RUNWAY

PROPERTY GROUP

King IV Application Register

2026

Good Corporate Governance provides the framework within which we strive to achieve superior performance, benefiting all our stakeholders. The Board of Directors of Runway Property Group Limited ("the Board") believes that achieving the highest standards of Corporate Governance is key to achieving the Group's vision and strategy, as well as creating and sustaining value for the Group's stakeholders.

Transparency, accountability, integrity, and openness in reporting and disclosure of information, both operational and financial, are internationally accepted as vital to the practice of good Corporate Governance. Achieving this objective demonstrates Runway's public accountability and its commitment to conducting its business in accordance with ethical standards and outcomes-based strategic objectives.

KING V

King V is the latest in South Africa's corporate governance framework, issued in 2025. He builds on King IV, providing an outcomes-based approach to promoting ethical and effective leadership, with a focus on sustainable value creation, sound governance practices, and stakeholder trust. The Group has undertaken a gap analysis against the King V principles and recommended practices, and the outcomes will inform a structured implementation plan, with adoption targeted for the 2027 financial year.

The Board is pleased to present the King IV™ application report for the year ending 28 February 2026.

PRINCIPLE 1

THE BOARD SHOULD LEAD ETHICALLY AND EFFECTIVELY.

The Group is committed to achieving its goals with integrity, upholding high ethical standards, and compliance with all applicable laws while being a responsible corporate citizen. A Code of Ethics and Business Conduct are in place and sets the tone for an ethical culture within the Group. The Directors are fully committed to these principles, which ensure that the business is managed according to the highest ethical standards, even beyond mere legal compliance, within its operating environment and the social, political and physical environments in which the Group operates.

Directors attend and participate in meetings and are allowed to engage meaningfully in Board deliberations and challenges when they have a concern.

PRINCIPLE 2

THE BOARD SHOULD GOVERN THE ETHICS OF THE GROUP IN A WAY THAT SUPPORTS THE ESTABLISHMENT OF AN ETHICAL CULTURE.

The Code of Ethics and Business Conduct is included in new-employee induction and other regular training programs. It is available on the Company's website at www.runwaypropertygroup.co.za. Ethics are integral to our recruitment process, performance evaluation and rewards for employees, as well as supplier sourcing.

Directors and Officers of the Company are committed to always acting in good faith and in the best interest of the Company. A register of Directors' interests is circulated at each meeting for Directors to confirm their interests. Declaration of interests is a standard agenda item, and specific conflicts of interest are captured in the minutes.

PRINCIPLE 3

THE BOARD SHOULD ENSURE THAT THE ORGANISATION IS AND IS SEEN TO BE A RESPONSIBLE CORPORATE CITIZEN.

The Board considers not only financial performance but also the impact of the Group's operations on society and the environment. The Board protects, enhances, and invests in the well-being of the economy, society and the environment.

The Board mandated the Social and Ethics Committee to monitor and oversee corporate citizenship, reporting to the Board on identified areas. No ethical leadership or corporate citizenship deficiencies were noted in the material. The Board, through the Audit and Risk Committee and the Social and Ethics Committee, monitors compliance with Runway's Code of Ethics and Business Conduct through established reporting channels. Bi-annual feedback is provided to the relevant Committees and the Board, while sanctions and remedies are implemented when ethical standards are breached.

PRINCIPLE 4

THE BOARD SHOULD APPRECIATE THAT THE ORGANISATION'S CORE PURPOSE, RISKS, OPPORTUNITIES, STRATEGY, BUSINESS MODEL, PERFORMANCE, AND SUSTAINABLE DEVELOPMENT ARE ALL INSEPARABLE ELEMENTS OF THE VALUE CREATION PROCESS.

The Board is of the view that sound Governance practices are fundamental to earning the trust of stakeholders and are critical to sustaining performance and preserving shareholder value.

The Board is the Group's highest decision-making body. It approves the Group's strategy and ensures it aligns with the Group's values. The Board assumes collective responsibility for steering and monitoring the implementation of strategy and performance targets, as well as the associated risks. It is collectively responsible for the Group's long-term success.

The Board is accountable to shareholders and strives to balance the Group's interests with those of its various stakeholders. All Directors are continuously taking steps to ensure that they have a sufficient working knowledge of the Group and the industry in which it operates. Directors are required to continually develop their competencies to lead effectively, act with due care, skill, and diligence, and take reasonable and diligent steps to become informed about matters for decision-making.

Material strategic business and sustainability risks are identified and outlined in the risk register, and mitigating controls are implemented to manage the identified risks.

