

**APPROVAL**

Date	5 January 2022
Approved by Board Representative	Kate Maphage
Reviewed by Executive Chairman	Guido Renato Giachetti
Reviewed by Chief Executive Officer	Jacopo Pari

KEY STAKEHOLDERS

Governing Body	Board of Directors of RDC Properties Limited
Audit and Risk Committee	RDC Audit and Risk Committee members tasked with assurance delegation of authority policies
Executive Chairman	Guido Renato Giachetti
Chief Executive Officer	Jacopo Pari
The Manager, The Management Company	Property and Asset Management Limited, so long as the current management agreement with RDC continues, and it's successor should it be terminated, and /or it's subsidiaries or outsourced service providers.
Management Team – "The Manager"	Management and Staff of the Manager

1. The Purpose

The purpose of the risk management policy and plan is to provide guidance regarding the management of risk to support the achievement of corporate objectives, protect staff and business assets and ensure financial sustainability.

2. Introduction

As a regional property group with business activities in diverse countries, the RDC Group is exposed to a wide range of risks, some of which may have material consequences. Entrepreneurship is the undertaking of risk for reward. Taking risks is part of the day-to-day job of our senior leadership and our various boards.

The RDC Group is committed to identifying and managing risk, in line with international best corporate governance practice and in the application of the relevant rules and regulations – in particular, the listing requirements of the BSE Limited, as well as the principles laid down in the King Report on Governance for South Africa 2009 ("King III"). However, it is not always possible to identify all risks that may arise.

3. Responsibility

- a. The Board has a responsibility to ensure that it has dealt with the management of risk comprehensively.
- b. The Audit and Risk Committee assists the board in carrying out its risk management responsibility.
- c. The Executive Directors are accountable to the board for the enterprise-wide management of risk.
- d. The Manager is responsible for risk management in accordance with approved plans and policies.
- e. The Group CFO advises on, formulates, oversees and manages the risk management system and monitors the group's risk profile, ensuring that major risks are identified and reported at the appropriate level in the group.
- f. External auditors provide external assurance on the adequacy and effectiveness of the risk management process across the group.
- g. The Audit and Risk committee assists the board in its responsibility for overseeing financial reporting risk and internal financial controls, including fraud and IT risks.
- h. The Audit and Risk committee oversees the functioning of external auditors, including satisfying itself that risks are assured through its review.

4. Scope and Revision

The risk management policy is applicable to all operations where the group directly or indirectly has more than 50% ownership and management control over operations.

The board adopts a top-down road map for implementation of the risk plan. The areas of focus for each reporting year are decided when the risk management plan and matrix is reviewed and approved by the Audit and Risk Committee.

The policy is applicable to risks the group faces in the execution of its strategy, operations, reporting and compliance activities.

The policy will be reviewed annually.

5. Policy

The group maintains a transparent risk profile by using a pragmatic, structured, formal and planned approach to risk management.

The identification, management and reporting of risks are embedded in its business activities and processes.

6. Framework

The RDC risk matrix and framework is designed to ensure that significant risks and related incidents are identified, documented, managed, monitored and reported in a consistent and structured manner across the group.

This framework sets out the minimum requirements for implementing the risk policy.

The Group CFO will develop an annual plan to ensure that significant risks across the organisation are identified, documented, updated and reported to Manager and the Audit and Risk committee.

7. Managing Risk

The Manager will analyse major inherent risks and implement effective mitigating strategies to reduce these to acceptable levels.

These could include, but are not limited to:

- a. Internal controls and procedures and the implementation of relevant risk management policies;
- b. Outsourcing of risk management processes to service;
- c. Insurance and other forms of risk transfer
- d. Monitoring of risk, and
- e. Setting Risk management strategies.

RDC's external auditors are responsible for providing an independent written assessment to the Board and to the Audit and Risk committee as it relates to financial reporting risk on the adequacy and effectiveness of the internal control environment implemented to manage inherent risk to an acceptable residual level.

The Manager, taking into account the opinion of assurance providers, such as external auditors, documents and reports risks to the Audit and Risk committee, specifically risks falling outside the risk tolerance of the board.

8. Reporting

8.1 Significant RDC group-wide risks are recorded in a risk register/matrix, along with their potential impact on the business and the Manager's mitigating actions are documented.

8.2 The business operations / country operations are required to identify risks that they may be subject to, evaluate their impact on the business and document the risk management procedures in place. This risk information is reported to the group where the risks are evaluated and the RDC group risk registers updated as required.

8.3 Reporting internally will be bottom-up: local management periodically reports its agreed risk registers with the required information to its group companies, and then to RDC.

8.4 The RDC-consolidated risk register will form the basis of reporting to Audit and Risk committee and changes to risk information, including tolerance levels at the local committee and board level, will be made to the RDC risk register and communicated to the operating units.

8.5 The risk reporting process is aligned with the Audit and Risk Committee and Board calendars.

9. Monitoring

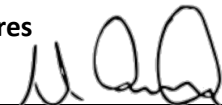
The Audit and Risk Committee will monitor the adequacy against the risk register / matrix. The RDC Board may also require other independent assurance on the effectiveness of the Risk register from time to time.

10. Amendment of the Policy

This policy shall be subject to annual review, monitoring and amendment by the Audit and Risk Committee on behalf of the Governing Body who shall ensure all reviews are reduced to writing and records of such amendments clearly noted in the business of the day where such amendments are adopted.

11. Approved, adopted and reviewed

This policy was approved and adopted by the Governing Body on the 5th day of January 2022

Approval Signatures

Governing Body Representative

Executive Chairman

Chief Executive Officer