

INTEGRATED ANNUAL REPORT 2024

INTEGRATED
ANNUAL
REPORT
2 0 2 4
for the year ended 30 June



Growthpoint Properties Limited (Growthpoint, the Group or the company) the largest South African primary listed REIT on the Johannesburg Stock Exchange (JSE), is an international property company with assets in South Africa (SA), the rest of Africa, Australia, Poland, Romania and the United Kingdom (UK). Committed to creating space to thrive, we own and manage a diversified portfolio of 511 property assets, locally and internationally.

The Group's total property assets are valued at R174.7bn.

Report navigation

We use the following icons throughout our report to indicate the elements of our business model in terms of the Integrated Reporting Framework:

Stakeholder groups

- EMP** Employees
- TEN** Tenants
- SHA** Shareholders
- SUP** Suppliers
- FIN** Finance providers
- GOV** Government and regulatory bodies
- PBR** Property brokers
- IBO** Industry and business organisations
- COM** Communities

Material matters

- MM1** Understanding and responding to operating context uncertainties
- MM2** Managing and safeguarding environmental resources
- MM3** Positioning our business for long-term growth
- MM4** Supporting engaged, collaborative and healthy employees
- MM5** Ensuring governance, ethics and compliance
- MM6** Managing our reputation

Capitals impacted

- FC** Financial
- SRC** Social and relationship
- MC** Manufactured
- IC** Intellectual
- HC** Human
- NC** Natural

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- @growthpoint

Navigation tools

This is an interactive report. Navigation tools at the top right of each page and within the report are indicated below.

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Board approval

The Board has applied its mind to the Integrated annual report (IAR) and believes that it fairly presents the integrated performance of the organisation and addresses all material matters. This report was approved by the Board on 16 October 2024 and is signed on its behalf by:

- | | |
|---|---|
| Rhidwaan Gasant
Chairman, Independent Non-executive | John van Wyk
Independent Non-executive |
| Frank Berkeley
Independent Non-executive | Eileen Wilton
Independent Non-executive |
| Melt Hamman
Independent Non-executive | Norbert Sasse
Group CEO |
| Prudence Lebina
Independent Non-executive | Estienne de Klerk
CEO South Africa |
| Clifford Raphiri
Independent Non-executive | Gerald Völkel
Group FD |
| Andile Sangqu
Lead Independent Non-executive | |



Send us your feedback

To ensure that we report on issues that matter to our stakeholders, please provide any feedback and questions to info@growthpoint.co.za
Scan the QR code to gain quick access to our website.
www.growthpoint.co.za

Welcome to Growthpoint's IAR for the year ended 30 June 2024 (FY24).

This report is part of a suite of reports issued for FY24. It should be read in conjunction with the Group and company annual financial statements (AFS), environmental, social and governance report (ESG) and annual general meeting (AGM) notice.

In preparing these reports, we have endeavoured to present a holistic and integrated representation of the organisation's performance and our long-term sustainability.



Integrated annual report (IAR)

Our IAR is our primary report to stakeholders. It shows the relationship between the interdependent elements of our value creation and is supplemented by additional disclosures in our reporting suite.



Group and company annual financial statements (AFS)

Our AFS provide a comprehensive overview of Growthpoint's financial position and enables our stakeholders to understand our financial performance.



Environmental, social and governance (ESG) report

Our ESG report is a detailed account of our sustainability performance for the year and provides disclosures to meet the information needs of various stakeholders.



Annual general meeting (AGM) notice

We provide shareholders with valuable information to support their participation at our AGM.

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COVER IMAGE: V&A WATERFRONT, CAPE TOWN

01

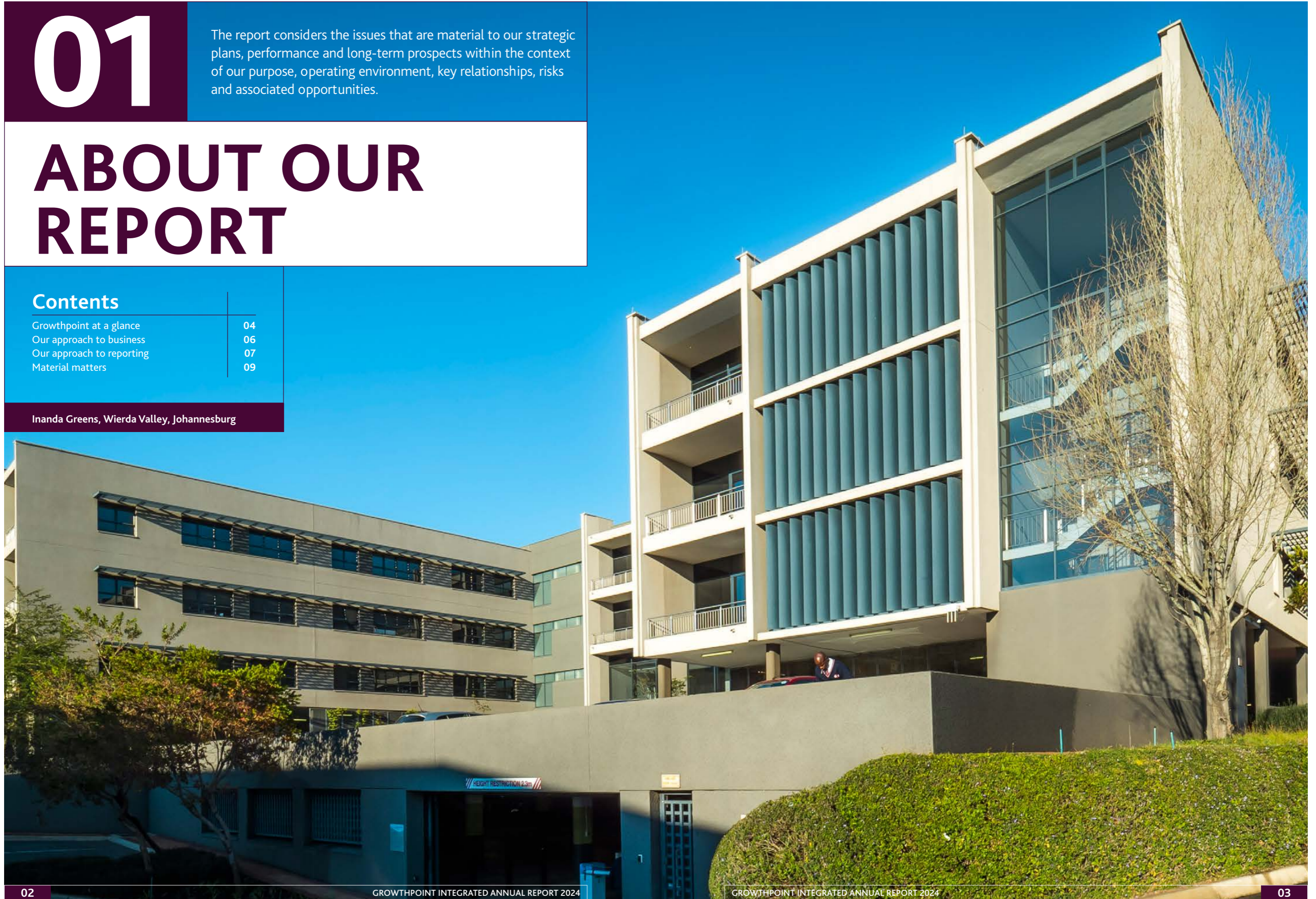
The report considers the issues that are material to our strategic plans, performance and long-term prospects within the context of our purpose, operating environment, key relationships, risks and associated opportunities.

ABOUT OUR REPORT

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Inanda Greens, Wierda Valley, Johannesburg



GROWTHPOINT AT A GLANCE

Growthpoint was established in 1987 and has evolved into the largest South African primary Real Estate Investment Trust (REIT) listed on the JSE.

We own and manage a diversified portfolio of property assets in South Africa and internationally, valued at R174.7bn.

We are proud to be an industry leader, creating value for all our stakeholders through sustainable property solutions. We have a strong and skilled Board that drives growth and supports best-practice governance for an ethical, transparent and responsible culture.

Highlights

Largest South African primary **REIT** listed

Included in FTSE/JSE **Top 40 Index**

Gross market capitalisation of **R41.8bn** (at share price of R12.18 per share)

Liquid and tradable with **R3.7bn average value of shares** traded per month

15th year inclusion in **FTSE/JSE** Responsible Index

Eighth-year inclusion in **FTSE4Good** Emerging Index

Constituent of **FTSE** European Public Real Estate Association (**EPRA**)/**NAREIT** Emerging Index

Investment proposition

Earnings underpinned by **high-quality** physical **property assets**

Attractive dividend yield of c.8.5%

Diversified across international geographies, sectors and income streams

Dynamic and **proven** management track record

Best practice corporate governance

Transparent reporting

Level 1 B-BBEE contributor

Attractive **ESG** investment

Investment grade SA domestic debt rating

A strategy that delivers stakeholder value

We manage our assets in ways that optimise their values over the long term and, in the process, ensure that we have a portfolio that is optimally balanced, fit-for-purpose and well located.

A diversified business

Our business is diversified across international geographies, sectors and income streams.

IMPROVING THE QUALITY OF THE SA PORTFOLIO



We aim to improve the quality of our South African portfolio through enhanced capital allocation by investing in our core portfolio to protect and enhance value. We achieve this through active asset management initiatives: developing high-quality assets, particularly modern logistics, enhancing ESG initiatives across the three property sectors and disposing of non-core assets. We sold R1.2bn in FY24, R580m is held for sale at 30 June 2024 and R1.9bn are in various stages of disposal post FY24.

OPTIMISING OUR INTERNATIONAL INVESTMENTS



Our international expansion strategy has been refined to optimise our global investments. Growthpoint Properties Australia Limited (GOZ) remains a cornerstone of our international portfolio. Shareholders are encouraged to review the announcements from Capital & Regional plc (C&R) regarding the disposal of the company to NewRiver REIT plc. At Globalworth Real Estate Investments Limited (GWI), we continue to support management at the shareholder level, focusing on initiatives to unlock value.



Property sectors

Retail	Office
Logistics and industrial	Trading and development (T&D)
Healthcare	Student Accommodation

Geographies

South Africa	Romania
Australia	UK
Poland	Africa

Income streams

Distributions from investments	Third-party development fees
Funds management fees	Trading profits
Property income	

FY24 GROUP SALIENT FEATURES

SA REIT NET ASSET VALUE (NAV)

2 020cps

6.1% decrease from 2 151cps at FY23

DISTRIBUTABLE INCOME PER SHARE (DIPS)

141.9cps

10.0% decrease from 157.6cps for FY23

DIVIDEND PER SHARE (DPS)

117.1cps

10.0% decrease from 130.1cps for FY23

GROUP SA REIT LOAN TO VALUE (LTV)

42.3%

increase from 40.1% at FY23

SOUTH AFRICAN SA REIT LTV (incl. GIP)

34.6%

increase from 32.9% at FY23

GROUP INTEREST COVER RATIO (ICR)

2.4 times

decrease from 2.9 times for FY23

TOTAL PROPERTY ASSETS

R174.7bn

2.8% decrease from R179.8bn at FY23

OFFSHORE PROPERTY ASSETS INCLUDING LANGO

42.1%

decrease from 45.8% at FY23

OFFSHORE DIPS

32.4%

increase from 29.1% for FY23

OUR APPROACH TO BUSINESS

Growthpoint is committed to delivering spaces that positively impact the environment and wellbeing of those who occupy them. Our innovative and sustainable property offerings are designed to enable people and companies to thrive.

OUR PURPOSE

To create value for all stakeholders by providing sustainable buildings to thrive in while improving the social and material wellbeing of individuals and communities.

OUR VISION

To be a leading international property company that provides space to thrive.

OUR MISSION

To create value for all our stakeholders through innovative and sustainable property solutions.

OUR VALUES



Be the best

Do more. **Go the extra mile.**

Be more. Be hungry. Be ambitious. Be better than yesterday. Be better than you ever thought you could be.



Own it

Know your part. **Play it well.**

Own your mistakes. Celebrate your successes. Be accountable, not just to yourself, but also to the rest of your team. This is your time to shine. Make it yours.



The power of us

Collaborate. **Engage. Get involved.**

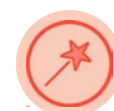
Do your bit. Be part of something bigger. Be who you are. Celebrate the diversity of those around you. Respect them. Support. Find solutions. Spark. Share. Strive towards a common goal. Make it happen. Together.



Break new ground

Reinvent the future. **Co-create the next big thing.**

Welcome change and embrace diversity in our team. Question. Challenge. Set us apart. Take us forward.



Wow them

Don't ask why. **Ask why not?**

Ask how we can do it better. Care too much. Defy expectations. Make it first class. Above and beyond. Every time.



Play fair

Do it with integrity. **Honesty. Good judgement.**

Go for the win, but never at the expense of others. Ask for guidance. Share what you learn. Take stock of your words and actions. Be brave. Wise. And above all, value the trust you've earned.

OUR APPROACH TO REPORTING

Our IAR offers a holistic assessment of Growthpoint's approach to value creation in the short, medium and long term. The primary aim of this IAR is to offer quality information to our providers of financial capital and other stakeholders to enable them to make informed capital allocation and investment decisions. The report considers the issues that are material to our strategic plans, performance and long-term prospects within the context of our purpose, operating environment, key relationships, risks and associated opportunities.

The report aims to provide a balanced and succinct view of Growthpoint's financial and non-financial performance and covers the Group's operations in South Africa, the rest of Africa, Australia, Poland, Romania and the UK. The information included in this report relates to our activities at a Group level, and includes disclosures relating to our subsidiaries and co-investments.

Throughout this report, we demonstrate our commitment to ethical leadership, corporate citizenship, integrated thinking and legitimate stakeholder interaction.

Scope and boundary

Performance information covers Growthpoint's financial year from 1 July 2023 to 30 June 2024. Any notable or material events after this date and up to the approval of this report are included and noted accordingly.



Integrated reporting boundary

Covers financial and non-financial boundaries and the following:

- Our operating context
- Enterprise risk management and compliance
- Stakeholder relationships
- Strategy
- Material matters
- Business model
- Governance
- Remuneration



Financial reporting boundary

Financial data includes our AFS and our subsidiaries' AFS.



Non-financial information boundary

Our ESG data relates to the social and environmental performance of our South African operations. This report does not include data from our subsidiaries, as we do not exercise operational control over these ESG matters.