The Audit and Risk Committee reviews management's documented assessments of going concern on a six-month basis.

PRINCIPLE 5

THE BOARD SHOULD ENSURE THAT REPORTS ISSUED BY THE ORGANISATION ENABLE STAKEHOLDERS TO MAKE INFORMED ASSESSMENTS OF THE ORGANISATION'S PERFORMANCE AND SHORT-, MEDIUM AND LONG-TERM PROSPECTS.

The Board is ultimately responsible for ensuring that reports to stakeholders comply with the necessary legal requirements and include accurate, truthful, and reasonable information. This function is delegated to the Audit and Risk Committee and recommended to the Board for final approval. Materiality issues are formally determined and reported.

The Annual Report and Annual Financial Statements are prepared in consultation with internal and external advisors to ensure compliance with relevant legislation and regulations and to enable shareholders and stakeholders to assess whether the Group's affairs are being managed competently.

Through the Audit and Risk Committee and the Social and Ethics Committee, the Board reports on its performance, enabling stakeholders to make informed assessments of the Group's progress toward its short- and medium-term objectives.

External reports, including the Annual Report, are published on the Group's website.

PRINCIPLE 6

THE BOARD SHOULD SERVE AS THE FOCAL POINT AND CUSTODIAN OF CORPORATE GOVERNANCE IN THE ORGANISATION.

The Board acts as the focal point and custodian of the Group's Corporate Governance. A clear division of responsibilities between the Directors is maintained to ensure that no single Director has unfettered decision-making powers. A Delegation of Authority Policy is in place and reviewed regularly to ensure management has the necessary authority to implement and execute the strategy.

The Directors have access to the advice and services of the Company Secretary. They are entitled, at the Company's expense, to seek independent professional advice about the affairs of the Company regarding the execution of their duties as Directors. Board Committees are also entitled to obtain independent professional advice on any issue within their scope, subject to following a Board-approved process.

A Board Work Plan and Terms of Reference for the Committees are in place to ensure that all relevant Governance matters are addressed during the year. Feedback on the delegated task is provided at the next meeting and recorded in the meeting minutes.

PRINCIPLE 7

THE BOARD SHOULD COMPRISE THE APPROPRIATE BALANCE OF KNOWLEDGE, SKILLS, EXPERIENCE, DIVERSITY, AND INDEPENDENCE TO DISCHARGE ITS GOVERNANCE ROLE AND RESPONSIBILITIES OBJECTIVELY AND EFFECTIVELY.

At year-end, the Board consisted of three independent Non-Executive Directors and three Executive Directors. The Board's composition is not in line with the principles of King IV™, as a majority of Directors are Non-Executive. However, all the Non-Executive Directors are independent.

The Board composition remained unchanged during the reporting period.

The Chairperson of the Board is an Independent Non-Executive Director, and his role is separate from the Chief Executive Officer. The Chief Executive Officer and Chief Financial Officer are members of the Board. The Board composition is reviewed annually to ensure compliance with relevant legislation, regulations, and policies.

The Non-Executive Directors possess the necessary skills and experience to provide independent judgment on matters relating to strategy, performance, resources, transformation, diversity, employment, standards of conduct, and performance evaluation. The Board is satisfied that its composition reflects the appropriate mix of knowledge, skills, experience, diversity, and independence.

BOARD APPOINTMENT AND RE-ELECTION PROCESS

The Board has a formal, transparent policy for the appointment of Directors. While the appointments are a matter for the Board, the authority to oversee the nomination process and conduct the interviews has been delegated to the Remuneration and Nominations Committee. At least one-third of the directors rotate every year. At the Annual General Meeting on 2 July 2026, Jonathan Bennett will retire and stand for re-election.

Apart from a candidate's experience, knowledge, skills, availability and likely fit, the committee also considers a candidate's integrity, as well as other Directorships and commitments, to ensure that the candidate will have sufficient time to discharge his/her role properly.

The management of the Board and executive succession process is crucial to its sustainability. The Remuneration and Nominations Committee ensures that, as Directors retire, candidates with the necessary experience are identified to maintain and enhance the Board's competence and balance, taking into account the Group's current and future needs.

The role of the Board in formulating and prioritising the Company's strategy remains a focus area, as well as the mix of financial and operational information to support the measurement of the strategy.

Informal succession planning for the executive team will be discussed and agreed on at a Remuneration and Nominations Committee meeting.

The Non-Executive Directors derive no benefit from the Company other than their fees and emoluments as proposed by the Board through the Remuneration and Nominations Committee and approved by shareholders at the Group's Annual General Meeting.

