



2025 King IV™ application

HYPROP



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

This document sets out the application of the principles in King IV™ and should be read in conjunction with the Group's Integrated Annual Report (IAR), Annual Financial Statements (AFS) and ESG report for the year ended 30 June 2025 (FY2025) which are available on our website at www.hyprop.co.za.

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

1

The governing body should lead ethically and effectively.

The Board leads the Group ethically, effectively and responsibly. Board members individually and collectively demonstrate the Group's core values - collaboration, execution, responsibility, integrity and creativity - to provide effective leadership, which, together with management helps ensure stakeholder value creation.

Board members complete a detailed disclosure of interests annually. Declaration of interests is a standing agenda item at all Board and Board committee meetings.

The Group's Code of Conduct and Ethics (Code) constitutes a formally documented policy to guide and entrench an ethical and values-based culture across the Group. The Social, Ethics and Sustainability Committee monitors all ethical requirements. Key matters arising from its oversight function are reported to the Board.

The performance of the Board and its standing committees (the Audit and Risk, Remuneration, Nomination, Investment and Social, Ethics and Sustainability Committees (the Board committees)) as well as performance of its individual directors is formally evaluated against their respective mandates. Refer to principle 9 for more information on board performance evaluations.

2

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

The Board sets the tone, oversees the management of ethics and ensures that governance outcomes are aligned with those envisaged by King IV™. Hyprop's values, Code and related policies encompass Hyprop's interaction with internal and external stakeholders and broader society. Hyprop's business dealings comply with applicable laws and proper regard for ethical business practices.

Ethical practices and behaviour are effectively embedded across all functions and activities of the Group. Management teams understand and apply the Code and reference to the Code is included in new employee contracts and induction processes. Contractors, agents and consultants who work with the Group are expected to follow the same standards of business conduct. These are outlined in our Supply Chain Code of Conduct.

The following ethics-related policies are in place to guide and strengthen our ethical culture, supported by training programmes and awareness campaigns to promote compliance:

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|---|---------------------------------------|
| • Code of conduct and ethics | • Diversity policy |
| • Anti-corruption and bribery policy | • Remuneration policy |
| • Harassment in the workplace policy | • Whistleblowing policy and procedure |
| • Gifts, entertainment and hospitality policy | • Supply chain code of conduct |

An independent whistleblowing help line operated by an external service provider enables the anonymous reporting of ethics incidents, and reports are sent directly to the Chairman of the Social, Ethics and Sustainability Committee. Five incidents were reported during FY2025, three of which relate to the same matter (2024: six incidents reported). None of the matters were significant and were investigated, addressed and resolved by management.

3

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

Hyprop's purpose, values and strategy are aligned with the principles of responsible corporate citizenship, which are integrated into the Group's strategy. The Board has delegated responsibility for monitoring the Group's corporate citizenship performance to the Social, Ethics and Sustainability Committee.

Our sustainability framework outlines our commitment to five of the United Nations Sustainable Development Goals (SDGs) and guides our strategic and operational initiatives to ensure the Group's impact, including on the environment and the communities around our shopping centres, is appropriately managed to create and protect value for our stakeholders. Further information on our environmental and corporate social responsibility initiatives is included in the ESG section of the FY2025 IAR.

4

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

The Board is responsible for Hyprop's performance, provides strategic direction and oversees the adoption of the strategy formulated by management. Annually, the Board approves the strategy, objectives and budget for the ensuing financial year which includes risks, opportunities, priorities and sustainability related matters.

Performance is monitored through regular financial updates, business segment and key priority progress reports and presentations at Board meetings. Refer to the FY2025 AFS and IAR for further information on our business model, strategy, risks and performance.

5

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

The Audit and Risk Committee, and ultimately the Board, is responsible for overseeing Hyprop's reporting and approving management's determination of reporting frameworks and materiality. The Group produces a full suite of reporting publications to cater for the needs of key stakeholders.

To assist the Board in ensuring the integrity of the IAR and AFS, the Audit and Risk Committee reviews these reports prior to recommending them the Board for approval. The Group's external

auditor, KPMG Inc., audits or reviews, as appropriate, external financial reporting and material non-financial information included in the IAR.

The Board maintains an open and transparent communication with stakeholders. General and investor information is published on the Company's website (www.hyprop.co.za) and, when necessary, on the Stock Exchange News Services (SENS). Investor presentations include an appropriate balance between historic performance and key priorities for ensuing periods.

6

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

The Board has ultimate accountability and responsibility for the performance and affairs of the Group, including good governance practices. The Board's role, responsibilities, membership requirements and procedural conduct are documented in its charter. The Board charter and Board committees' terms of reference are reviewed regularly to ensure they are appropriately aligned with the principles of King IV™ and regulatory requirements. Annual work plans are developed in accordance with the charters/terms of reference of the Board and Board committees.

7

The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.

The composition of the Board (including member rotation) is reviewed annually by the Nomination Committee, which makes recommendations to the Board. The Nomination Committee takes into account the balance of skills, experience, diversity and independence as part of its review. Should a Board vacancy arise, the Nomination Committee will, through any appointment/s, endeavour to ensure the Board has a meaningful combination of skills, diversity and experience.

The Nomination Committee is responsible for formal succession plans of the Board, the CEO and the executive directors. The nomination, election and appointment processes are formal and transparent and include a fit-and-proper test for any new appointees.

The Governance Report included in the FY2025 IAR outlines each Board member's categorisation, qualification, experience, age and period of service. Details of other governing bodies or professional positions held are set out in the ESG data pack available at www.hyprop.co.za.

8

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

The Group's governing structure and delegations of authority promote and enhance independent judgement to ensure a clear balance of power and authority is maintained at Board level. The Board delegates certain responsibilities to the Board committees as outlined in each Board committees' Terms of Reference (ToR). Certain matters are reserved for the Board as well as shareholders, which aligns with the regulatory environment in which the Group operates. The Board committees fulfil key roles in ensuring good corporate governance.

The responsibilities and composition of the Board committees are detailed in the ESG report in the FY2025 IAR. Delegating responsibilities does not discharge the Board's accountability. The Board receives formal feedback from the chairman of each Board committee at each Board meeting. Board committees also report to stakeholders annually, in the IAR and/or at the AGM if required.

A Board member is entitled to attend any Board committee meeting as an observer, subject to agreement by the chairman of that Board Committee. However, they do not have a vote at such meetings.

9

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

The Board's, and the Board committees' performance was internally evaluated against their respective mandates in FY2025. During FY2025, the evaluation of individual director performance was conducted externally. The FY2025 evaluations confirmed that the Board, its directors and its committees are performing well, with minimal areas that need improvement.

10

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

A clear division of power exists between the roles of the Chief Executive Officer (CEO) and Chairman in terms of the board charter. The Board reviews and approves the delegation of authority annually, which includes authorities delegated to the CEO, other executive directors and management.

The Board approves the appointment of the CEO, Chief Financial Officer (CFO) and Chief Investment Officer (CIO). Clear short-term and long-term KPDs are set for the CEO, CFO and CIO and the Remuneration Committee considers the performance of the executives against the KPDs annually.

The Audit and Risk Committee considers the performance of the CFO and the finance function annually and reports the outcome of its assessment in the Audit and Risk Committee report in the AFS.

The Board appoints the Company Secretary, whose office is empowered and carries the necessary authority. The Company Secretary has the necessary competence, gravitas and objectivity to provide independent guidance and support.

11

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

The Group has a risk management framework, which sets policy, risk appetite and tolerance levels, identifies material risks and opportunities, and ensures ongoing risk oversight and monitoring in a way that supports the Group's strategic objectives and the creation and protection of stakeholder value.

The Audit and Risk Committee oversees risk management on behalf of the Board, by reviewing the enterprise risk management process. For further detail in relation to the top 10 risks of the Group refer to the 2025 IAR (Section: Risk and Opportunities).

12

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

The Board has delegated the governance of information and technology to the Audit and Risk Committee, which is assisted by the divisional information technology risk committee. An information and technology policy that addresses the governance of information and technology in line with the recommended practices of King IV™ is in place.

Disaster recovery and business continuity plans are in place and are tested regularly. Cybersecurity measures are in place in all businesses.

Internal audit, together with other assurance providers, reviews and makes recommendations to address shortcomings and ensure continuous improvement in the general IT control environment.

13

The governing body should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the organisation being ethical and a good corporate citizen.

The Board subscribes to full compliance with applicable laws and regulations in the jurisdictions in which the Group operates. Complying with the Company's MOI and all applicable legislation (including the Companies Act), regulations, standards and codes is integral to the Group's culture.

The Board delegates responsibility for compliance to executive management and monitors this through the Board committees, which exercise oversight of legal compliance in the areas falling within their ToRs.

The internal auditors and other independent assurance providers provide assurance that governance and internal control processes are operating effectively. There were no material adverse findings from the internal audits conducted in FY2025. The overall control environment is satisfactory.

14

The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

The Board has delegated establishing, and overseeing execution of, the remuneration policies to the Remuneration Committee, which reviews the remuneration policies and practices annually to ensure that they remain competitive, relevant, fair and responsible. The Remuneration Committee reports to the Board on its activities and makes recommendations where required.

The remuneration policy adopts a total reward philosophy and promotes the delivery of Hyprop's strategic objectives, encourages team and individual performance and rewards the role of employees and teams in building long-term sustainable value through fair and balanced remuneration. The FY2025 remuneration philosophy and policy, and implementation report can be found on pages 86 to 107 of the IAR.

The Remuneration Committee recommends the fees payable to non-executive directors to the Board for final approval by shareholders by special resolution at the annual general meeting (AGM), as required by the Companies Act. The remuneration policy and implementation report are tabled annually for non-binding advisory votes by shareholders at the AGM.

15

The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.

The Audit and Risk Committee and the Board oversee that assurance services and functions enable an effective control environment and support the integrity of information for internal decision-making and external reports. Furthermore, each Board committee reviews and confirms acceptance of their reports or relevant sections in the IAR falling within their ToRs.

The internal audit service providers report on the internal control environment to the Audit and Risk Committee. The Audit and Risk Committee reviews the performance, resources and skills of the internal audit service providers on an annual basis to ensure they meet the Group's assurance requirements and expectations.

The Board and Board committees, in determining if they have adequate and sufficient assurance regarding key risks, use a combination of appropriate assurance providers and internal functions as part of a combined assurance framework. The combined assurance framework is based on King IV™'s "Four Lines of Defence" - Line functions (1st line), specialist functions (2nd line), independent assurance providers (3rd line) and independent external assurance providers (4th line).

The Board is satisfied that the combined assurance framework is effective and sufficiently robust for it to rely on for purposes of the statements that the Board makes concerning the integrity of the Group's external reports.

16

In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.

The Board is responsible for the governance of stakeholder relationships and is assisted by the Social, Ethics and Sustainability Committee. Our inclusive approach to managing stakeholder relationships aims to balance the Group's objectives with our stakeholders' needs, interests and expectations. Details of key stakeholders, as identified by management and the Board, as well as their needs and expectations and the Group's stakeholder engagements are included in the FY2025 IAR.

To support the Board in fulfilling its governance role, the Social, Ethics and Sustainability Committee receives reports on stakeholder management across the Group. The Board is regularly appraised of interactions with key stakeholders, including shareholders, financial analysts and national tenants.

Directors attend the AGM and are available to respond to queries on the Board's execution of its governance duties.



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