of an emergency or crisis, media or external organizations will begin to phone the company. It is the responsibility of the head of the business unit or regional executive to inform and debrief the relevant switchboard operators and frontline personnel as quickly as possible of the incident and who the appointed spokesperson is to enable them to deal with outside enquiries in an informed and professional way. It is also the responsibility of the head of the business unit or regional executive involved to ensure that the switchboard operator and/or frontline personnel have a copy of Annexure 1: "Emergency and crisis information sheet" and that s/he fully understands how to complete it.
2. How to behave to the media or any other interested party
The following behaviours serve as a guide for switchboard operators under such circumstances:
 - a) remain calm and polite.
 - b) do not panic and do not start to fish for information from the person who phoned in.
 - c) give the journalist/media person your immediate attention and let the journalist know they have your top priority.
 - d) obtain the name and number and organization of the person calling.
 - e) take notes so that you don't forget anything.
 - f) remember you are not the authorized spokesperson for the company, rather refer all enquiries to the authorized spokesperson to deal with the situation.
 - g) do not, under any circumstances, give the journalist any information about the shopping centre or any aspects of its management or business. Not even if it feels like you are just chatting with the journalist
 - h) ask the journalist/media what specific information they are looking for. Make notes of the questions they ask and information they require.
 - i) Get the journalist's contact details (cell phone, office number and fax number).
 - j) Make sure you ask what newspaper, television or radio station the journalist is calling from.
 - k) Ask the journalist what their deadline is to receive this information.
 - l) Stress that you will keep them up to date with your progress.
 - m) Thank them for contacting you.
 - n) do not speak to colleagues or spread any rumours, rather keep the incident as low profile as possible and allow the appointed spokesperson to do the communication.
 - o) complete the emergency and crisis information sheet: Annexure 1.
 - p) make sure emergency telephone numbers are at hand to be able to provide assistance.

Note:

It is crucial that switchboard operators and frontline personnel always have up to date telephone numbers of relevant emergency services at hand. Failure to do so can result in disciplinary action.

Process flow for an emergency/crisis eg armed robbery/death/fire



Emergency and crisis information sheet

You may be the first to receive a call or a visit from somebody, whether a Hyprop employee or an outsider, who informs you or who wants to know from you, about an emergency or a crisis that happened somewhere. Use the opportunity to gather as much information about the incident as you can and pass it on immediately to the regional executive, failing that to any senior executive in the organization. The form that follows has to be used to gather the relevant information and to record it for future reference.

Record the questions and offer to pass them on to the company's spokesperson.

Do not attempt to answer any questions.

What to do in the unlikely case that you can't get hold of anyone?

- Call the journalist back and explain that you have tried to contact someone who is authorised to make a statement but no one is available at present.
- Explain that you will continue to try and contact those who are authorised to give comment and that you are giving their inquiries priority.
- Explain that should someone become available you will notify the journalist immediately.
- Continue to try and contact the people from the list, until you eventually contact someone.

Note:

It is crucial that this form is duly completed and filed in a safe place - it may be required for future reference.

Crisis information sheet

Name of person who called or visited:		
His/her contact telephone number:	(work)	(cell)
Name of his/her employer (if applicable)		

Description of incident		
What happened:		
Where did it happen (attempt to get a physical address)?		
Do you have names and contact numbers of other people on the scene of the incident ?	Yes (attach)	No
When did it happen?	Date:	Time
Do you have any idea as to how the incident happened?		
List all questions asked by person who phoned in or visited:		
Name of employee who took the information:		Time:
Information passed on to:	Date:	Time:

BBBEE BEST PRACTICE

Hyprop recognises that integrating transformation into business practice is crucial for the sustainability of the company and South Africa. The company supports the Property Transformation Charter in this regard. The Social and Ethics Committee is responsible for driving progress, including in respect of the specific areas of the BBBEE scorecard.