Independence and conflicts

During the year ended 28 February 2026, none of the Directors had a significant interest in any contract or arrangement entered into by the Company or its subsidiaries other than as disclosed on page 44 of the Annual Report of 2026.

Directors are required to inform the Board promptly of any conflicts or potential conflicts of interest regarding any items of business. Directors are obliged to excuse themselves from discussions or decisions on matters in which they have a conflict of interest in accordance with the Declaration and Conflict of Interest Policy that is in place. A standard agenda item is included for members to declare any conflicts of interest regarding agenda items. This is minuted accordingly.

When categorising the Non-Executive Directors as independent, the interests, positions, associations, or relationships were taken into consideration.

THE CHAIRMAN

The Chairperson's role is to set the ethical tone for the Board and ensure that the Board remains efficient, focused and operates as a cohesive unit. Shaun Zagnoev's role is separate from that of the Chief Executive Officer, Mark Earle. He provides overall leadership to the Board and the Chief Executive Officer without limiting the principle of collective responsibility for Board decisions.

The Committee acknowledges King IV's recommendation that the Chairperson of the Board should not be a member of the Committee. However, due to Shaun Zagnoev's financial experience, the Committee decided that he remains a member of the Audit and Risk Committee. He is also a member of the Remuneration and Nomination Committee and will preside as Chairperson when nomination matters are discussed.

The roles of the Chairperson and Chief Executive Officer are documented in the Board Charter.

PRINCIPLE 8

THE BOARD SHOULD ENSURE THAT ITS ARRANGEMENTS FOR DELEGATION WITHIN ITS STRUCTURES PROMOTE INDEPENDENT JUDGEMENT AND ASSIST IN MAINTAINING THE BALANCE OF POWER AND THE EFFECTIVE DISCHARGE OF ITS DUTIES.

The Group seeks to maintain strong Corporate Governance structures and processes by working within a clearly defined governance framework, thus enabling the delivery of a sustainable business to all our stakeholders. The Governance framework promotes the establishment of a Board Committee structure to support the Board in fulfilling its duties. The Board has delegated specific authority to each Committee while still enabling elective control and preserving its accountability. The roles and responsibilities of each committee are defined, and the Board has approved the terms of reference for the various committees.

PRINCIPLE 9

THE BOARD SHOULD ENSURE THAT THE EVALUATION OF ITS PERFORMANCE, AS WELL AS THAT OF ITS COMMITTEE, ITS CHAIR, AND ITS MEMBERS, SUPPORTS CONTINUED IMPROVEMENT IN ITS PERFORMANCE AND EFFECTIVENESS.

The Board assumes responsibility for evaluating its performance and that of its committees, chair, and members. Evaluations were conducted through questionnaires, and areas for improvement will be implemented during the current financial year.

PRINCIPLE 10

THE BOARD SHOULD ENSURE THAT THE APPOINTMENT OF AND DELEGATION TO MANAGEMENT CONTRIBUTES TO ROLE CLARITY AND THE EFFECTIVE EXERCISE OF AUTHORITY AND RESPONSIBILITIES.

There is a Delegation of Authority Policy that outlines matters reserved for Board and management approval and prescribes authority thresholds for different Board Committees.

The Delegation of Authority Policy is reviewed annually by the Board. The Board has delegated authority to the Chief Executive Officer to run the day-to-day affairs of the Company.

The Board is satisfied that the Delegation of Authority Policy contributes to role clarity and the effective exercise of authority and responsibilities.

PRINCIPLE 11

THE GOVERNING BODY SHOULD GOVERN RISK IN A WAY THAT SUPPORTS THE ORGANISATION IN SETTING AND ACHIEVING STRATEGIC OBJECTIVES.

The focus of risk management in Runway Property Group Limited is on identifying, assessing, mitigating, managing and monitoring all known forms of risk across the Group. Management is involved in a continuous process of developing and enhancing its comprehensive risk identification and management systems. The Board assume overall responsibility for the governance of risk by setting direction for how risk should be approached and addressed. The top risks are continually presented and discussed, and they are considered when making decisions.

Management throughout the Group is responsible for implementing and executing effective risk management.

The risks to the business encompass property leases, exchange rates, political and economic factors, local competition, legislation and national regulations, interest rates, people skills, and general operational and financial risks. The significant risks are the subject of ongoing attention by the Board and receive particular consideration in the annual strategic plan, which the Board approves.

