

TERMS OF REFERENCE OF THE RISK COMMITTEE

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DISTRIBUTION

All Octodec staff as required.

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1. CONSTITUTION

- 1.1. The risk committee (“the committee”) is hereby constituted by the board of Octodec Investments Limited (“Octodec” or “the company”) as a board committee in respect of the duties assigned to it as more fully set out herein.
- 1.2. The duties and responsibilities of the members of the committee are in addition to those as members of the board of Octodec (“the board”). The deliberations of the committee do not reduce the individual and collective responsibilities of board members in regard to their fiduciary responsibilities and they must continue to exercise due care and judgement in accordance with their statutory obligations. These terms of reference are subject to the provisions of the company’s Memorandum of Incorporation and any other applicable law or regulatory provision.
- 1.3. The main purpose of the committee is to assist the board in fulfilling its responsibility to ensure an effective organisation-wide risk management as well as oversight of compliance throughout the company and its subsidiaries and associated companies (“the group”) as more fully described in the King V Report on Corporate Governance for South Africa 2025 (“King V™”).

2. MEMBERSHIP

- 2.1. The committee, consisting of at least 3 (three) members, should have executive and non-executive members elected by the board of directors, the majority being non-executive directors and at least one independent member.
- 2.2. The chief executive officer, the financial director and deputy chief executive officer and the chief risk officer may be members of the committee.
- 2.3. The members of the committee must collectively have sufficient skills, qualifications and experience to fulfil their duties and they should keep up to date with developments affecting the required skill set.
- 2.4. The board will elect the chairman of the committee on an annual basis.
- 2.5. The chairman of the committee should be an independent non-executive director.
- 2.6. The chairman of the board may be a member of the committee.
- 2.7. If the chairman is absent from a meeting, the members present shall elect one of the members to act as chairman for that meeting, provided that an independent non-executive director chairs the meeting.
- 2.8. The board shall fill vacancies on the committee as soon as possible after the vacancy arises.

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- 2.9. Every member should have experience in some area pertinent to the business of the committee, and at least 1 (one) member should be familiar with the industry within which the group operates.
 - 2.10. The members of the committee shall be knowledgeable about the affairs of the group and, where appropriate, specific skills shall be represented on the committee.
 - 2.11. New members should receive a complete orientation that allows them to function effectively from their appointment date.
 - 2.12. All committee members will be required to keep up to date with developments affecting the areas of responsibility of the committee.
 - 2.13. Opportunities for continuous education and training should be actively pursued by each member.

3. INDEPENDENCE AND SCOPE

- 3.1. The committee will act independently and will be accountable to the board.
- 3.2. The functions of management will remain the responsibility of the executive directors, officers and other members of senior management. Such functions will not be assumed by the members of the committee.
- 3.3. The scope of the committee's activities extends to all relevant operations of the company and the group.

4. ATTENDANCE AT MEETINGS

- 4.1. The chairman of the board, the chairman of the audit committee, and the chief risk officer will, if they are not members, be standing invitees to committee meetings.
- 4.2. Other members of senior management and risk management experts may attend the committee meetings on invitation from the committee chairman.
- 4.3. No invitee is entitled to participate without the consent of the chairman and does not have a right to vote at any meeting.
- 4.4. Other board members shall have the right of attendance, with the prior consent of the chairman of the committee. However, unless that member is also a member of the committee, the member is not entitled to fees for such attendance, unless payment of fees is agreed to by the board and shareholders.
- 4.5. The group company secretary shall be the secretary of the committee.

- 4.6. Committee members will attend all scheduled meetings of the committee, including meetings called on an *ad hoc* basis for special matters, unless a prior apology, with reasons, has been submitted to the chairman or group company secretary.

5. FREQUENCY OF MEETINGS

- 5.1. Meetings shall be held not less than twice a year.
- 5.2. Meetings may be conducted via telephone, closed-circuit television, webinar or video conference facilities, provided that all concerned can actively participate in the meeting. Committee members participating via these facilities will be counted for quorum purposes. The provisions of the charter relating to proceedings of the committee apply so far as they are capable of applying *mutatis mutandis* to such meetings.
- 5.3. Any member of the committee, chief risk officer, other members of senior management or the board may request meetings in addition to those scheduled if deemed necessary and a meeting will then be arranged in consultation with and on approval by the chairman of the committee.