One of the key objectives of the committee is to implement a 10 year plan in line with Property Transformation Charter recommendations. To this end the company has engaged a service provider to assist with a formal BBBEE verification, gap analysis and certification.

Consistent with its status as a listed company on the JSE, the company undertakes to be guided by the BBBEE codes of good practice as stated in the BBBEE Act 53 of 2003.

The BBBEE Act (abbreviated in the codes and defined as “the Act”) is an enabling legislative framework which allows for the development of the Codes of Good Practice. The codes provide a standard framework for the measurement of broad-based black economic empowerment (BBBEE) across all sectors of the economy. This means that no industry will be disadvantaged over another when presenting their BBBEE credentials. The guidelines for the alignment of transformation charters will ensure that even when different gazetted charters are applied to different entities presenting their BBBEE credentials, neither of the entities will be unfairly disadvantaged over the other because of the application of a more stringent industry charter. The intention of the Codes of Good Practice is therefore to level the playing field for all entities operating within the South African economy by providing clear and comprehensive criteria for the measurement of broad-based BBBEE.

The overall purpose of the Codes of Good Practice is to provide certainty with respect to BBBEE recognition and measurement so that BBBEE initiatives may be implemented in such a way that economic substance takes precedence over form, that there exists just comparability between the BBBEE statuses of different entities, and that competition with respect to BBBEE contribution levels takes place. In so doing, this will begin to ensure that BBBEE is implemented across the value chain, thereby facilitating access to the economy.

The board of directors of Hyprop Investments Limited and their respective management teams are dedicated to the task of substantially increasing BBBEE at all levels of their business in order to assist at redressing the imbalances of the past and empowering historically disadvantaged individuals (“HDIs”).

Hyprop seeks to obtain all goods and services at the lowest possible price without reduction in the levels of quality, reliability or service, whilst acting in a socially responsible manner in promoting and supporting enterprises owned by HDIs, as well as developing and contributing towards social responsibility programmes.

The property sector has committed itself to the implementation of the Transformation Charter by actively promoting a vibrant, transformed and growing property sector that provides adequate services to the domestic economy, reflects the South African nation as a whole and contributes to the establishment of an equitable society.

The Charter aims to:

- unlock obstacles to property ownership and participation in the property market by black people;
- promote property development and investment in underdeveloped areas;
- achieve a substantial change in the racial and gender composition of ownership, control and management and enhance the participation of black people, black women and designated groups in the property sector;
- promote employment equity in the property sector;
- contribute towards increased investment in the skills development and training of existing and new black professionals and black women in leadership roles;
- enhance entrepreneurial development of black firms and small, medium and micro enterprises;
- increase the procurement of goods and services from black companies; and
- promote investment in the property sector.

This Charter applies to the South African Property Sector, including but not limited to all property owning and property services enterprises.

TENDER PROCEDURES

This section outlines the requirements in relation to quotations and tender processes for service contracts and suppliers.

The tender document must be presented in a clear, logical and precise manner. It is the prime source of information relating to the contract objectives and requirements. The document must clearly identify the roles and responsibilities of the contracting parties. The tender document should clearly set out all information required by the Tender Evaluation Committee to determine the offer that represents the best value for money, within the framework of the evaluation criteria.

The tender document must identify critical success factors and key performance indicators. These will be used as a basis for the continuous monitoring of agreement performance and reporting requirements.

All service agreements must include a compulsory Service Level Agreement to monitor performance and allow for cancellation should standards be unmet.

The tender document will become a legally binding contract and therefore it is imperative that all elements of the contract are stated in a clear and unambiguous manner.

TENDER TYPE

Limited tendering: This allows only contractors/service providers who have been invited by the employer to tender. The selection list should be taken from a list of pre-qualified suppliers. A minimum of three service providers may be invited to tender.

CONTRACT PERIOD

No contracts may exceed one year in duration, unless agreed to in writing by the Tender Committee. It is preferable that security and cleaning contracts commence 1 March and terminate 28 February in order to prevent termination of services over the critical December trading period.

CONTRACT PRICE

Contract prices must be fixed for the duration of the contract in order to facilitate effective budgeting.

FORMAT OF THE TENDER DOCUMENT

The tender document is commonly comprised of the following sections:

(a) Tender Invitation

- tender number
- title
- details of contracting parties i.e. employer and tenderer
- description of services
- contract period
- date of site inspection - it is recommended that all tenderers attend a site inspection to fully grasp the scope of work and be allowed to address any questions in respect of the contract specifications or other issues to the Operations Manager
- names of the officers nominated for addressing enquiries
- how and where to lodge tenders
- period of tender validity (i.e. prices valid for 30 days after tender closure)
- company structure - reflecting : (refer to Property Charter Targets)
 - % BBBEE black control
 - % BBBEE black management
 - BBBEE initiatives
 - list of directors - executive and non-executive
- references
- closing date and time
- costs of tendering - entirely at risk of tenderer
- indemnity i.e. right of employer to appoint any tenderer, not necessarily the lowest.
- date of proposed appointment of successful tenderer
- right of employer to negotiate with successful tenderer

(b) Tender Document

- contracting parties
- scope of tender
- contract period
- contract price (per month plus VAT for duration of contract)
- price schedules (must detail all elements of the contract from staff to consumables and equipment, on an item by item basis)
- insurance
- guarantees
- scope of work (must provide a detailed outline, including provision of all goods and services)
- contractor's obligations
- employer's obligations
- payments
- facilities for employees of contractor
- equipment maintenance
- service level agreement and quality controls (document should identify key performance indicators as benchmark for service level attainment and measurement)
- limitation of liability of employer
- breach of contract

- special conditions (e.g. right of employer to inspect premises or salary slips of employees of contractor)
- non-variation of contract
- warranties
- tax clearance certificate (contractor must provide copy of a Tax Clearance Certificate from SARS certifying that the taxes of the contractor are in order)
- house rules
- client confidentiality
- OHS Act compliance
- jurisdiction
- domicilium

DEFINITIONS FOR TENDER DOCUMENTS

HDI - Historically Disadvantaged Individual.

Individuals who, being South African citizens, were socially and economically disadvantaged by the legacy of the South African political situation prior to 28 April 1994. This definition includes females and those with disabilities.

BBBEE accredited enterprises

Enterprises accredited in terms of a charter issued as a code of practice or, where there is not official charter, enterprises that are accredited in terms of the DTI generic scorecard.

Black people/Blacks

Black Africans, coloured people and Indians who are South African.

Black-empowered enterprises

Enterprises which are more than 25% owned by black people and with substantial participation in control by black people.

Black-owned enterprises

Enterprises which are more than 50% owned and controlled by black people.

Black women empowered enterprise

Enterprises that are more than 30% owned by black women and where substantial participation in control is vested with black women.

Broad Based Black Economic Empowerment

The economic empowerment of all black people including women, workers, youth, people with disabilities and people living in rural areas through diverse but sound socio-economic strategies that include but are not limited to:

- increasing the number of black people that manage, own and control enterprises and productive assets;
- facilitating ownership and management of enterprises and productive assets by communities, workers, co-ops and other collective enterprises;
- targeting procurement and investment in enterprises owned or managed by black people;
- enhancing human resources and skills development;

- achieving equitable representation in all occupational categories and levels in the workforce;
- facilitating the provision of additional skills to black employees at all levels in the workforce.

Employment equity

Defined by the Employment Act 1998 as a means to promote equal opportunity and fair treatment in employment through the elimination of unfair discrimination and the implementation of affirmative action measures to redress the disadvantages of affirmative action and the disadvantages in employment experienced by designated groups, in order to ensure their equitable representation in all occupational categories and levels of the workforce. It obliges employers with over 50 employees to prepare Employment Equity plans and report on a yearly or bi-annual basis to the Department of Labour.

Corporate Social Investment (CSI)

CSI means projects aimed primarily at black groups, communities and individuals that contribute towards transformation.

SUBMISSION AND OPENING OF TENDERS

All tenders should have a closing date and the person appointed to manage the tender process, should ensure that tenderers are given ample time in which to prepare their bids. Tender documentation should only be accepted if delivered to the specified destination, in a sealed envelope, addressed to the appropriate department and within the designated time.

As a general rule, facsimile submissions should not be accepted.

All tender documents must be submitted to:
Hyprop Investments Limited
Head Office
2nd Floor Cradock Heights
21 Cradock Road
Rosebank
2196

Tenders should not be opened until the manager and another staff member, preferably one that is not directly involved in the process, is present. Each quotation should be duly signed and dated by both staff members.

TENDER EVALUATION

The tender adjudication process is undertaken by the duly appointed Tender Evaluation Committee. The committee should ideally include regional executives, the national facilities executive and technical executives, and must evaluate all tenders submitted based on a predetermined set of criteria. The committee must award tenders in a fair and equitable manner.

The tender document should be examined for clarity to ensure that it will provide the information required for the evaluation committee to effectively assess the offers against the selection criteria and determine the offer which represents the best value for money. All tenders must be rigorously assessed as the success of any agreement is dependent on the capacity (technical, financial and managerial) of the contractor to fulfil its contractual obligations.

The evaluation committee must satisfy themselves by exercising thorough due diligence and independent verification that the recommended tenderer has the required capacity to meet all the objectives of the contract.

70/30 PREFERENCE POINT SYSTEM

The criteria for awarding contracts should be based on the 70/30 Preference Point System:

The following formula must be used to calculate the points for price:

$$P = 70(1 - PR - P_{min})$$

P_{min}

P = points scored for price of tender

PR = Rand value of tender under consideration

P_{min} = Rand value of lowest acceptable tender

A maximum of 30 additional points may be awarded to a tenderer for:

20 - being a B-BBEE accredited enterprise

10 - having the requisite industry experience, supporting references, financial, technical and managerial capacity, and quality assurance and skills formation.

GENERAL CRITERIA

- The tenderer must have positive reference checks.
- Prices submitted should be fair and reasonable and not deviate more than 20% from the estimated amount, unless revised estimates with valid reasons can be provided.
- The tenderer must comply with Occupational Health & Safety Act requirements and other relevant industry standards and regulations.
- Technical capacity - the scope of works outlined in the tender must form part of the tenderer's core business and the company must have a minimum of three years' experience in this field.
- Financial capacity - the tenderer must be able to commence the contract without any financial assistance from the employer and continue until monthly payments are effected.
- Quality assurance - the tenderer must conform to all the employer's quality standards and checks.
- Skills formation and management - the tenderer must be able to perform the scope of works without the constant supervision of the employer and introduce a level of expertise to elevate the standards of the contract.

Hyprop reserves the right to negotiate with a preferred tenderer. The negotiation phase provides an opportunity for each party to test their vision of the procedures and target objectives of the contract.

The negotiation allows for cost variations, performance monitoring, equipment and staff variations and any other such issues. These changes must be agreed in writing before the agreement is signed.

AWARDING OF TENDER

Once the successful tenderer has been decided, the tender document must be signed by both parties. This document should encompass all clauses relating to the scope of works and the particular goods and service to be provided. The agreement must include a Service Level Agreement by which supplier performance can be monitored during the course of the agreement.

These evaluation criteria should identify the following provisions:

- Main services to be provided;
- Critical Success Factors for the agreement;
- Key Performance Indicators (KPI's) targets and measures. These must be objective indicators of the performance aspects to be monitored;
- Desired outcomes of the agreement, with the needs of the end-users in mind.

It may not always be possible to complete this process when drawing up the tender specification. However, it must be completed before the contract price is finalised and the agreement signed.

Following the acceptance of a tender and notification to the successful tenderer, all other tenderers should be notified in writing that their tenders have been unsuccessful.