The management of operational risk is a line function conducted in compliance with a comprehensive set of Group policies and standards that cover all aspects of operational risk control. Performance is regularly measured through both self-assessments and audits conducted by independent consultants. In addition, the Group promotes ongoing commitment to risk management and control by participating in externally organised risk management and safety systems.

Currently, only the Annual Financial Statements are independently assured by De Vos Richards Abed Inc.

PRINCIPLE 12

THE BOARD SHOULD GOVERN TECHNOLOGY AND INFORMATION IN A MANNER THAT SUPPORTS THE GROUP'S SETTINGS AND ACHIEVES ITS STRATEGIC OBJECTIVES.

The Board assumes responsibility for the governance of technology and information by setting the direction for its approach. The Board recognises its importance, as it is interrelated with the strategy, performance, and sustainability of the Group.

This is achieved through reporting to the Board via the Audit and Risk Committee. The IT function ensures the integration of people, technology, information, and processes across the Group. Technology and information risks are integrated into the overall risk register and reported regularly.

PRINCIPLE 13

THE BOARD SHOULD GOVERN COMPLIANCE WITH APPLICABLE LAWS AND ADOPT NON-BINDING RULES, CODES, AND STANDARDS IN A MANNER THAT SUPPORTS THE GROUP'S ETHICAL BEHAVIOUR AND CORPORATE CITIZENSHIP.

The Board assumes responsibility for governance and compliance with applicable laws, as well as adopted, non-binding rules and codes of standards. This function is delegated to the Social and Ethics Committee, with financial compliance overseen by the Audit and Risk Committee. No penalties were paid during the reporting period for non-compliance with any statutory obligation.

PRINCIPLE 14

THE BOARD SHOULD ENSURE THAT THE ORGANISATION REMUNERATES FAIRLY, RESPONSIBLY, AND TRANSPARENTLY, THEREBY PROMOTING THE ACHIEVEMENT OF STRATEGIC OBJECTIVES AND POSITIVE OUTCOMES IN THE SHORT, MEDIUM, AND LONG TERM.

The Board notes the promulgation of sections 30A and 30B of the Companies Amendment Act, which became effective on 22 May 2026, introducing enhanced statutory requirements relating to remuneration disclosure and shareholder engagement on remuneration matters. While the Company's current Remuneration Report has been prepared in accordance with the principles and recommended practices of King IV™—particularly those relating to fair, responsible and transparent remuneration and the presentation of a policy and implementation report for non-binding advisory votes—the Board is in the process of assessing the impact of the new legislative requirements to ensure full compliance in future reporting cycles. Where appropriate, elements of sections 30A and 30B will be progressively incorporated into the Company's remuneration framework and disclosures for 2026, having regard to alignment with existing King IV™ principles and the new King V recommended practices.

The Remuneration and Nominations Committee ensures that the Group's remuneration policy aligns with its strategy and reviews and approves the remuneration of Executive Directors.

The Remuneration Report and Policy are set out in the Annual Report. For 2026, a binding Remuneration Policy and Implementation Report will be tabled at the Annual General Meeting for shareholder approval by ordinary resolution.

Executive and prescribed officer remuneration comprises a combination of guaranteed remuneration and variable remuneration (short-term remuneration). The Directors and employees are remunerated responsibly in line with the Remuneration Policy. The Board is satisfied that the Remuneration Policy achieves its objectives.

Refer to the Remuneration Report from page 37 of the Annual Report for more information.

PRINCIPLE 15

THE BOARD 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 Board has delegated responsibility for overseeing the effectiveness of the Group's assurance arrangements to the Audit and Risk Committee. The Committee ensures that internal controls are adequate and adequately reported on for arrangements within the Group. Internal controls have been established not only over financial matters but also operational, compliance and sustainability issues.

The combined assurance framework will be established during the current financial year and aligned with the Group's identified risks to determine whether additional assurance is required in relevant risk areas. Assurances are currently obtained through external audit and through regular tests conducted by management.

The Board assumes responsibility for the integrity of the external reports presented by the Group via the Audit and Risk Committee. It sets out the direction on how assurance in this regard should be approached and addressed.

PRINCIPLE 16

IN EXECUTING 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 INTEREST OF THE ORGANISATION OVER TIME.

The Board recognises its responsibility for governing stakeholder relations within the Group. Transparent communication and stakeholder engagement are vital to ensure that the principles of stakeholder management are adopted in line with King IV™. The Board ensures that shareholders are equitably treated and that the interests of minority shareholders are adequately protected. The Board encourages shareholders to attend the Annual General Meeting to engage with the Board and management.