6. PROCEEDINGS AT MEETINGS

- 6.1. A quorum shall be a majority of members present in person or via telecommunication and/or videoconferencing facilities.
- 6.2. In the event of an equality of votes regarding any matter, the chairman of the committee or the person acting as chairman shall have a casting vote in addition to his or her deliberate vote.
- 6.3. An agenda with supporting papers will be circulated no later than 5 (five) business days before the meeting, where reasonably possible.
- 6.4. An annual work plan, which will determine the content of the agenda and frequency of the meetings, will be in place and based on the duties listed in paragraph 8.
- 6.5. Draft minutes will be presented to the chairman of the committee not later than 10 (ten) business days after the meeting for comment within 7 (seven) business days and will be circulated to the committee members thereafter.

7. AUTHORITY

- 7.1. The committee shall act as per the delegated authority of the board recorded in these terms of reference.
- 7.2. The chairman of the committee will be required to attend the company's annual general meeting to answer relevant questions posed by shareholders. On all responsibilities

delegated by the board, the committee will make recommendations for approval by the board, unless otherwise specified herein.

- 7.3. The committee is authorised by the board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee of the company and its asset and property manager. All employees are instructed to cooperate with any request made by the committee.
- 7.4. The committee will have reasonable access to the company's records, facilities and any other resources necessary to discharge its duties and responsibilities.
- 7.5. The committee may form, and delegate authority to sub-committees or to one or more designated members of the committee, provided that the committee retains full and exclusive authority over any activities of such member or sub-committee.
- 7.6. The committee is authorised by the board to obtain independent outside legal or other independent professional advice and such professional advisers may, at the request of the committee, attend meetings as necessary.
- 7.7. The company shall meet all expenses reasonably incurred by the committee in the fulfilment of its duties, including the payment of a fee to committee members as determined by the board from time to time.

8. DUTIES AND RESPONSIBILITIES

The duties and responsibilities of the committee, which shall be in respect of the company and the group, shall be to:

- 8.1. oversee the development and annual review of a policy and framework for enterprise-wide risk management that articulates and gives effect to its risk policy to recommend for approval to the board.
- 8.2. review and monitor the processes and procedures for risk identification, analysis and quantification.
- 8.3. ensure risk assessments that include due consideration of risks and opportunities arising from the economic, social and environmental context within which the group operates. Review the design and implementation of appropriate risk responses, the processes implemented to monitor the ongoing effective management of risks, and ensure that continuous monitoring and assurance take place in relation to those risks and material matters ("the combined assurance process").
- 8.4. review reports from internal audit on the effectiveness of the processes and procedures of risk management.

- 8.5. review any significant internal audit findings, insofar as they relate to material risks or controls, to assess the impact of these on the company's overall risk environment.
- 8.6. ensure that an assessment of risks and opportunities emanating from the triple context¹ in which the company operates and the capitals that the company uses are performed continuously.
- 8.7. review the potential upside, or opportunity, presented by risks with potentially negative effects on achieving the company's objectives.
- 8.8. review the company's dependence on resources and relationships as represented by the various forms of capital ².
- 8.9. establish and implement the business continuity arrangements that allow for organisational resilience, including the ability to operate under conditions of volatility, to withstand and recover from acute shocks.
- 8.10. submit an annual report to the board on the effectiveness of the total risk management and assessment process and outcomes, including a register of the company's material risks. The nature and extent of the risks and opportunities the company is willing to take should be disclosed without compromising sensitive information.
- 8.11. ensure that reporting on risk management is complete, timely, accurate, and accessible.
- 8.12. make recommendations to the board concerning the levels of tolerance, namely the limit of potential loss that the company has the capacity to tolerate, and appetite, namely its propensity to take appropriate levels of risk, and monitoring that risks are managed within the levels of tolerance and appetite as approved by the board.
- 8.13. oversee the integration and embedding of risk management into the day-to-day operations and decision making process as part of the organisational culture of the group.
- 8.14. adopt an iterative approach to risk which is responsive to changing conditions and emerging risks.
- 8.15. review the design and implementation of appropriate risk responses to ensure alignment with established risk appetite and tolerance levels.
- 8.16. oversee and monitor the implementation and execution of compliance policies, frameworks and standards, to ensure the following:

¹ The combined context of the economy, society and environment in which the company operates.

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s as inputs to their business model, and which are increased, decreased or transformed through the organisation's business activities and outputs. In accordance with the six capitals model, these capitals consist of financial, manufactured, intellectual, human, social and relationship and natural capital. Each of these capitals are described in the International <IR> Reporting Framework.

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- 8.16.1. the integration of compliance into the broader organisation-wide risk management system.
 - 8.16.2. compliance being understood not only for the obligation it creates, but also for the rights and protection it affords.
 - 8.16.3. taking a holistic perspective on the interrelation between applicable laws and regulations and adoption non-binding rules, codes and standards.
 - 8.16.4. monitoring of the regulatory environment and appropriately responding to indicators of change or development in regulatory policy.
 - 8.17. review the group's compliance with legal and regulatory provisions, its memorandum of incorporation and the rules established by the board and any significant breaches thereof.
 - 8.18. ensure coordination with the audit committee, who will be responsible for the risk management process as far as financial internal controls, financial reporting and IT risks are concerned.
 - 8.19. establish and maintain a common understanding of the risk universe that needs to be addressed in order to achieve the company's objectives.
 - 8.20. arrange for periodic independent assurance on the effectiveness of the risk management function and the group's risk management system and internal control framework, covering, in collaboration of the audit committee, all significant controls, including financial, operational, reporting and compliance controls, for presentation to the board.
 - 8.21. arrange for periodic assurance on the effectiveness of the compliance function and the group's system of compliance.
 - 8.22. keep abreast of all changes to the risk management and control system and ensure the risk profile and the common understanding are updated, as appropriate.
 - 8.23. give due consideration to the Listings Requirements of the JSE Limited and the code of governance principles as contained in the King V™.
 - 8.24. retain a copy of the current terms of reference of the committee at the registered office of the company and provide shareholders with a copy of the same if requested.
 - 8.25. consider such other topics and fulfil such other duties as defined by the board.
 - 8.26. review and assess the adequacy of the proposed and/or existing insurance cover before effecting or renewing the same as presented by the asset and property manager.

9. REPORTING PROCEDURE

- 9.1. The group company secretary shall incorporate the approved minutes of meetings of the committee in the meeting files prepared for meetings of the board for noting purposes.
- 9.2. The company shall disclose in its integrated report whether or not the committee has adopted these formal terms of reference and, if so, whether or not the committee satisfied its responsibilities for the year in compliance with its terms of reference.
- 9.3. Membership of the committee and attendance at committee meetings shall be disclosed in the company's integrated report.

10. COMMITTEE RESOLUTIONS

- 10.1. Each member of the committee has 1 (one) vote on a matter before the committee and a majority of the votes cast on a resolution at a committee meeting is sufficient to approve that resolution.
- 10.2. A resolution in writing ("round robin resolution") signed by a majority of the members of the committee at the time when such resolution is released for signature, shall be as valid and effectual as if it has been passed at a duly constituted meeting of the committee, provided that each member of the committee shall have received notice of the matter to be decided and, thereby, have been afforded a reasonable opportunity to express an opinion on the matter to which such resolution relates.
- 10.3. Any round robin resolution:
 - 10.3.1. May be signed or accepted in any electronic form and in any number of counterparts, all of which, taken together, shall constitute the same document.
 - 10.3.2. May, in signed or unsigned form, be conveyed or transmitted by telefax, e-mail or any other form of electronic means, subject to any conditions decided upon by the committee.
 - 10.3.3. The passing of round robin resolutions of the committee must not detract from the requirements for the frequency of committee meetings as set out in these terms of reference.
 - 10.3.4. All round robin resolutions should be tabled at the next Committee meeting for noting.

11. REVIEW AND ASSESSMENT

- 11.1. The committee's activities and effectiveness should be assessed biennially and reviewed with the board.
- 11.2. After completing its evaluation, the committee should review the results with the board, so that appropriate action can be taken on any recommendations resulting from the review.

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- 11.3. The committee must review and reassess the adequacy of these terms of reference from time to time (at least 2 (two) years) and must recommend to the board any improvements to these terms of reference that the committee considers necessary.

12. GENERAL

- 12.1. The committee members are obliged to disclose in writing any personal financial interest in terms of section 75 of the Companies Act, 2011 and any other interests they have within or outside the company and the group that may be of interest to the company or that may interfere or conflict with the performance of their duties.
- 12.2. All company and group-related information that becomes known to persons in the performance of their duties must at all times be kept confidential.
- 12.3. Except to the extent of legal or regulatory provisions to the contrary, committee members, being a majority of non-executive directors, are entitled to rely on the executives of the company and/or City Property Administration Proprietary Limited and those of other entities within the group in relation to matters within their area of expertise and may assume the accuracy of information provided by such persons, provided that the committee member is not aware of any reasonable grounds upon which reliance or assumption may be inappropriate.

APPROVED BY THE BOARD ON 27 JULY 2026