Materiality

Our IAR provides information that we believe is material to report readers who wish to make an informed assessment of Growthpoint's ability to generate value over the short, medium and long term. Informed by recent global disclosure standards and frameworks developments, we have adopted a double materiality approach across our reporting suite.

Reporting frameworks

The information provided in this IAR was guided by local and international requirements and frameworks, including:

International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board

Integrated Reporting (IR) Framework

King IV Report on Corporate Governance™ for South Africa, 2016 (King IV)*

JSE Listings Requirements

South African Companies Act, No 71 of 2008, as amended (the Act)

For more information on our alignment to sustainability standards, frameworks and ratings systems, please refer to our **ESG report**.

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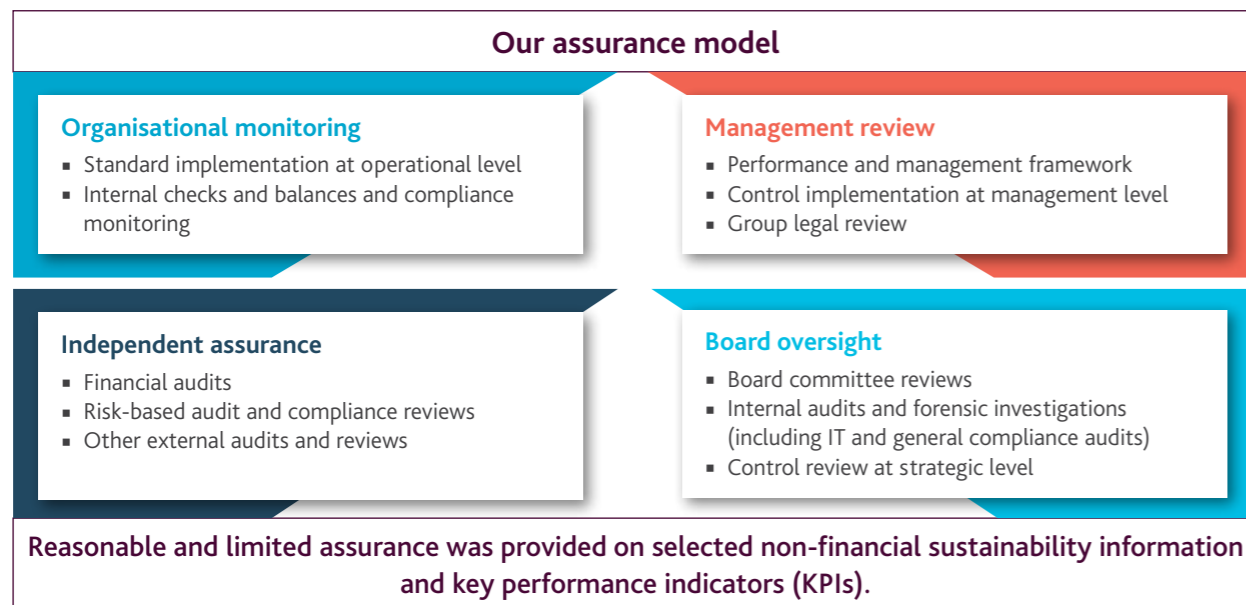
OUR APPROACH TO REPORTING continued

Assurance

While the IAR is not audited, it contains information from the AFS on which an unmodified audit opinion has been expressed. Where information has not been derived from the AFS, the sub-committees (Risk Management, Audit, SET, HR and Remuneration Committee) have obtained assurance that the information has been checked by second and third-line assurance providers and by interacting with persons acting in an *ex officio* capacity who attended the special Audit Committee meeting convened to discuss the IAR.

Combined assurance

Growthpoint uses a combined assurance model (CAM) to optimise the assurance provided over our strategic risks, risk management and internal financial controls. The CAM is also used to evaluate and assure various aspects of the business operations, including elements of external reporting. Growthpoint's Group internal audit function coordinates the CAM and provides an additional line of assurance.



Responsibility statement

The Board takes overall responsibility for the integrity of the IAR and ensures its compliance with the Integrated Reporting Framework. It has reviewed the final report and approved the material matters and themes included in the report when reporting on the various content elements.

The Audit Committee and management acknowledge their responsibility to ensure the integrity of this report.

MATERIAL MATTERS

Our approach to materiality

Materiality determines the relevant matters to be included in our IAR for readers to make an informed assessment of our ability to generate value over the short, medium and long term. We follow the double materiality approach when determining our material matters. Double materiality expands on materiality by incorporating financial and impact materiality. Financial materiality focuses on matters impacting our financial value, while impact materiality considers our company's impact on the environment and society.

The content of our IAR and ESG report was informed by a materiality review in FY24 to determine those matters most material to our business. Our materiality review process involves top leadership, key functions and external consultants.

Double materiality	
Financial materiality	Impact materiality
<p>Our IAR provides information on those matters that are likely to influence the report user's assessment of Growthpoint's financial value over the short, medium and long term.</p> <p>Our FY24 Group and company AFS reflect the effects on value and cash flow that have already occurred by financial year end or are included in future cash flow projections.</p> <p><input checked="" type="checkbox"/> Predominantly financial material matters, mainly reported in Growthpoint's IAR and AFS.</p>	<p>Our ESG report discloses the most significant impacts of our activities on people, society and the environment over the short, medium and long term.</p> <p>These include impacts directly caused by our operations and some impacts linked to our upstream and downstream value chain. We included a provision in the ESG report for financially material ESG risks and opportunities impacting the business.</p> <p><input checked="" type="checkbox"/> Predominantly impact material matters, mainly reported in Growthpoint's ESG report.</p>

The following material matters inform the content of the FY24 IAR and ESG reports:

- Understanding and responding to operating context uncertainties
- Managing and safeguarding environmental resources
- Positioning our business for long-term growth
- Supporting engaged, collaborative and healthy employees
- Ensuring governance, ethics and compliance
- Managing our reputation

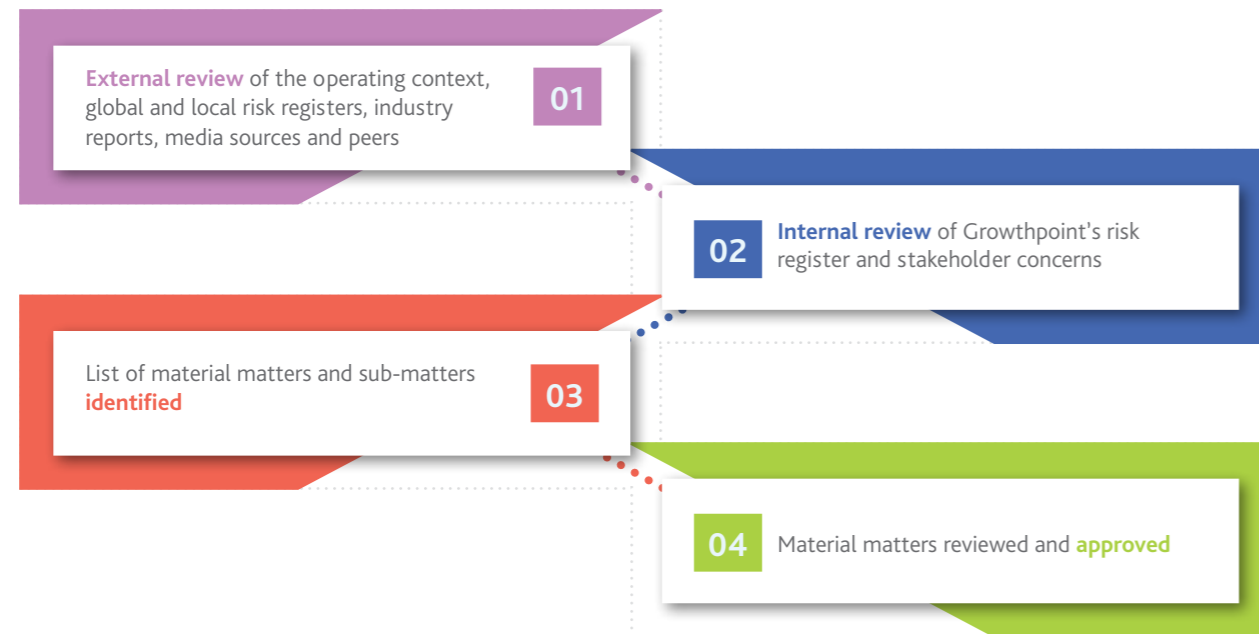
MATERIAL MATTERS continued

Material matters influence our ability to create and sustain value for the Group and our stakeholders over the short, medium and long term. These matters are important as they inform the content of our IAR and ESG report.

Determining materiality

In this reporting period, we conducted an independent, desk-based assessment of our material matters. We used a double materiality approach, where identified matters were considered based on whether they internally impact Growthpoint's ability to create value, and our potential external impact on these factors.

We used the following phased process to determine our materiality:



The process resulted in a set of six material matters, each of these matters are elaborated on the pages that follow.

Understanding and responding to operating context uncertainties

MM1

- Growthpoint's operating context is characterised by challenges associated with:
- Unpredictable geopolitical environment
 - Macro-economic volatility resulting in high inflation and interest rates, increasing costs of borrowing impacting distributable income growth
 - Social instability and an unpredictable geopolitical environment, eroding investor confidence
 - Infrastructure and service delivery challenges, particularly in South Africa
 - Energy instability and increasing operational expenses

Without intervention, each of these has the potential to impact our ability to operate effectively and create sustained value.

Response

Risk mitigation helps us maintain operational resilience and sustain long-term success in an uncertain local and global environment.

Related SDGs

- SDG 11
- SDG 12

Further detail on this matter and our response can be found in the operating context section on page 40.

Managing and safeguarding environmental resources

MM2

- It is essential that we respond to the environmental agenda and operate responsibly, as there is a risk of regulatory fines, reputational damage and unsustainable assets. Our most material environmental resource challenges are:
- Climate change, including extreme weather events and supply chain disruptions
 - Reducing our carbon emissions
 - Energy efficiency management
 - Water scarcity
 - Responsibly managing large volumes of waste generated at our properties
 - Potential regulatory changes

Response

By integrating environmental sustainability into our strategy, we enhance our resilience, reduce risks, improve operational efficiencies and contribute to the transition to a more sustainable and resilient global economy.

Related SDGs

- SDG 6
- SDG 7
- SDG 11
- SDG 12

Further detail on this matter and our response can be found in the ESG report section on page 56.

MATERIAL MATTERS continued

MM3 Positioning our business for long-term growth

To ensure long-term value for all stakeholders, Growthpoint must have access to capital to fund operations and navigate economic uncertainties.

Leveraging technology allows us to remain innovative and retain our position as a market leader while unlocking new business opportunities.

Understanding market trends and consumer dynamics is imperative for us to allocate our resources strategically, ensuring that we provide spaces that contribute to reducing our impact on the environment and that create positive social impact.

Response

Ensuring a streamlined and optimal South African portfolio includes developing and investing in assets aligned to market demands, and disposing of assets to de-risk the portfolio. This enables value creation over the short, medium and long term.

Related SDGs

- SDG 9, SDG 11, SDG 12

Further detail on this matter and our response can be found in the IAR section on pages 43, 70 and 118.

MM4 Supporting engaged, collaborative and healthy employees

Engaged, collaborative and healthy employees are essential to delivering all aspects of Growthpoint's business and creating value. Developing our employees further drives the social value Growthpoint creates.

Ensuring we have the skills necessary for our business means continuously investing in our employees and their development, wellness and safety. Doing so drives productivity, fosters creativity and enhances operational efficiency.

- Attracting and retaining talent, Developing talent and managing succession, Fostering a safe and inclusive work environment, Supporting employee health and wellness

Response

Creating a sense of belonging and inclusivity enables us to attract and retain top talent, enhance employee satisfaction and loyalty and drive business performance.

Related SDGs

- SDG 5, SDG 8, SDG 10

Further detail on this matter and our response can be found in the stakeholder relationships section on page 51 and you can refer to the ESG report in the thriving people and communities section on page 34.

MM5 Ensuring governance, ethics and compliance

Prioritising governance, ethics and compliance is critical for Growthpoint to uphold our obligations to our stakeholders, mitigate legal and reputational risks and foster a culture of integrity and responsibility. Failure to comply can lead to significant financial and reputational consequences, including loss of investor confidence and disruption to operations. We are in an era of increasing cyber threats and data breaches, so protecting sensitive information and ensuring data privacy is critical for Growthpoint.

- Cybersecurity and data management, Regulatory and government policy compliance, Governance and ethics

Response

Effective governance ensures that we operate ethically, responsibly and legally, enhances decision making, safeguards against misconduct and malpractice, and ensures stakeholder confidence.

Related SDGs

- SDG 5, SDG 10

Further detail on this matter and our response can be found in the corporate governance section on page 126.

MM6 Managing our reputation

Maintaining a positive reputation in the market is essential for attracting investors and tenants, as well as retaining positive relationships with the communities in which we operate.

- Engaging our stakeholders and building strong partnerships, Maintaining our asset quality and safety standards, Supporting the transformation of our host communities and supply chains

Response

To safeguard our brand, enhance trust and credibility, and position ourselves for long-term growth and success in an increasingly competitive and dynamic business environment, we actively engage and respond to our stakeholders, ensure our tenants and employees are safe and satisfied, and aim to contribute to an equitable and inclusive society.

Related SDGs

- SDG 4, SDG 8, SDG 12

Further detail on this matter and our response can be found in the stakeholder relationships section on page 51.

For full details on material matters refer to ESG report.

02

In FY24 we continued our efforts to improve the quality of our SA portfolio, the core of our business, through active asset management, strategic disposals and reinvestment in high-growth areas.

OUR BUSINESS

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Bayside Mall, Table View, Cape Town



CHAIRMAN'S REVIEW



Our strategic refinements are designed to strengthen our balance sheet in this volatile economic environment and to position the company for future growth.

I acknowledge that FY24 has been another tough year for Growthpoint, its shareholders and all its other stakeholders occasioned by the persistently high interest rate environment accompanied by low levels of economic growth referred to in my FY23 review. Indeed, the impact of high interest rates will spill over into Growthpoint's FY25 results.

Yet, in South Africa we have seen positive trends in most, if not all our key operational measures. There is renewed optimism following peaceful elections and the formation of the Government of National Unity (GNU), which many view as a catalyst for growth. The V&A was once again the standout performer, benefiting from increased tourism. Encouragingly, we have seen over 150 days without loadshedding, while challenges such as municipal service delivery and administered cost inflation continue to pose significant obstacles for the real estate industry. Geopolitical uncertainties, including ongoing conflicts in Eastern Europe and the Middle East, remain a source of concern, and Australia continues to grapple with high inflation.

While it is important to remain realistic about the pace of economic recovery, the opportunity for a series of interest rate cuts, if grasped, should support improved liquidity and business confidence, particularly in the global real estate sector. Should this come to pass, we foresee a return to positive DIPS growth in FY26.

In FY24, we continued our efforts to improve the quality of our South African portfolio, the core of our business, through active asset management, strategic disposals and reinvestment in high-growth areas. Internationally, we are striving to optimise our investments and enhance our geographical focus, in line with our long-term strategy. We remain dedicated to growing our assets under management in a capital-light manner. As we execute our strategy, we are employing a more disciplined capital allocation approach across the business.

ESG remains an integral component of our business, as we focus on practical initiatives which make both meaningful impact and business sense. Key achievements for FY24 included our groundbreaking power purchase agreement (PPA) with Etana

Energy (Pty) Limited (Etana Energy) and ongoing advancements in solar installations. Initiatives to reduce water intensity and improve waste management are in progress.

We are making good progress implementing our R250m B-BBEE trust deal, as it funds our corporate social investment (CSI) in education, skills development and local economic growth. We have allocated shares to a special-purpose CSI trust for perpetual funding of social impact projects which support Growthpoint's equity ownership targets under the Property Sector Code and aligns with our vision of empowering South African society, benefiting our employees, their families, and the communities we serve.

Our streamlined Board continued to function effectively this year, focusing on the refinement of Growthpoint's strategy and navigating the current challenging environment. Similarly, the smaller Group Exco is providing sharper executive focus on Growthpoint's strategic priorities.

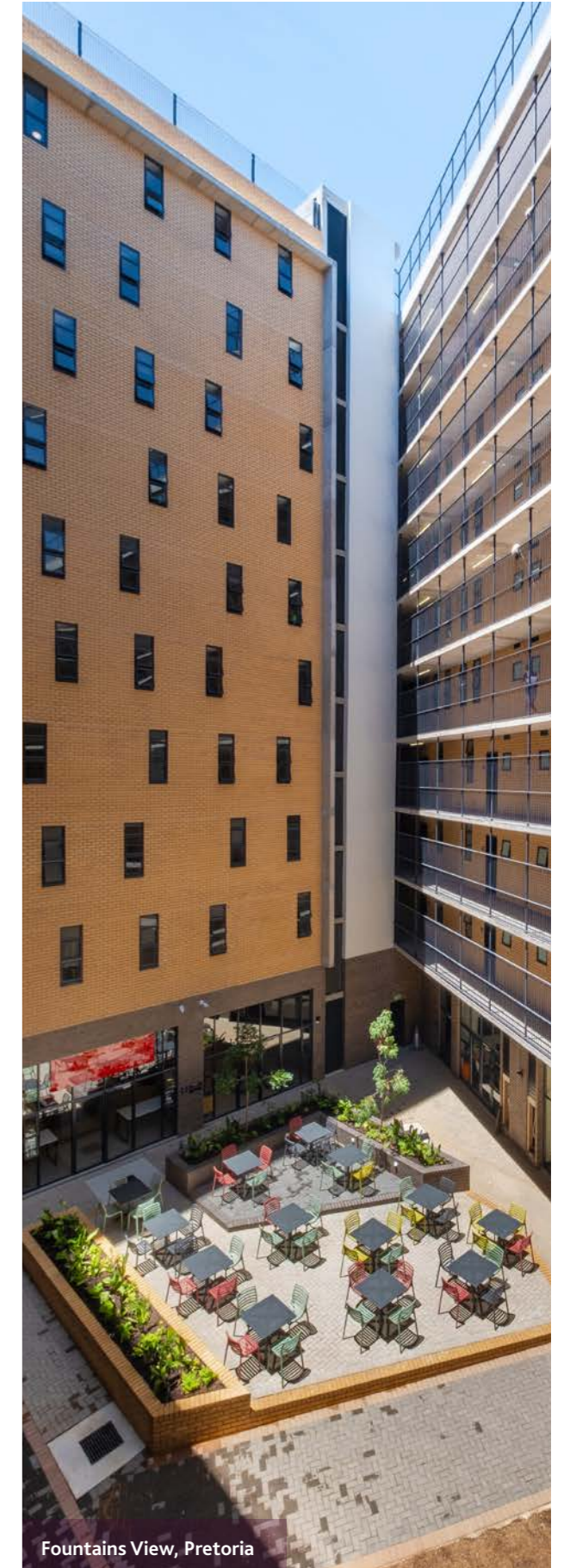
We have placed the spotlight firmly on executive succession and we continue to prioritise diversity and inclusion within our senior executive roles to ensure that our leadership reflects the communities and stakeholders we serve.

Recent amendments to the Act introduced new remuneration and financial disclosure requirements, including shareholder approval for remuneration policies and detailed pay gap disclosures. We support all business-friendly initiatives which result in improved corporate governance and transparency.

The effective date for these amendments has not yet been announced; however, we are prepared to meet the new legislative requirements when they become effective. Amid continued global uncertainty, I am cautiously optimistic about the future. The progress made in Growthpoint's business during FY24 is attributable to the dedication of our executive team, the oversight of the Board, the continued support of our employees, shareholders and the partnerships we have fostered with all our stakeholders. I extend my sincere gratitude to all.

Rhidwaan Gasant

Chairman



Fountains View, Pretoria

OUR LEADERSHIP

Independent Non-executive Directors (NEDs)



Rhidwaan Gasant (65)

*Independent Non-executive Chairman
Joined the Board in 2020*

BCompt (Hons), CA(SA), ACMA, CGMA, Executive Development Programme

Skills and expertise: Corporate leadership, strategy development and execution, mergers and acquisitions, corporate finance and risk management

Professional memberships: South African Institute of Chartered Accountants (SAICA), Chartered Institute of Management Accountants, Chartered Global Management Accountant (CGMA)

Major directorships: AngloGold Ashanti plc, V&A Waterfront Holdings (Pty) Ltd



Andile Sangqu (58)

*Lead Independent Non-executive
Joined the Board in 2020*

BCom (Acc), BCompt (Hons) CTA, HDip Tax Law, EDP, MBL, AMP (INSEAD), Higher Certificate in Christian Ministry

Skills and expertise: Business financial restructuring, financial systems development, implementation, strategic planning and organisational transformation

Major directorships: PSG Konsult Limited, Transnet SOC Limited



Frank Berkeley (68)

Joined the Board in 2019

BCom, BAcc, CA(SA)

Skills and expertise: Strategy development and implementation, implementation of mergers and leadership and management of large complex organisations

Professional membership: SAICA

Major directorships: Exemplar REITail Limited



John van Wyk (60)

Joined the Board in 2019

BCom, BAcc, CA(SA)

Skills and expertise: Private equity and investments

Professional membership: SAICA

Major directorships: Comcorp Holdings (Pty) Ltd, Tracker Connect (Pty) Ltd, Tracker Technology Holdings (Pty) Ltd



Melt Hamman (53)

Joined the Board in 2021

BCom (Hons) (Investment Management), BCompt (Hons), CA(SA)

Skills and expertise: Financial reporting, risk management, real estate investment and leadership development

Professional membership: SAICA

Major directorships: Nexus AG (Pty) Ltd, Freshgold SA Exports (Pty) Ltd



Eileen Wilton (65)

Joined the Board in 2022

BCom (Economics and Industrial Psychology), PGDip (Digital Business), Chartered Director (CD(SA))

Skills and expertise: Financial reporting, risk, IT, human resources and remuneration, sustainability, ESG and leadership development

Major directorships: Shoprite Holdings Ltd, Sasfin Holdings Ltd, The Institute of Directors South Africa (IoDSA), Edulution npc.



Prudence Lebina (43)

Joined the Board in 2020

BCom, HDip Accounting, CA(SA)

Skills and expertise: Business development, corporate finance, financial reporting, governance and investor relations

Professional memberships: SAICA, IoDSA

Major directorships: DRDGOLD Limited, Trialpha Investment Management (Pty) Ltd, Telkom SA SOC Limited



Clifford Raphiri (61)

Joined the Board in 2022

BScEng (Hons) (Mechanical Engineering), GDE (Mechanical Engineering), MBA

Skills and expertise: Operations management, finance and risk management, Board governance and leadership development

Professional memberships: Engineering Council of South Africa, IoDSA

Major directorships: Murray and Roberts Holdings Limited, Energy Partners Holdings (Pty) Ltd, University of Johannesburg – Advancement Advisory Board

Board skills, experience and diversity

Skills and expertise

- Accounting and financial reporting
- Analytics and risk assessment
- Business development in local and international companies
- Business financial restructuring
- Corporate finance
- Financial and tax management
- Financial systems development
- Human resources
- Information technology (IT), information and communications technology (ICT) and related risks
- Leadership and management of large complex organisations
- Leadership development

- Legal as applicable to corporate finance in general and dispute resolution
- Mergers and acquisitions
- Private equity and investments
- Property and general management
- Strategic leadership
- Strategic planning and organisational transformation
- Strategy development and implementation
- Supply chain management
- Transaction funding
- Transformation

Executive Directors



Norbert Sasse (59)

*Group CEO
Joined the Board in 2003*

BCom (Hons) (Accounting), CA(SA)

Skills and expertise: Corporate finance, capital markets, property and general management

Professional memberships: SAICA, Property Practitioners Regulatory Authority (PPRA) (Master Practitioner in Real Estate)



Estienne de Klerk (55)

*CEO: SA
Joined the Board in 2008*

BCom (Industrial Psychology), BCom (Hons) (Marketing), BCom (Hons) (Accounting), CA(SA)

Skills and expertise: Financial, general management, property and capital markets

Professional memberships: SAICA, PPRA (Master Practitioner in Real Estate)

Industry body representation: Chairman of SA REIT Association



Gerald Völkel (64)

*Group FD
Joined the Board in 2013*

BAcc, CA(SA)

Skills and expertise: Financial, tax and general management

Professional membership: SAICA

Industry body representation: Chairman of Regulation and Taxation Committee at SA REIT Association

The Board of Directors (the Board) is accountable and responsible for overseeing all activities within the Group. The Board establishes and operates within effective frameworks and controls to ensure that Growthpoint is governed responsibly and ethically, with the value creation of all stakeholders in mind.

Our independent and diverse Board evaluates strategy, assesses performance and acts in the company's and shareholders' best interests to deliver value. This ensures an ethical culture, effective control and accountability.

Growthpoint has a unitary Board comprising 11 directors.



■ NEDs (8)

Demographics



■ African, Coloured and Indian (ACI)
■ White

Age



Average age **59.2 years**

Gender



Tenure



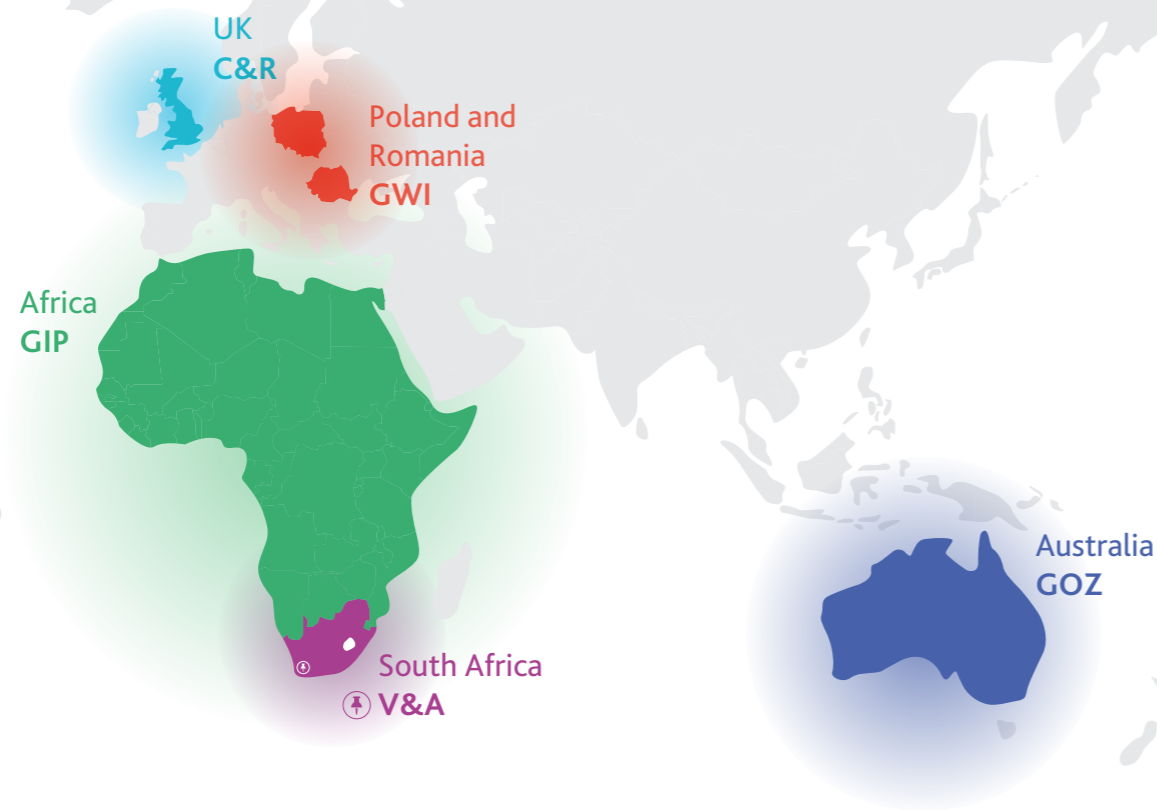
- Six directors have a tenure of one to five years
- Five directors have a tenure of five years+

For more information about governance, refer to our **corporate governance report** on pages 126 to 143.

OUR FOOTPRINT

Growthpoint owns a diversified portfolio with investments in the largest retail and office portfolio in South Africa. Our logistics and industrial portfolio represents the largest sector by number of properties and GLA. We also own a 50% stake in the V&A, one of Africa's most visited tourist destinations. Additionally, through GIP, we own stakes in GHPH, GSAH and Lango. Our international portfolio includes investments in Australia, the UK, Eastern Europe and the rest of Africa.

Growthpoint offers a diversified portfolio with investments in the largest retail and office portfolio in South Africa. Our logistics and industrial portfolio represents the largest sector by number of properties and GLA. Additionally, through GIP, we own stakes in healthcare and student accommodation, with a substantial pipeline of acquisition and development opportunities. Our international portfolio includes investments in Australia, United Kingdom, Eastern Europe and the rest of Africa.



R174.7bn
total property assets

511
Properties
(South Africa and international)

7 645 473m²
of GLA

Operating in **six**
property sectors
and **three**
continents

South Africa



	Portfolio value	Number of properties	GLA m ²	% Investment	Contribution to DIPS %
Retail	R25.6bn (FY23: R25.2bn)	37	1 144 074m ²	100%	47.8%*
Office	R26.5bn (FY23: R25.9bn)	151	1 613 572m ²		
Logistics and industrial	R13.5bn (FY23: R12.6bn)	157	1 948 706m ²		

* All SA finance costs have been allocated to South Africa.

V&A Waterfront



	Portfolio value	Number of properties	GLA m ²	% Investment	Contribution to DIPS %
Mixed-use precinct	R11.5bn (FY23: R10.0bn) 50%	1	224 884m ² (50%)	50%	16.1%

GIP



	Portfolio value	Number of properties	GLA m ²	% Investment	Contribution to DIPS %
GHPH	R4.0bn (FY23: R3.7bn)	9	125 051m ²	39.1%	4.2%
GSAH	R3.6bn (FY23: R2.7bn)	14	7 975* (beds)	20.9%	
Lango	R10.4bn (FY23: R11.5bn)	11	153 774m ²	18.4%	

* Student accommodation per bed, not GLA (FY23: 6 443 beds).

International



	Portfolio value	Number of properties	GLA m ²	% Investment	Contribution to DIPS %
GOZ	R54.7bn (FY23: R61.8bn)	57	1 051 940m ²	63.7%	22.0%
GWI	R15.1bn (FY23: R17.4bn) 29.5%	59	1 146 540m ²	29.5%	6.3%
C&R	R9.2bn (FY23: R8.5bn)	6	224 268m ²	68.9%	3.6%

OUR INVESTMENT CASE

WHY GROWTHPOINT

- We are the largest and most liquid South African, JSE-listed REIT, underpinned by high-quality, physical property assets which are diversified across all sectors and income streams
- We have a dynamic and proven management track record, with an experienced in-house development capability

Average monthly value of shares traded during FY24 **R3.7bn**

334.1m shares traded on average per month in FY24

An **FTSE/JSE Top 40** company with a **R41.8bn** market capitalisation

FINANCIAL MEASURES

- We have an uninterrupted track record of paying dividends, a minimum of 75% of distributable income annually, which can be accurately predicted
- Our balance sheet is strong
- Our policy is to hedge a minimum of 75% of our interest rate exposure

Attractive dividend yield of **c.8.5%**

SA REIT LTV ratio of **42.3%**

ICR of **2.4 times** (FY23: 2.9 times)

Fitch global scale rating of **BB+**

National scale rating of **AAA (zaf)**

Moody's global scale rating of **Ba2**

National scale rating of **Aa1 .za**

R1.6bn Rand-equivalent foreign currency (FX) income, via cash and scrip dividend alternatives

ESG FOCUS

- Our ESG strategy is aligned with our business strategy
- We ensure best practice corporate governance, and all NEDs are independent
- Our reporting is transparent, and we are the recipient of multiple reporting awards
- We provide an active contribution to job creation through our CSI initiatives

Commitment to carbon neutrality by **2050**

123 Green building certifications in South Africa

Constituent of the FTSE EPRA/NAREIT **Emerging Index**

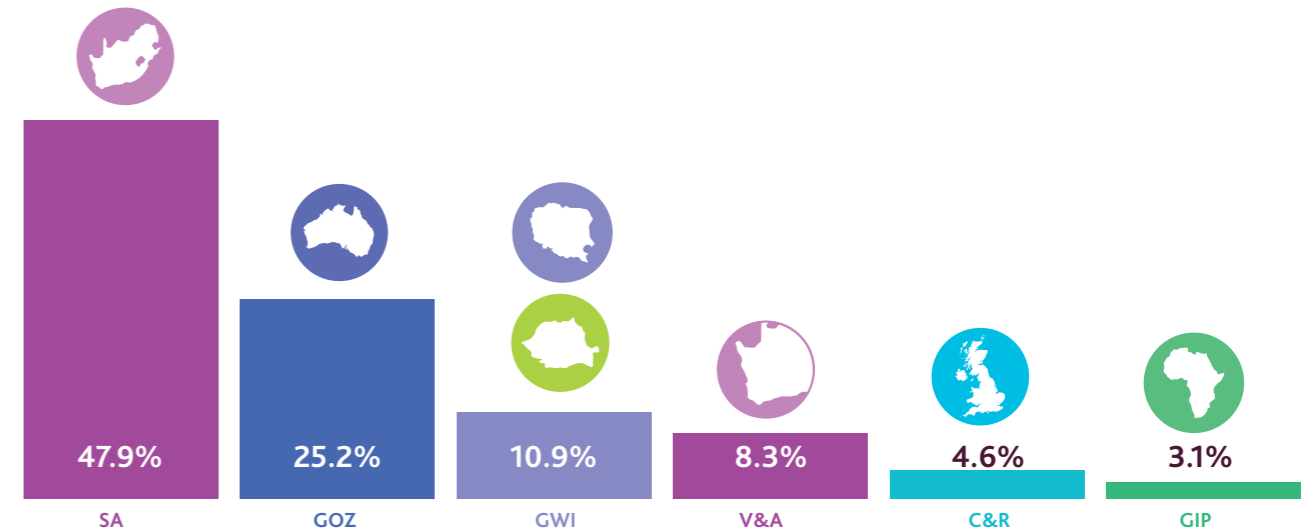
A participant of the **Global Real Estate Sustainability Benchmark (GRESB®)**

Level 1 Broad-based Black Economic Empowerment (B-BBEE) contributor

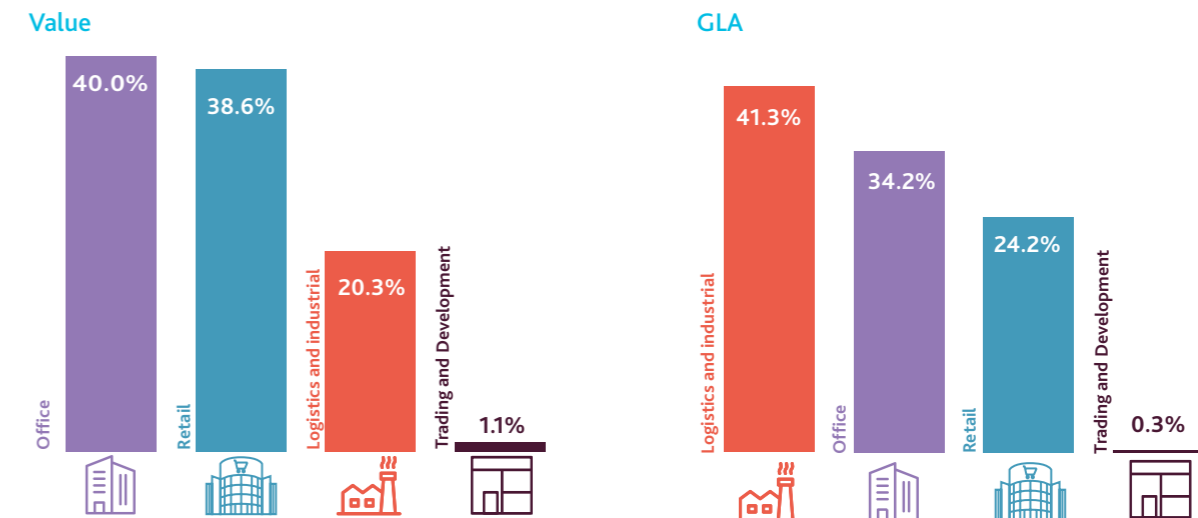
REIT DISTRIBUTION

Growthpoint has operated as a REIT since 1 July 2013. The REIT structure is a tax regime that provides "flow through" on a pre-tax basis of the net property income (NPI) after finance income and expenses to investors in the form of a taxable dividend. It is the most common structure for investment in property in international jurisdictions. As investments in listed property continues to globalise, the REIT structure has become a recognised international standard.

Book value of property assets



Split of South African property portfolio



Aligned to leading practice

<p>Integrated Reporting Framework</p> <p>Primary reporting guideline for IAR</p>	<p>King IV™ Report on Corporate Governance for South Africa 2016</p> <p>Report in line with King IV™ principles</p>	<p>Task Force on Climate-related Financial Disclosures (TCFD)</p> <p>Apply TCFD recommendations</p>	<p>United Nations (UN) Global Compact (UNGC)</p> <p>A participant of the UNGC</p>	<p>Global Reporting Initiative (GRI)</p> <p>Aligned our ESG KPI definitions</p>
<p>United Nations (UN) Sustainable Development Goals (SDGs)</p> <p>Aligned to nine UN SDGs See page 26</p>	<p>International Finance Corporation (IFC)</p> <p>Aligned with IFC performance standards</p>	<p>The Ethics Institute</p> <p>Helped develop our ethics framework</p>	<p>JSE Sustainability and Climate Disclosure Guidelines</p> <p>Take guidance</p>	<p>Sustainalytics</p> <p>Review of public information Score: 8.5 (low risk) (FY23: 11.1 low risk)</p>
<p>Institutional Shareholder Services (ISS) Corporate Solutions</p> <p>Monthly assessment</p>	<p>Global Real Estate Sustainability Benchmark (GRESB®)</p> <p>Annual participation Score: 69 (FY23: 62)</p>	<p>Carbon Disclosure Project (CDP) driving sustainable economies</p> <p>Annual participation Score: <i>will only be released post reporting date</i> (FY23: B)</p>	<p>Dow Jones Sustainability Indexes</p> <p>Annual participation Score: 53 (FY23: 50)</p>	<p>Morgan Stanley Capital International (MSCI)</p> <p>ESG Annual participation Score: AA (FY23: AA)</p>

OUR COMMITMENT TO RESPONSIBLE BUSINESS

Acting with integrity

Code of Ethics

The Growthpoint Code of Ethics provides a firm and unshakeable foundation for our organisational culture. The Board approved the code in FY23. The code is a dynamic document which evolves as we strive for higher standards.

We are committed to upholding and enforcing high ethical standards, which are binding on every employee, officer, director, contractor and supplier. Employees, officers or directors of Growthpoint accept that any breach of the Code of Ethics exposes them to the possibility of disciplinary action and potential termination of employment or offence on the basis set out in the disciplinary codes.

Growthpoint will reconsider our dealings with individuals or entities who do not demonstrate the same commitment to organisational integrity.

Guided by integrity, ethics and our values, we provide space to thrive in sustainable buildings. We are committed to sustainability practices.

Included in the FTSE/JSE Responsible Investment Index for 15 years	Included in FTSE4GOOD Index for eight years
First JSE-listed REIT to achieve a level 1 B-BBEE Contributor certificate	A founding member of the Green Building Council of South Africa (GBCSA), with an extensive portfolio of green certified buildings in South Africa



Makers Landing, V&A Waterfront, Cape Town

OUR ESG STRATEGY

Our ESG vision is to create sustainable economic, environmental and social value for all stakeholders.

In FY24, we refined and optimised our ESG strategy. We held an ESG materiality workshop in August 2023 with external consultants and key Growthpoint personnel across the business. The SET Committee approved the revised strategy on 26 September 2023. The ESG strategy is reviewed annually for relevance and alignment to the business strategy.

Our ESG strategy is purpose-led with three pillars: Thriving Business, Thriving People and Communities and Thriving Environment. These pillars will enable the long-term success of Growthpoint, our country and its people. The pillars align with our purpose, and we have committed to nine UN SDGs (see pages 26 and 27).

ESG position statement

Guided by integrity, ethics and our values, we aim to provide space to thrive in environmentally sustainable buildings while improving the social and material wellbeing of individuals and communities.

Our ESG strategic framework:

ESG pillar	Thriving business	Thriving people and communities	Thriving environment
Our commitment	<p>To give stakeholders confidence that Growthpoint is a well-governed and well-conducted business.</p> <p>We endeavour to create a positive work experience for each employee while protecting the organisation's long-term interests.</p>	<p>To drive sustainable impact for our host communities.</p> <p>Our core focus areas are supporting education initiatives, entrepreneurship development and staff engagement.</p>	<p>To drive a sustainable property industry for long-term growth and success.</p> <p>All buildings within our direct control should operate at net zero carbon by 2030 and other buildings by 2050.</p>
Linked SDG	SDG 10	SDG 4, 5, 8, 9, 11	SDG 6, 7, 12
Focus areas	<ul style="list-style-type: none"> Appropriate Board and management skills, experience and diversity on the Board Succession plan in line with updated structure Gender diversification 	<ul style="list-style-type: none"> Meeting B-BBEE requirements Quality education, GrowSmart and GEMS programmes Property Point enterprise and supplier development programmes Early childhood development (ECD) Training early childhood caregivers and practitioners Employee training and development Employee health and safety 	<ul style="list-style-type: none"> Energy and water efficiency Climate change Green building certification Biodiversity



For more information on our ESG performance, please refer to our **ESG report**.

OUR COMMITMENT TO THE UN SDGs

Growthpoint has committed to nine SDGs that are most relevant to our business and where we can make the most meaningful impact.

The UN SDGs are interconnected global goals designed to address global social, economic and environmental challenges. The aim is to create a more sustainable and equitable future for all. Growthpoint has aligned our ESG strategy with nine goals and their relevant underlying targets and indicators.

The table below provides an overview of our contribution to the SDGs, with comprehensive details provided throughout our ESG report.

1 Quality education

SDG 4

Growthpoint consistently invests in projects that support education initiatives across the whole educational value chain, from the development of ECD practitioners to financial support for learners at the tertiary level. We collaborate with partners for sector-relevant skills-focused bursaries and education support programmes.

For more information, refer to pages 48 to 55 in our ESG report.

2 Gender equality

SDG 5

We support women-owned businesses and aim for 25% black female appointees on the Board. Addressing the gender pay gap, supporting victims of gender-based violence and opposing xenophobic behaviour are part of our commitment to gender equality.

For more information, refer to pages 40 and 52 in our ESG report.

3 Clean water and sanitation

SDG 6

We track and work to improve water efficiency in our buildings through supply management and water harvesting initiatives. We monitor our water use efficiency and water security by evaluating and identifying opportunities for supply management and water harvesting.

For more information, refer to page 70 in our ESG report.

4 Affordable and clean energy

SDG 7

We are dedicated to achieving carbon neutrality by 2050 by managing utilities effectively, enhancing consumption efficiency and expanding renewable energy use.

For more information, refer to page 64 in our ESG report.

5 Decent work and economic growth

SDG 8

We create direct and indirect jobs, support local employment and stimulate economic growth through our enterprise development programmes. Fostering diversity, inclusion and equitable treatment within our workplace culture is integral to our commitment to decent work and economic growth.

For more information, refer to page 44 in our ESG report.

6 Industry, innovation and infrastructure

SDG 9

We support local economic development through inclusive procurement and employment and development opportunities for emerging enterprises and local labour in our communities. We support Property Point, Growthpoint's flagship ESD programme that supports the development and growth of SMMEs in the property sector.

For more information, refer to page 54 in our ESG report.

7 Reduced inequalities

SDG 10

Our efforts to help reduce inequalities focus on fostering diversity, inclusion and equitable treatment, regardless of gender, race, or sexual orientation.

Educating our employees on unconscious bias and ensuring protection against discrimination are key to reducing inequality at Growthpoint.

For more information, refer to pages 44 and 45 in our ESG report.

8 Sustainable cities and communities

SDG 11

We are a leader in green building certifications and focus on energy efficiency, renewable energy access and innovative sustainable solutions for our portfolio. Our green economy programme with Property Point equips small, medium and micro-sized enterprises (SMMEs) with the knowledge and skills to access green economy opportunities by understanding the principles of green buildings and certifications.

For more information, refer to pages 55, 65 and 108 in our ESG report.

9 Responsible consumption and production

SDG 12

We work to reduce waste generation through prevention, reduction, recycling and reuse strategies. Our goal is to divert recyclable waste from landfills in 50% of our core buildings by FY26, promoting responsible consumption and production practices.

For more information, refer to page 64 in our ESG report.



Johannesburg Eye Hospital, Northcliff, Johannesburg

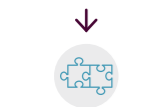
ESG PERFORMANCE OVERVIEW

As an industry leader with a total of 673 employees, we are unwaveringly committed to a strong value system, constant innovation, and strategic investments that will continue to define our legacy. We collaborate with industry bodies to positively influence the real estate sector while maintaining our high-quality portfolio of assets.

Thriving business

Robust governance structures

Policies promoting ethical conduct



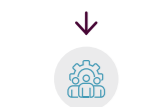
Compliance framework



Internal audit



Executive management committees



Board committees

Board composition and diversity

Tenure of directors		Gender	
6 + years	1 – 5 years	Women	Men
3	8	2	9
Demographics			
ACI women	White women	ACI men	White men
1	1	3	6
Age			
≥ 60 years	50 – 59 years	30 – 49 years	
6	4	1	
Independence			
Executive Directors		Independent NEDs	
3		8	

Transformation

Level 1 B-BBEE

B-BBEE Trust scheme

Our planned R250m B-BBEE trust deal will fund our CSI initiatives in education, skills development and local economic growth.

Thriving people and communities

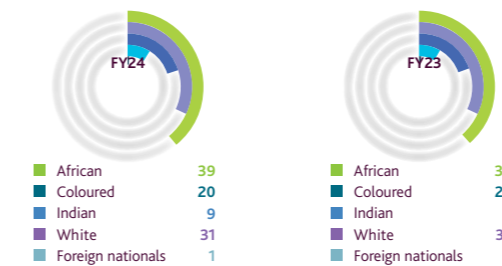
Employee profile

649 permanent employees (FY23: 637)
 55% 24 temporary employees (FY23: 32)
 45%

Average tenure of employees
8.8 years

Average age of employees **44**
8.24% attrition rate for permanent employees (FY23: 11.1%)

Employee race profile (%)



Training and development
R15.4m invested in employee training (FY23: R11.9m)

501 attendees with **81** average hours per employee (FY23: 441 attendees with 30 average hours per employee)

Community development and support R62.0m (FY23: R50.3m) invested in **Corporate Social Responsibility (CSR) initiatives** with 3 532 direct beneficiaries (FY23: 6 255)

1 009 G² volunteer hours (FY23: 586)

G² is a programme that increases our staff awareness of community development, with each staff member allocated eight hours a year to volunteer.

Property Point	FY24	FY23
SMMEs supported	53	43
SMMEs linked to market	35	13
Full-time jobs created	58	32
Jobs sustained	530	300
Total revenue generated (Rm)	59.7	94.6
Women-owned SMMEs (%)	58	75
Youth-owned SMMEs (%)	29	21
Growthpoint procurement spend (Rm)	61	131

Thriving environment

Carbon neutral by 2050

Greenhouse gas (GHG) emissions (tCO₂e)

Scope 1: 18 521.11 (FY23: 18 487.34)
Scope 2: 45 034.76 (FY23: 42 801.50)
Scope 3: 510 284.73 (FY23: 536 682.11)

* Full GHG emissions in the ESG report page 65.

Renewable energy

195GWh of renewable energy secured through a PPA with Etana Energy

Green building certifications

123 certifications from **104** buildings accounting for **29.4%** of total GLA* (FY23: 63 certifications from 51 buildings accounting for 19.4% of total GLA*)

* (SA portfolio excluding V&A.)

Water intensity

0.68kl/m² from **354** of **377** buildings (FY23: Water intensity of 0.65kl/m² from 344 of 388 buildings)
30 boreholes registered (FY23: 20 boreholes registered)

Waste

11 679.51 tonnes from **146** of **377** buildings (FY23: 11 213.35 tonnes from 114 of 388 buildings)

03

We remain focused on strategic initiatives that will preserve our liquidity and balance sheet strength in the long term. Our capital allocation will continue to prioritise the incremental growth of our investments and exposure to the better-performing logistics and industrial sector as well as the Western Cape region.

OUR STRATEGY

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Bridge Park, Century City, Cape Town



OUR STRATEGY continued

PRESERVING OUR LEADERSHIP IN SUSTAINABLE PROPERTY INVESTMENT

Our strategy focuses on enhancing the quality and performance of our portfolio by developing quality assets and selling non-core ones. Our property investments in offshore markets diversify our portfolio.

In FY24, we enhanced our strategy by prioritising and refining two of our core strategic thrusts, enabling us to simplify our business.

01

We aim to improve the quality of our SA portfolio through enhanced capital allocation by investing in our core portfolio to protect and enhance value. We achieve this through active asset management initiatives: developing high-quality assets, particularly modern logistics warehouses, enhancing ESG initiatives across the three property sectors and disposing of non-core assets. We sold R1.2bn in FY24, R580m is held for sale at 30 June 2024 and R1.9bn are in various stages of disposal post FY24.

02

Our international expansion strategy has been refocused to optimise our international investments. Shareholders are referred to the announcements published by C&R regarding interest in the investment. At GWI, we continue to support management at a shareholder level with value unlock initiatives. We continue to explore opportunities to grow our investment in GOZ.

We removed growing revenue streams from GIP as a strategic thrust given the small value 4.2% contribution to DIPS; however, we remain committed to growing the AUM.

We will continue to generate diversified returns through the T&D division and will seek a long-term sustainable solution to the ongoing capital requirements of the V&A, which is predicted to show significant growth in the next three to five years.

The Board reviews the strategy annually to evaluate business opportunities and risks.

Simplifying Growthpoint

We believe LTV ratios, linked to valuations, are stabilising, other than possibly for GOZ where interest rates are lagging. We will continue to focus on strategic initiatives to preserve liquidity and balance sheet strength in the long term.

Our diversified portfolio and income streams position us defensively for FY25. The improvement in our domestic portfolio's property fundamentals and the strong operational fundamentals of our international investments, indicate that we may have reached the bottom of the property cycle. It is important to recognise that the ongoing impact of high interest rates, both locally and internationally, remains a challenge for DIPS growth in FY25, which is expected to decline by 2% to 5%. As we assess interest rate expectations across our investment geographies, it is evident that there are positive indicators supporting our outlook for FY26, when we expect positive DIPS growth to resume.

R40.4bn**
SA debt
(FY23: R39.9bn)

R6.2bn**
unutilised committed facilities for SA
(FY23: R6.4bn)

35.4%**
SA LTV
(FY23: 33.7%)

R465.9m*
cash on SA balance sheet
(FY23: R1.7bn)

42.3%
Group LTV
(FY23: 40.1%)

82.5%
dividend payout ratio, retaining **R842.3m**
(FY23: 82.5% | R938.5m)

* SA including GIP.
** Excluding GIP.

OUR STRATEGY continued

Our refined and updated strategy now focuses on two strategic thrusts:

Improving the quality of the SA portfolio

Growthpoint's business is rooted in South Africa (SA) with a diverse local portfolio that serves as a foundation for growth and achievement of our strategic goals. With the support of our diverse workforce, we focus on social responsibilities and environmental initiatives, including our carbon-neutral 2050 commitment.

Why this is a strategic priority?

Refining our domestic portfolio rotates capital from non-core assets to strategic investments in higher-growth regions (this includes our co-investment and international expansion strategies). It rebalances our South African portfolio away from risk and towards outperformance, while improving our positive contributions to society and the environment. By improving the quality of the SA portfolio, we will attract high-calibre tenants, reduce vacancies, improve renewal success and drive renewal growth.

Growthpoint will:

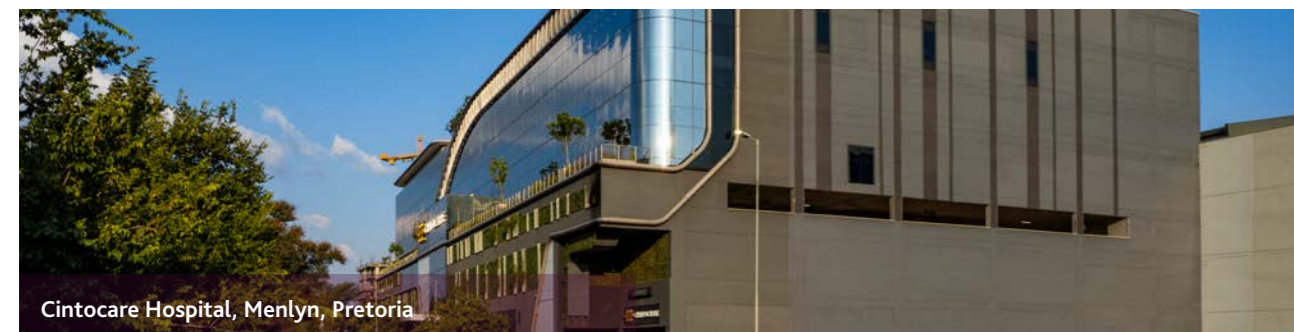
- Keep enhancing the domestic portfolio's quality, composition, geographic exposure, independent green certifications and water security while reducing its size
- Continue to substitute more of the fossil fuel energy we consume with power from renewable resources, ensuring sustainability for the long term
- Continue to sustainably invest in educational initiatives and local economic development
- Continue developing our people and attracting and retaining talent

Our approach:

Growthpoint's South African property portfolio has grown through mergers and acquisitions, resulting in several non-core assets that do not align with our current investment criteria. Our domestic portfolio is the foundation of our business, and we will ensure it remains strong and continues to provide a strategic springboard to generate new income streams from co-investment and enable further international expansion in the medium to long term.

We manage our assets to optimise their values over the long term, and ensure that our portfolio is optimally balanced, fit-for-purpose and well located.

We recycle non-core assets in each sector to improve their quality and relevance. Our disposal programme rebalances our overall portfolio away from risk towards outperforming sectors, nodes and types and sizes of properties. Our T&D division develops new high-quality assets and refurbishes existing assets, continuously improving the quality of our domestic portfolio. We are gradually rebalancing our portfolio towards more exposure to the retail and logistics and industrial sectors, specifically logistics properties.



Cintocare Hospital, Menlyn, Pretoria

Optimising our international investments

We are internationally diversified with investments in Australia, Poland, Romania and the UK. International expansion continues to be a strategic priority in the medium to long term; however, in the short to medium term, we are focused on optimising our international investments.

Why this is a strategic priority?

Our historic international expansion strategy responded to opportunities to recycle capital into more resilient, lower-risk and higher-return economies and markets. International expansion addresses the risks of the weak economic growth outlook for SA through increased international diversification. Optimising our international investments is important to unlock value, particularly for our GWI and C&R investments.

Growthpoint will:

- Prioritise liquidity and a strong balance sheet that supports international growth in the medium to long term
- Remain supportive of the growth, good governance and positive impacts of our current international investments
- Continue to support GWI DRIP offering
- Mitigate our exposure to FX movements on foreign dividends by use of forward exchange contracts (FECs)

Our approach:

We take a fully integrated approach to our international investment in sustainable businesses that share and express our deep commitment to good governance together with positive social and climate action. We continuously evaluate our investments, our capital allocation criteria and their overall return to drive returns for our shareholders.



Globalworth Tower, Bucharest, Romania

OUR STRATEGY continued



Improving the quality of the SA portfolio

Our performance

In FY24, ongoing portfolio optimisation focused on disposing non-core assets, rebalancing the portfolio towards higher-growth sectors and regions in the SA economy and the Western Cape, thereby reducing exposure to Gauteng, and ensuring our core assets are less dependent on non-renewable energy sources.

17 properties sold for **R907.7m** at R13.6m loss to book value

Two T&D properties sold for **R294.3m** at a profit of R38.0m

R2.1bn of development and capex spend

R559.5m spent on developing modern logistics warehouses

195GWh renewable energy secured through a PPA

35 office properties sold for **R5.1bn** since FY17

24 retail properties sold for **R3.0bn** since FY17

90 logistics and industrial properties sold for **R2.8bn** since FY17

12 T&D properties sold for **R1.5bn** since FY17

161 properties sold for **R12.4bn** since FY17

Future focus

- Targeted R4bn of disposals for FY24 and FY25. We sold R1.2bn in FY24, R580m is held for sale at FY24 and R1.9bn is in various stages of disposal post FY24
- Strategic refurbishments
- Strategic acquisitions
- Strategic developments to continuously improve the quality of the logistics and industrial portfolio
- Reduce vacancies
- Improve rent renewal growth
- Ensure that 40% of Growthpoint's electricity consumption is obtained from renewable energy by FY28
- Target is 20 net zero certified buildings by FY28
- Install 60MWp of rooftop solar on our buildings by FY26

Refer to the CEO: SA's review on page 63 and Improving the quality of the SA portfolio on pages 72 to 91 for more detail.



Optimising our international investments

Our performance

In FY24, GOZ appointed a new CEO and Managing Director, Ross Lees. We increased our shareholding in C&R in assisting with the acquisition of the Gyle Shopping Centre in Edinburgh. We continue to follow the DRIP in GWI. C&R will be paying the FY24 final dividend in cash.

42.1% of property assets by book value located offshore (FY23: 45.8%)

32.4% of DIPS is earned offshore (FY23: 29.1%)

Rand-equivalent FX income, via cash and scrip dividend alternatives of **R1.6bn** (FY23: R1.6bn)

C&R*
GBP6.0m/R141.6m dividend reinvested (FY23: GBP4.3m/R96.6m)

GWI
EUR17.9m/R360.9m dividend reinvested (FY23: EUR9.8m/R195.0m)

GOZ
Distribution received of **R1 059.4m** (FY23: R1 056.0m)

* Shareholders are referred to the announcements published by C&R regarding our investment in C&R.

Future focus

- Conclude the disposal of our investment in C&R
- Continue to support GWI management with value-unlocking initiatives at a shareholder level

Refer to the Group CEO's review on page 58 and Optimising our international investments on pages 96 to 105 for more detail.

04

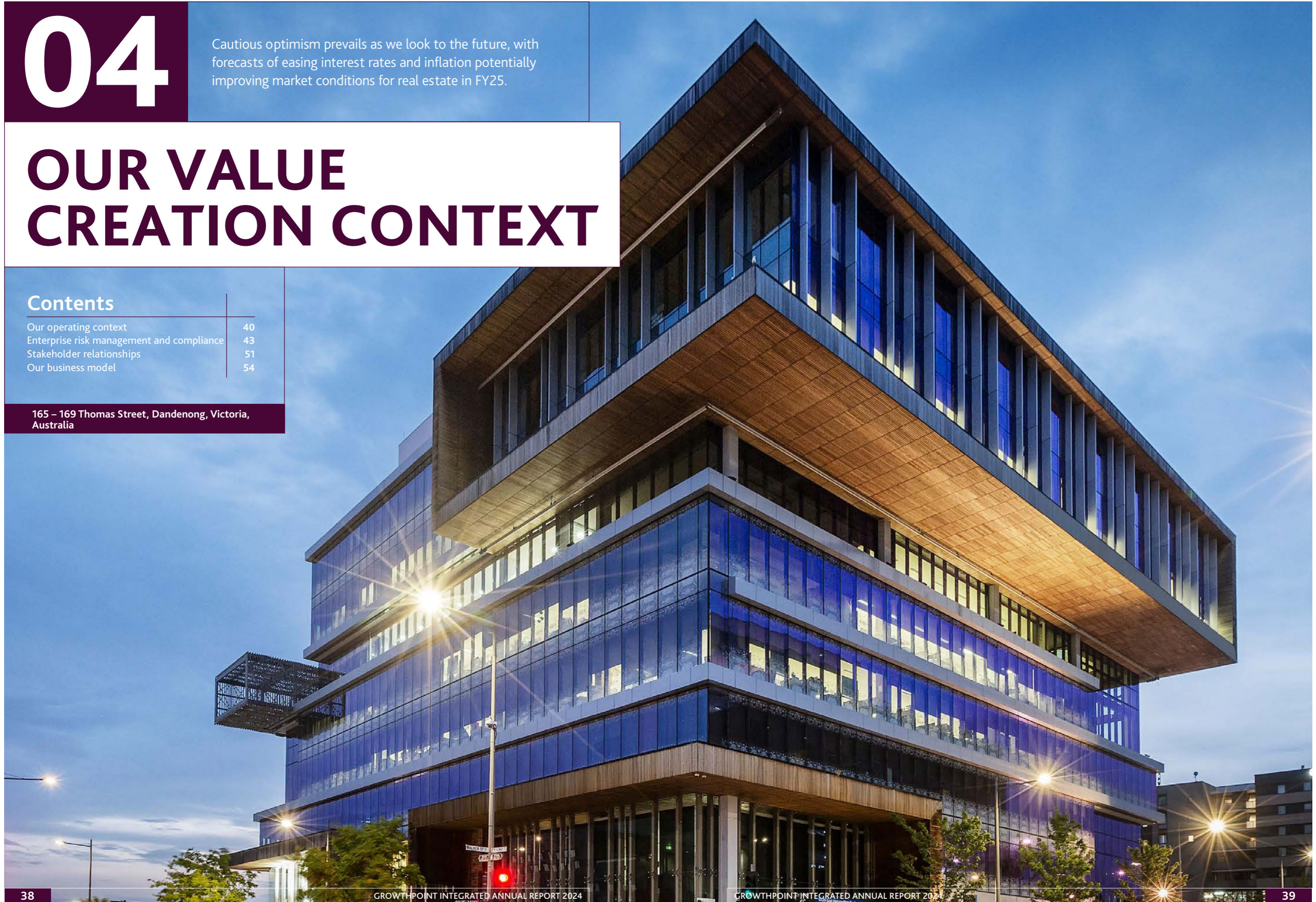
Cautious optimism prevails as we look to the future, with forecasts of easing interest rates and inflation potentially improving market conditions for real estate in FY25.

OUR VALUE CREATION CONTEXT

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165 – 169 Thomas Street, Dandenong, Victoria, Australia



OUR OPERATING CONTEXT

The FY24 property landscape reflects a dynamic relationship of factors, most notably high interest rates and geopolitical uncertainty globally, and domestic energy and water constraints, along with high unemployment. Additionally, post-Covid-19 adaptations, such as remote work, evolving consumer behaviours and the increase in ecommerce, are redefining property requirements and market dynamics.

Macro-economic review

Global

It was expected that the past year would bring global economic easing and growth; however, conditions remained challenging. Elevated inflation persisted and geopolitical tension eroded investor confidence by fuelling market uncertainties and disrupting supply chains. Additionally, headwinds such as interest rate hikes and price increases caused a drag in consumer demand. Despite this, the global economy remained resilient by avoiding a recession and ultimately settled at global growth of 2.6%.¹

South Africa

The past year was difficult for South Africa's economy, which experienced muted economic growth of 0.6% in 2023. The finance, real estate and business services industries grew by 1.8% and contributed 0.4% to gross domestic product (GDP) growth.² GDP recovered to pre-pandemic levels, but was hindered by structural constraints, such as the ongoing electricity crisis, declining municipal service delivery and transport and logistics bottlenecks (due to poor management at state-owned enterprises (SOEs), theft and sabotage).³

Inflation remained at the upper end of the South African Reserve Bank (SARB) target band (3.0% to 6.0%) and socio-economic challenges were exacerbated by high food and fuel prices. Loadshedding intensified, with 289 days of loadshedding

in 2023, up from 157 in 2022. Electricity shortages increased operating costs for businesses due to reliance on diesel generators to operate, and affected infrastructure, including water, IT and service delivery.³

Positively, South Africa saw net foreign domestic investment (FDI) inflow since the global financial economic crisis, recording FDI inflows of R91.3bn in 2023, 1.3% of GDP.⁵

The interest rate hiking cycle peaked. We had 25bps decrease in September 2024, with predictions that lending rates will be further lowered towards the end of 2024.⁶ Inflation is trending lower in the first two quarters of 2024, and there is expectation that the increase and planned investment in renewable energy will provide a more positive outlook for electricity in future.⁷

Real estate review

International

The global operating context was characterised by rapid transformation and shifting market dynamics. As the market continues adapting to the aftermath of Covid-19, trends like remote work, ecommerce growth and changing consumer preferences are reshaping property demands.

The real estate sector was resilient despite economic challenges. The Russia-Ukraine war created volatile commodity price hikes and disruptions to global supply chains, fuelling inflation and affecting international markets.⁸

The UK real estate market experienced significant fluctuations in 2023, largely influenced by the economic backdrop and high interest rates. Inflation decreased around June 2023, bringing some relief to consumers. Structural changes like the rise in remote work created uncertainty in the office sector. The logistics and industrial sector benefited from structural and thematic tailwinds, and capital values recorded modest positive growth. Retail was more resilient than expected, with changes in consumer shopping behaviour propelling discount retailers upward.

Investment volumes were notably lower. The market faced a gap between buyer and seller price expectations, contributing to reduced activity.⁹

The Australian real estate market showed resilience despite being uncertain due to challenges with economic fluctuations and inflation. Higher interest rates affected commercial property values, while office vacancies increased due to changing work patterns. The logistics and industrial sector performed well, driven by ecommerce growth and the demand for distribution centres. Inflation affected consumer spending, and discretionary retail experienced some stress over the year. However, the outlook is positive, with inflation and interest rates expected to decline in late 2024.¹⁰

Eastern Europe is an emerging market in global real estate and offers attractive investment prospects. With expanding economies and favourable business environments, the region's real estate market is growing¹¹ as it offers more affordable property prices than other parts of Europe.¹²

Rest of Africa showed resilience and growth in 2023, despite economic and infrastructure challenges. Continued government initiatives, foreign investments and economic diversification efforts are crucial to sustain growth.¹³

South Africa

Operating conditions remain challenging for property companies in South Africa due to subdued economic growth, elevated interest rates, the impact of loadshedding and rising operating costs. The logistics and industrial sector is benefiting from rental growth and low vacancy rates, particularly in logistics and warehousing. The office market remains oversupplied, resulting from the work-from-home trend and poor economic conditions. The retail sector remains challenged by constrained retailers and consumers.

High levels of loadshedding in the first half of FY24 and ongoing water shedding significantly disrupted trade, especially in the retail sector, resulting in escalating operational costs for property owners. This situation has necessitated substantial investments in technology and sustainable water and energy solutions.

Despite a notable surge in rates and taxes, local authorities and city councils are not meeting expected service delivery standards. Landlords are compelled to undertake proactive measures to ensure the continued viability of their properties and attract tenants.¹⁴


Property operating costs as a percentage of gross income continued to increase, exerting pressure on property owners' net income.

Sectoral review

Global property trends

Sustainable building practices, energy efficiency, green certifications and responsible investment practices are key considerations for investors, tenants and regulators. It is recognised that health and the environment are intricately linked and that investing in one will result in benefits for the other. Real estate leaders who embrace this interconnectedness and provide spaces that are good for people, communities and the planet, are better positioned for future success.¹⁵

While real estate technology trends have historically lagged, momentum is accelerating with the advent of easy-to-use artificial intelligence (AI) tools, which will be leveraged to improve efficiencies, reduce costs and make better-informed decisions. This includes the integration of smart building systems, Internet of Things (IoT) devices for energy management, security, tenant services, and digital platforms for property management and marketing.

 For information on sector trends, refer to the relevant performance sections on pages 72 (retail), 80 (office) and 86 (logistics and industrial).

¹ Macro-economic Review 2023 and Outlook for 2024.pdf (kpmg.com) (page 5).

² Economic growth muted as 2023 draws to a close | Statistics South Africa (statssa.gov.za).

³ South Africa Overview: Development news, research, data | World Bank.

⁴ South Africa Overview: Development news, research, data | World Bank.

⁵ Unlocking-foreign-direct-investments.pdf (pwc.com).

⁶ South Africa Economic Outlook - August 2023 | Press Release (pwc.com).

⁷ South Africa Economic Outlook - August 2023 | Press Release (pwc.com).

⁸ What To Remember About The 2023 Global Real Estate Market | Altoo AG.

⁹ UK Real Estate Market Outlook Q3 2023 | abrdn.

¹⁰ 2023 Market Review | Agem Property Group.

¹¹ What To Remember About The 2023 Global Real Estate Market | Altoo AG.

¹² Real Estate - Eastern Europe | Statista Market Forecast.

¹³ The Top 5 African Real Estate Markets to Watch in 2023 (prophuntgh.com).

¹⁴ The current state of the global real estate sector and its impact on SA's property market - Property Wheel.

¹⁵ 2024 Global Sustainability Outlook: Top Five Themes in Real Estate - Urban Land Magazine (uli.org).

OUR OPERATING CONTEXT continued

The impact on Growthpoint

Loadshedding has increased operating costs for tenants and landlords. To keep buildings and tenants' businesses powered, we need to ensure there are backup solutions, which require generators and diesel to run for longer periods. This adds a burden to the sector, as not all diesel costs can be recovered from tenants. Managing diesel deliveries and generator maintenance increases operational demands. Positively, the energy crisis has induced a rapid increase in renewable energy generation capacity, accelerating the transition to cleaner, greener energy. However, the surge in demand for solar installations has caused bottlenecks in the supply of materials and skills. On the positive side it appears that Eskom has sorted out some of its issues.

Above-inflation increases in municipal charges inflate the cost of doing business in South Africa, placing pressure on rentals. Service delivery remains challenging, and the responsibility for services has passed on to property owners. Municipalities continue to levy the full costs of services despite not providing them, further impacting owners' profitability. Passing on these costs to tenants is difficult, as the weak economy and loadshedding disruptions have placed businesses under financial strain. Increasing tenant costs could result in higher vacancies, impacting investment into the sector.

Property disposals remained slow during FY24, due to constrained liquidity and lack of confidence from potential buyers, lagging GDP growth, loadshedding and port logistics congestion. Disruptions in supply chains increased development costs and material prices, making building costs per square metre more expensive. On the positive side, business confidence has started to improve on the back of less loadshedding and the government of national unity (GNU).

Total expenses relative to gross income rose to 36.7%, up by 80 basis points from the previous year. This increase was driven by a 3.2% rise in total expenses (property and other operating expenses), outpacing the 0.9% growth in gross income. Key drivers of cost growth included property rates, electricity and diesel for power generators during loadshedding. The office sector saw the highest increase in total costs at 2.2%, followed by retail at 1.9%, while logistics and industrial property costs grew more modestly by 0.8%. Improved vacancies and renewal reversions contributed to the growth in gross income.¹⁶

Outlook

Cautious optimism prevails as we look to the future, with forecasts of easing interest rates and inflation potentially improving market conditions for real estate in 2025.

- Consumer demand is expected to strengthen in late 2024 and into 2025, aided by rising real disposable income resulting from lower inflation and interest rates, particularly benefiting retailers
- Office space demand is anticipated to stay subdued until significant economic and employment growth occurs
- Logistics and industrial property remains robust, with favourable long-term prospects continuing to drive performance
- The new GNU in South Africa has received mixed responses. It is potentially a positive step towards more stable and inclusive governance, but there is concern that ideological divisions in the coalition could hinder the establishment of stable policy framework

ENTERPRISE RISK MANAGEMENT AND COMPLIANCE

Growthpoint has adopted an enterprise risk management (ERM) approach to managing risks.

ERM involves identifying, assessing and managing risks that could potentially impact on Growthpoint's ability to achieve its objectives. It provides a structured approach to managing risks, ensuring they are understood, prioritised and mitigated effectively.

Compliance and ERM are critical to Growthpoint as these frameworks help safeguard us against unforeseen risks, legal matters and regulatory violations. ERM and compliance work in tandem; effective ERM enables proactive risk management, while compliance ensures that Growthpoint operates within the boundaries of the law and that we maintain ethical standards.

Our risk management context

The property sector in South Africa continues to face uncertainty, driven by persistent inflation and high interest rates, political and geopolitical tensions, socio-economic factors, the continued deterioration of public infrastructure and poor service delivery. Sound risk management enables us to predict and respond to changes in our volatile operating environment and make informed decisions.

Our Board-approved risk appetite and tolerance thresholds guide our evaluation of the nature and extent of the risks and opportunities that Growthpoint is prepared to accept in pursuit of our strategic objectives. Our risk appetite framework ensures that we are not exposed to more risk than we are willing and able to assume.

Executive management plays a critical role in ensuring effective risk management by implementing the risk appetite framework and embedding a strong risk culture throughout the organisation. Our primary goal is to strike a suitable balance between risk and reward.

Growthpoint defines risks and opportunities as uncertain events that may impact our ability to create sustained value for stakeholders.

Compliance overview

Legal and regulatory compliance is essential for safeguarding Growthpoint's reputation, ensuring operational integrity and maintaining trust with stakeholders. It helps us navigate complex legal environments while mitigating risks associated with non-compliance.

The compliance function at Growthpoint plays a vital role in assisting with, facilitating and monitoring compliance related matters across the organisation. It achieves this by fostering a strong culture of compliance, providing independent and objective advice on regulatory matters and maintaining effective relationships with relevant regulators. Additionally, the function is responsible for reporting to executive management, the Risk Management Committee and regulators as required.

The Board and executive management are responsible for ensuring a culture of compliance across the organisation. This is underpinned by the compliance policy and compliance framework, which guide the development of consistent and effective compliance management across all levels.

Growthpoint's risk management and compliance programme, established under the terms of the Financial Intelligence Centre Act (FICA) (as amended), provides strategic direction and detailed processes to manage and mitigate financial crime risks. The programme includes our customer due diligence and reporting processes and is supported by the anti-money laundering policy, which aligns with local regulatory requirements and international best practice. Our training and awareness initiatives ensure that employees understand the impact of financial crime and their responsibilities towards combatting it.

¹⁶ South African Property Owners Association (SAPOA) Operating Costs Report ended Dec 2023 – Property Wheel.

ENTERPRISE RISK MANAGEMENT AND COMPLIANCE continued

Our risk management approach

Growthpoint's integrated approach to risk management is designed to enhance stakeholder value by effectively monitoring and managing risks in alignment with King IV™ principles and best practice, such as ISO 31000. This approach ensures consistent and cohesive risk mitigation and opportunity management.

The Board holds ultimate responsibility for risk management and governance, including the review and approval of risk appetite levels, risk tolerance and the overall risk management policy and strategy. The Board delegates the design, implementation and monitoring of the risk management programme to the Risk Management Committee and executive management.

Growthpoint employs a top-down approach to identify, assess and manage strategic risks. These risks are subject to quarterly reviews by executive management and the Risk Management Committee to ensure the effectiveness of mitigation actions. Simultaneously, a bottom-up approach is used to identify, assess and manage operational risks, which in turn inform the strategic perspective of executive management.

Top strategic risks are identified and assessed by executive management, which evaluates the likelihood and potential impact of these risks according to the risk management

framework. These risks are managed and mitigated by designated risk owners and documented in the risk matrix, acknowledging that some residual risk may remain beyond the control of executive management and the Board. As risk management is an ongoing process, the top strategic risks that could impact Growthpoint's strategic objectives are continuously identified, assessed and addressed, as detailed in the analysis below.

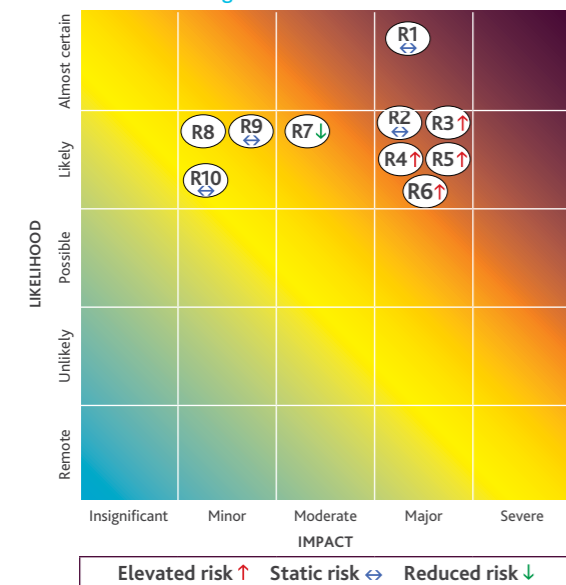
Risk matrix

The risk matrix provides an overview of the top 10 strategic risks identified through our risk management process. The top strategic risks are analysed for likelihood, assessing how likely the risk is to occur and impact, assessing the effect should it occur, to determine the positioning of risk in the risk matrix. In FY24, we revised the top strategic risks from 11 to 10. Accordingly, some risks were ranked in different positions:

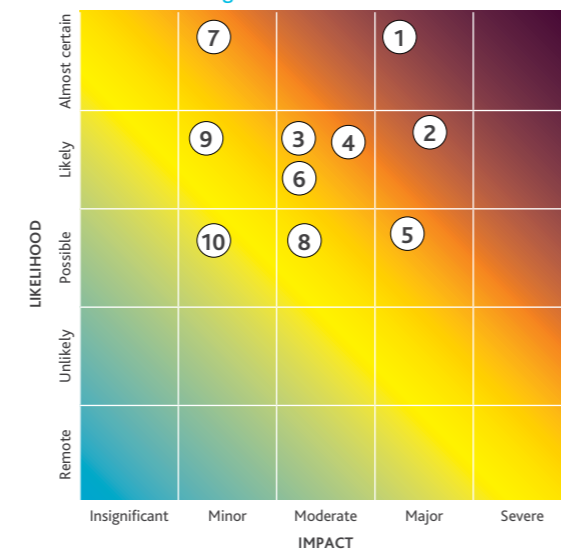
- Risk 4 was elevated from 10
- Risk 5 was reduced from 4
- Risk 9 was reduced from 8
- Risk 10 was reduced from 9

The risk matrix illustrates the residual risk after considering mitigating factors. The arrows in the FY24 table indicate the movement of the residual risk rating versus FY23. The impact of external factors, which are beyond executive management's control, play a key role in the current residual risk ratings.

FY24 residual risk rating matrix



FY23 residual risk rating matrix



1. Persistently high interest rates
2. Poor economic growth giving rise to political and socio-economic instability in South Africa
3. Rising cost of doing business in South Africa due to deteriorating public infrastructure and poor service delivery
4. Difficulty in attracting candidates from designated groups and overall retention of skilled workforce to achieve strategic objectives
5. Geopolitical volatility and instability
6. Illiquidity in the direct real estate markets
7. Environmental impacts from climate change, including carbon emissions and extreme weather impacts
8. Raising equity capital to maintain an efficient capital structure
9. Unstable and unpredictable domestic regulatory environment
10. Cybersecurity

Top strategic risks

	Inherent risk rating	Residual risk rating	
① Persistently high interest rates	Very high	Very high	FY23: R1
Impact	<ul style="list-style-type: none"> ▪ Increased cost of capital and pressure on the financial health of tenants ▪ Reducing ICR and DIPS 		
Mitigation actions	<ul style="list-style-type: none"> ▪ Comply with the treasury policy ▪ Hedge interest rates using interest rate swaps and caps ▪ Ensure sustainable cash flows through income-producing properties with strong fundamentals ▪ Manage the balance sheet to maintain a conservative LTV ratio and stay within the strictest loan covenants ▪ Monitor tenant arrears ▪ Reduce vacancies 		
Risk owner	<ul style="list-style-type: none"> ▪ Group FD ▪ Group Treasurer 		
Strategic objectives	<ul style="list-style-type: none"> ▪ Maintain a strong balance sheet through conservative gearing, liquidity and credit metrics that remain within covenants 		
Opportunities	<ul style="list-style-type: none"> ▪ Pursue a capital-light model ▪ Maintain a lower-than-100% dividend payout ratio ▪ Dispose of non-strategic assets ▪ Diversify sources of funding ▪ Reduce debt levels 		

	Inherent risk rating	Residual risk rating	
② Poor economic growth giving rise to political and socio-economic instability in South Africa	Very high	High	FY23: R2
Impact	<ul style="list-style-type: none"> ▪ Employees, tenants, the public and damage to Growthpoint's assets 		
Mitigation actions	<ul style="list-style-type: none"> ▪ Establish strong relationships with communities and industry business forums ▪ Ensure appropriate and adequate insurance coverage is in place and maintained ▪ Maintain effective business continuity management programmes ▪ Diversify the portfolio across market sectors and geographic nodes to reduce exposure to localised incidents ▪ Pursue capital-light investments via the funds management business model ▪ Diversify revenue streams from GIP and T&D ▪ Optimise international investments ▪ Improve the quality of the assets owned and managed by Growthpoint 		
Risk owner	<ul style="list-style-type: none"> ▪ Group CEO ▪ CEO: SA ▪ COO ▪ Group executive management ▪ Heads of Asset Management: Retail, Logistics and Industrial and Office 		
Strategic objectives	<ul style="list-style-type: none"> ▪ Maintain a geographically diversified portfolio of quality properties to capitalise on opportunities, market conditions and user demand, with a focus on growing in strategic provinces, such as the Western Cape ▪ Foster responsible growth of diversified international investments, remaining open to international opportunities that align with our commitment to good governance and positive social and environmental action ▪ Maintain a high-quality portfolio by disposing of non-core assets 		
Opportunities	<ul style="list-style-type: none"> ▪ Capitalise on continued demand for new development space at the V&A ▪ Invest in renewable energy ▪ Acquire green energy from third parties to achieve carbon neutrality 		

ENTERPRISE RISK MANAGEMENT AND COMPLIANCE continued

③ Rising cost of doing business in South Africa due to deteriorating public infrastructure and poor service delivery	Inherent risk rating	Residual risk rating	FY23: R3
	Very high	High	
Impact	<ul style="list-style-type: none"> Increased cost of occupancy impacting rentals across all sectors Administered costs escalating above inflation 		
Mitigation actions	<ul style="list-style-type: none"> Dispose of less energy-efficient buildings to improve long-term efficiencies Monitor demand to manage consumption and detect inefficiencies Install solar photovoltaic (PV) systems across the portfolio and enter into PPA, where possible Secure water supply and storage, where feasible Conduct utility efficiency audits to optimise consumption Participate in industry lobby groups and support initiatives that drive transparency in determining rates and taxes Maintain effective recovery processes 		
Risk owner	<ul style="list-style-type: none"> COO Heads of Asset Management: Retail, Logistics and Industrial and Office Sustainability Manager Utilities Manager 		
Strategic objectives	<ul style="list-style-type: none"> Own well-located, high-quality properties that attract blue-chip tenants Curb rates and tax increases through industry lobbying 		
Opportunities	<ul style="list-style-type: none"> Develop custom-designed assets to retain and attract quality clients Achieve a minimum 4-Star Green Star rating from the GBCSA for core investment office buildings Establish efficiencies to reduce reliance on municipal utilities through innovative solutions and green initiatives Invest in renewable energy Innovative solutions that bring renewable electricity at fixed escalations directly to tenants 		

④ Difficulty in attracting candidates from designated groups and overall retention of skilled workforce to achieve strategic objectives	Inherent risk rating	Residual risk rating	FY23: R10
	Very high	High	
Impact	<ul style="list-style-type: none"> Increase in recruitment, training and employee costs Not meeting transformation targets, thereby attracting penalties Not maintaining B-BBEE level, resulting in loss of tenants 		
Mitigation actions	<ul style="list-style-type: none"> Offer a competitive remuneration structure Provide training and development opportunities Set transformation KPIs for executives and management Develop a strong employee value proposition (EVP) Foster a conducive work environment and an inclusive culture Implement robust, well-defined and clearly communicated succession planning Facilitate skills and knowledge transfer Re-evaluate recognition practices to ensure consistency across the organisation Address development areas identified in the employee engagement survey 		
Risk owner	<ul style="list-style-type: none"> Group CEO CEO: SA Head of Human Resources 		
Strategic objectives	<ul style="list-style-type: none"> Attract top talent by creating a culture and work environment conducive to productivity and performance 		
Opportunities	<ul style="list-style-type: none"> Position Growthpoint as an employer of choice Attract high-calibre staff Create an inclusive working environment Diversify and integrate the workforce 		

⑤ Geopolitical volatility and instability	Inherent risk rating	Residual risk rating	FY23: R4
	Very high	High	
Impact	<ul style="list-style-type: none"> Low economic growth, high inflation, high interest rates, currency volatility, loss of investor confidence, global recession and increased cost of doing business 		
Mitigation actions	<ul style="list-style-type: none"> Maintain a sound balance sheet and effective liquidity management Monitor local and global conditions, including economic, sector-specific and political events Implement the International Optimisation Strategy Diversify the portfolio Hedge foreign currency exposures Hedge interest rates Dispose of non-core property assets Secure long-term funding 		
Risk owner	<ul style="list-style-type: none"> Group CEO CEO: SA Group Exco Heads of Asset Management: Retail, Logistics and Industrial and Office 		
Strategic objectives	<ul style="list-style-type: none"> Respond to strategic international expansion opportunities by recycling capital into more resilient, lower-risk and higher-return economies and markets Maintain portfolio diversification 		
Opportunities	<ul style="list-style-type: none"> Diversify and optimise the portfolio Secure hedged offshore investments 		

⑥ Illiquidity in the direct real estate markets	Inherent risk rating	Residual risk rating	FY23: R6
	High	High	
Impact	<ul style="list-style-type: none"> Difficulty in disposing of non-core properties as the investment markets are not conducive and lack adequate depth 		
Mitigation actions	<ul style="list-style-type: none"> Implement an asset disposal strategy Provide vendor finance to purchasers 		
Risk owner	<ul style="list-style-type: none"> Group CEO CEO: SA Head of Asset Management Head of Optimisation and Realisation 		
Strategic objectives	<ul style="list-style-type: none"> Optimise and re-weight the portfolio out of the office sector towards the retail and logistics and industrial sectors Re-weight the portfolio towards higher growth nodes, such as the Western Cape 		
Opportunities	<ul style="list-style-type: none"> Explore different types of buyer markets 		

ENTERPRISE RISK MANAGEMENT AND COMPLIANCE continued

7 Environmental impacts from climate change, including carbon emissions and extreme weather impacts	Inherent risk rating High	Residual risk rating High	FY23: R7
Impact	<ul style="list-style-type: none"> Increased investor and societal pressures to comply, fines and penalties, additional costs to comply, legal costs, reputational damage and increased insurance costs 		
Mitigation actions	<ul style="list-style-type: none"> Ensure focused environmental compliance Implement a renewable energy strategy Establish and maintain a clearly defined ESG strategy with specific targets Engage proactively with stakeholders, advocate for relevant policies and monitor the climate change landscape Enhance transparency and disclosure through comprehensive ESG reporting 		
Risk owner	<ul style="list-style-type: none"> Group executive management Head of Asset Management Sustainability Manager Utilities Manager Head of Strategy, ESG and Investor Relations 		
Strategic objectives	<ul style="list-style-type: none"> Mitigate Growthpoint's impact on climate change Achieve carbon neutrality by 2050 Own quality assets in the markets we invest in, including energy-efficient, ESG-compliant buildings Provide tenants with buildings that support their environmental targets, including climate change and carbon neutrality Reduce vacancies and improve tenant retention 		
Opportunities	<ul style="list-style-type: none"> Invest in renewable energy Pursue a carbon-neutral pathway 		

8 Raising equity capital to maintain an efficient capital structure	Inherent risk rating High	Residual risk rating Medium	Added in FY24
Impact	<ul style="list-style-type: none"> Expensive due to its dilutive nature 		
Mitigation actions	<ul style="list-style-type: none"> Optimise the South African portfolio Complete the sale of C&R Dispose of non-core assets Maintain strong relationships with investors Maintain a dividend payout ratio of 82.5% 		
Risk owner	<ul style="list-style-type: none"> Group CEO CEO: SA Group FD 		
Strategic objectives	<ul style="list-style-type: none"> Access diverse sources of funding to minimise the cost of capital while maintaining appropriate gearing levels 		
Opportunities	<ul style="list-style-type: none"> Leverage local and international equity markets 		

9 Unstable and unpredictable domestic regulatory environment	Inherent risk rating High	Residual risk rating Medium	FY23: R8
Impact	<ul style="list-style-type: none"> Penalties and fines, tax liabilities, reputational risk, loss of investor confidence and increased cost of compliance 		
Mitigation actions	<ul style="list-style-type: none"> Maintain dedicated legal, compliance and company secretarial departments to ensure adherence to laws and regulations Monitor and regularly review applicable legislation, with quarterly compliance reporting to the Risk Management Committee Engage with consultants and specialists when necessary Participate in industry lobby bodies, such as the SAPOA Legal Committee Adhere to the SA REIT Best Practices recommendations 		
Risk owner	<ul style="list-style-type: none"> Group Legal Counsel Company Secretarial Head of Risk Management and Compliance Head of Internal Audit 		
Strategic objectives	<ul style="list-style-type: none"> Deliver superior value to all stakeholders by ensuring compliance with the legislative and policy environments in which we operate 		
Opportunities	<ul style="list-style-type: none"> Proactive engagement with regulators 		

10 Cybersecurity	Inherent risk rating High	Residual risk rating Medium	FY23: R9
Impact	<ul style="list-style-type: none"> Data loss or corruption due to information theft, cybersecurity breaches or attacks and disruptions to operations, impacting our ability to continue business and causing financial loss and reputational threat 		
Mitigation actions	<ul style="list-style-type: none"> Review and assess security incidents and reports through the Information Security Forum Utilise software to analyse events and identify incidents Provide mandatory cyber awareness training videos to educate and raise awareness among employees Continuously enhance the business continuity management programme Improve data governance and privacy practices Maintain cyber-specific insurance coverage Conduct regular backups and test restores of those backups 		
Risk owner	<ul style="list-style-type: none"> CEO: SA Chief Information Officer 		
Strategic objectives	<ul style="list-style-type: none"> Provide the highest level of service to tenants 		
Opportunities	<ul style="list-style-type: none"> Drive internal awareness of end-user risk Explore innovative technologies to enhance cybersecurity 		

Progress on our risk management journey

	Where we are	Where we want to be
Risk management	A formalised risk management process has been implemented.	Increasing the implementation and frequency of the risk management programme across the organisation, cultivating a proactive risk management culture.
Compliance	In the initial stages of formalising a compliance management programme.	Improving compliance management in alignment with best practices.
Embedding of risk management and compliance programme	Our current risk and compliance management process focuses only on strategic risks.	Embedding risk and compliance management for full integration into business practices.

ENTERPRISE RISK MANAGEMENT AND COMPLIANCE continued

Emerging risks

Emerging risks are new or future risks whose potential impact is difficult to assess. Growthpoint continues to monitor emerging risks as they could become significant risks impacting our strategic objectives over time. Emerging risks currently being monitored are:

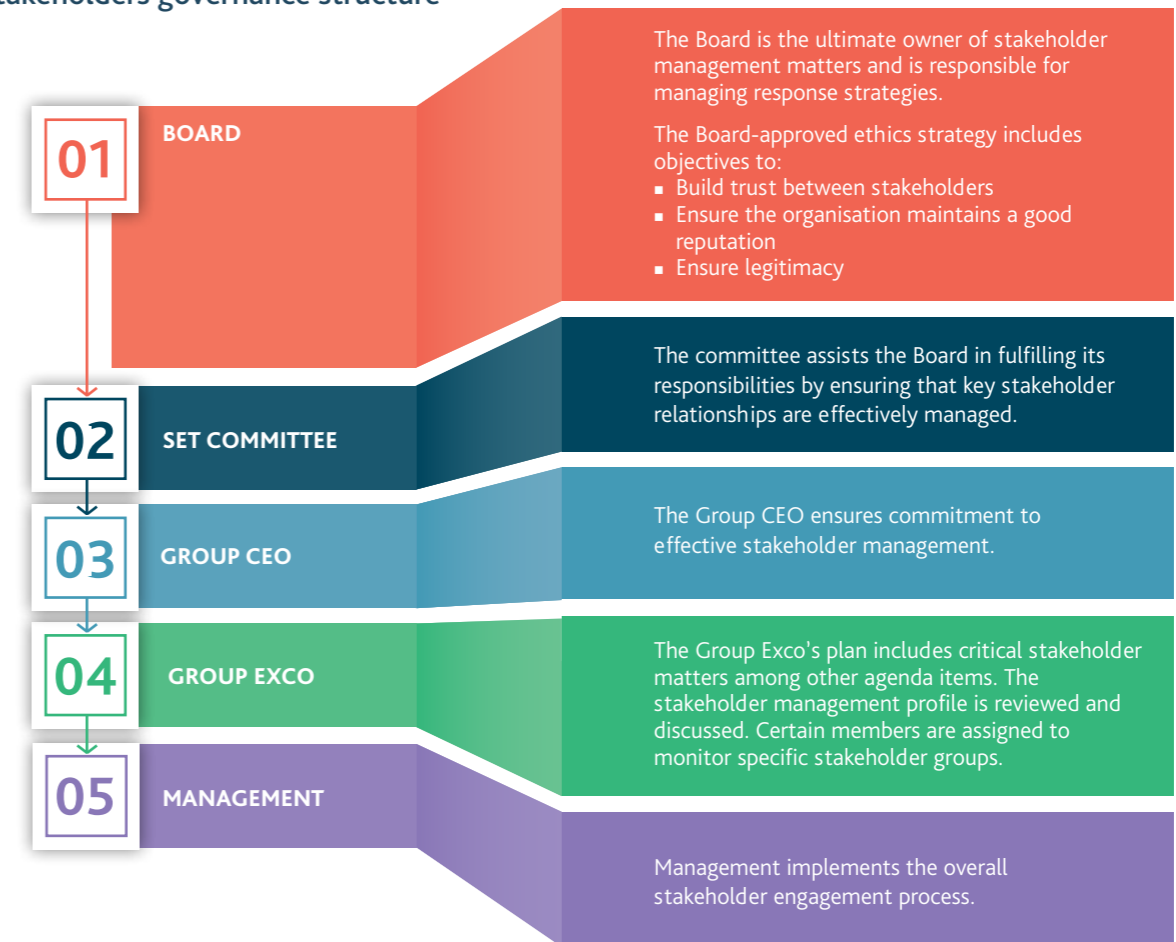
Emerging risks	Mitigating factors
Political tension, compounded by labour disputes and budgetary constraints in the current economic and political climate.	<ul style="list-style-type: none"> Improve Growthpoint's network of access to information and trends Build relationships with relevant stakeholders Participate in industry lobby groups and support initiatives that drive transparency
The potential failure of state-owned enterprises (SOEs), such as Eskom and Transnet, along with key departments like the National Prosecuting Authority, pose a significant risk to the economy and must be protected as key economic pillars and symbols of national pride.	<ul style="list-style-type: none"> Robust management reforms to ensure efficiency and accountability Innovative financial strategies to secure the SOEs' longevity Public-private partnerships injecting dynamism and expertise
The increasing severity of weather events, from droughts to storms, poses a significant threat to businesses operating in South Africa.	<ul style="list-style-type: none"> Investing in sustainable agriculture and water conservation technologies is crucial A shift towards renewable energy sources can mitigate the broader impacts of climate change
Poor governance and service delivery failures resulting from the deteriorating state of many local authorities present an immediate challenge for South Africa.	<ul style="list-style-type: none"> Re-establishing the fundamental service delivery pillars Allocating resources locally so that communities benefit from services and infrastructure development Installing photovoltaic (PV) systems

Achievements in FY24	Future focus
<ul style="list-style-type: none"> The Board approved the risk management policy, strategy and risk appetite statements, which were communicated throughout the business The Board also approved the compliance policy and strategy, ensuring communication across the organisation The risk management process was further embedded by applying the adopted risk management framework to report top strategic risks to executive management and the Risk Management Committee on a quarterly basis We developed and adopted our anti-money laundering policy, ensuring compliance with the FICA in response to the potential threat of South Africa's grey listing status 	<ul style="list-style-type: none"> Further embed the risk management programme across the organisation through training and awareness, promoting proactive risk management and leveraging opportunities Continue to integrate and mature compliance management in line with best practice, enabling value-added contributions to the business Leverage technology to enhance the risk management process and improve data monitoring for more effective risk management

STAKEHOLDER RELATIONSHIPS

Our stakeholder relationships are integral to our success, and we strive to create shared value for our company and stakeholders.

Stakeholders governance structure



Proactively engaging with our stakeholders enables us to anticipate and respond to their concerns, mitigating potential risks to our reputation and operations. Strategically, engaging with stakeholders provides valuable insights into their needs and preferences, ensuring informed decision making and enhancing market competitiveness.

To ensure that our interactions are focused and meaningful, we tailor our engagement efforts to match the unique needs of each group. This includes identifying their interests, concerns and expectations and addressing them collaboratively.

We maintain open lines of communication and respond to stakeholders' needs and concerns appropriately and promptly.

Our approved stakeholder engagement policy aligns to international standards and industry best practice, and refines and strengthens our stakeholder engagement approach. It formalises the purpose, identification, channels and methods for Growthpoint's stakeholder engagement, along with roles and responsibilities across different organisational levels.

Further details on our stakeholder engagement can be found in the **ESG report** on pages 82 to 87.

STAKEHOLDER RELATIONSHIPS continued

Key stakeholder groups

Our stakeholder universe has been broadened to include non-governmental organisations (NGOs) and civil society organisations.

Employees	EMP	<ul style="list-style-type: none"> ▪ Growthpoint prioritises open communication and engagement with our employees through various channels including training, wellness sessions, surveys and electronic communication ▪ We focus on addressing our employees' interests, such as job security, fair remuneration and opportunities for learning and development ▪ We enhance employee satisfaction, productivity and career progression by fostering a safe and non-discriminatory work environment and providing flexible work options
Tenants	TEN	<ul style="list-style-type: none"> ▪ We aim to retain existing tenants and attract new ones by addressing their needs for well-located, quality properties and superior services ▪ We actively engage with our tenants through satisfaction surveys, operational notices and maintenance support to understand their needs better and ensure high-quality property management services ▪ Our efforts are directed towards creating long-term partnerships and offering bespoke real estate solutions tailored to tenants' evolving requirements
Shareholders	SHA	<ul style="list-style-type: none"> ▪ We provide investors and analysts with transparent reporting, regular updates and strategic communication of our operational, financial and ESG performance ▪ Growthpoint aims to maintain investor confidence, access diverse capital markets and achieve fair valuation of share price ▪ Our emphasis on generating sustainable returns, effective risk management and adherence to high governance standards adds value to investor portfolios and market credibility
Suppliers	SUP	<ul style="list-style-type: none"> ▪ Growthpoint values our supplier relationships and maintains open communication channels for collaborative engagement ▪ We focus on joint contractual management, adherence to payment terms and performance feedback to ensure a seamless and mutually beneficial partnership ▪ Supporting local procurement, sustainable business opportunities and supplier sustainability are key aspects of our engagement strategy
Providers of finance	FIN	<ul style="list-style-type: none"> ▪ Engaging with funders involves transparent reporting, timely updates and clear communication of our investment case ▪ We aim to access diverse funding sources and maintain our strong credit rating ▪ Our focus on sustainable relationships and open channels of communication contributes to market-related cost of funding, adequate debt facilities and positive market perception
Government and regulatory bodies	PBR	<ul style="list-style-type: none"> ▪ We adhere to regulatory compliance and engage with government bodies through formal responses, policy discussions and industry memberships ▪ Our aim is to foster trust and transparency while advocating for fair regulations that encourage investment and economic development ▪ By contributing to the development of policies that support sustainable growth and social impact, we create value for our business and society at large
Property brokers	PBR	<ul style="list-style-type: none"> ▪ We invest in high-quality properties, sustainable buildings and national footprint expansion to meet brokers' and tenants' diverse needs ▪ We collaborate with property brokers by providing timely information, networking opportunities and support for letting available spaces

Industry and business organisations	IBO	<ul style="list-style-type: none"> ▪ Our engagement with industry bodies and organisations entails active participation in joint initiatives, forums and memberships ▪ Growthpoint aims to set industry benchmarks, drive collaboration and align practices across the sector ▪ We contribute to a strong SA REIT sector, share expertise and promote sustainable business practices within the broader business community
Communities	COM	<ul style="list-style-type: none"> ▪ We support community development through CSI projects, educational initiatives and partnerships with local organisations ▪ Our focus is on addressing community needs, including job creation, skills development and environmental sustainability ