

## INVESTMENT COMMITTEE CHARTER

### 1. Introduction

The Investment Committee (“the Committee”) is constituted as a subcommittee of the board of directors of Hyprop Investments Limited (“the Company”). The duties and responsibilities of the members of the Committee are in addition to those as members of the board.

The deliberations of the committee do not reduce the individual and collective responsibilities of the board members in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgment in accordance with their statutory obligations.

This charter is subject to the provisions of the Companies Act, to the extent applicable, the Company’s Memorandum of Incorporation and any applicable law or regulatory provision.

### 2. Purpose

The purpose of these terms of reference is to set out the committee’s role and responsibilities as well as the requirements for its composition and meeting procedures.

### 3. Composition

- 3.1. The committee comprises at least five directors, including three non-executive directors and two executive directors.
- 3.2. Members of this committee and its chairman are nominated by the board.
- 3.3. The members of the committee as a whole must have sufficient qualifications and experience to fulfil their duties.

### 4. Role

- 4.1. The committee has an independent role, operating as an overseer and makes recommendations to the board for its consideration and final approval. The committee does not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management.
- 4.2. The role of the committee is to assist the board:
  - 4.2.1. In considering investment opportunities in respect of properties, listed securities and other corporate action.
  - 4.2.2. To approve acquisitions, disposals and capital expenditure in line with the limits of authority delegated to it and in line with the strategy determined by the board.

### 5. Responsibilities

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Directors: GR Tipper\* (Chairman); PG Prinsloo (CEO); LR Cohen (Financial Director);  
EG Dube#; KM Ellerine; L Engelbrecht#; MJ Lewin; L Norval;  
S Shaw-Taylor; L van der Watt\*; T Mokgatlha\*#

(\* Non-executive # Independent)

The committee must perform all the functions as is necessary to fulfil its role as stated above and including the following:

- 5.1. Review the investment strategy
- 5.2. Set criteria and targets for investment
- 5.3. Approve proposals for development, acquisition and sale of properties
- 5.4. Periodically review due diligence processes for acquisitions
- 5.5. Approve equity and other strategic investments
- 5.6. Review market valuations by external valuers
- 5.7. Annually review performance of the property portfolio
- 5.8. Report regularly and make recommendations to the board for approval

## **6. Authority**

- 6.1. The committee acts in terms of reference of the delegated authority of the board as recorded in these terms of reference. It has the power to investigate any activity within the scope of its terms of reference.
- 6.2. The committee, in the fulfilment of its duties, may call upon the chairmen of the other board committees, any of the executive directors, officers or company secretary to provide it with information, subject to following a board approved process.
- 6.3. The committee has reasonable access to the company's records, facilities and any other resources necessary to discharge its duties and responsibilities.
- 6.4. The committee may form, and delegate authority to, subcommittees and may delegate authority to one or more members of the committee.
- 6.5. The committee has the right to obtain independent outside professional advice to assist with the execution of its duties, at the company's cost, subject to a board approved process.
- 6.6. The committee makes recommendations to the board that it deems appropriate on any area within the ambit of its charter where action or improvement is required.

## **7. Meeting procedures**

### *7.1. Frequency*

- 7.1.1. The committee must hold sufficient schedule meetings to discharge all its duties as set out in these terms of reference, but subject to a minimum of two meetings per year.
- 7.1.2. Meetings in addition to those scheduled may, with approval of the chairman, be held at the request of the Chief Executive Officer, or other members of senior management or at the request of the board.
- 7.1.3. The chairman of the committee may meet with the Chief Executive Officer and/or the company secretary prior to a committee meeting to discuss important issues and agree on the agenda.

### *7.2. Attendance*

- 7.2.1. Other members of senior management as may be required, assurance providers and board members may be in attendance at the committee meetings but by invitation only and they may not vote.

- 7.2.2. Committee members must attend all scheduled meetings of the committee, including meetings called on an ad hoc basis for special matters, unless prior apology, with reasons, has been submitted to the chairman or company secretary.
- 7.2.3. The company secretary is the secretary of this committee.
- 7.2.4. If the nominated chairman of the committee is absent from a meeting, the members shall elect one of the members present to act as chairman.

### 7.3. *Agenda and minutes*

- 7.3.1. The committee must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual plan must ensure proper coverage of the matters laid out in these terms of reference: the more critical matters will need to be attended to each year while other matters may be dealt with on a rotation basis over a three year period. The number, timing and length of meetings, and the agendas are to be determined in accordance with the annual plan.
- 7.3.2. A detailed agenda, together with supporting documentation, must be circulated, in adequate time prior to each meeting to the members of the committee and other invitees.
- 7.3.3. Committee members must be fully prepared for committee meetings, to provide appropriate and constructive input on matters for discussion.
- 7.3.4. The minutes must be completed as soon as possible after the meeting and circulated to the chairman and members of the committee for review thereof.
- 7.3.5. The minutes must be formally approved by the committee at its next meeting.

### 7.4. *Quorum*

- 7.4.1. A representative quorum for meetings is a majority of members.
- 7.4.2. Individuals in attendance at committee meetings by invitation may participate in discussions but do not form part of the quorum for committee meetings.

## **8. Evaluation**

The board must perform an evaluation of the effectiveness of the committee annually.

## **9. Approval**

These terms of reference were approved by the board and the committee and will be reviewed from time to time.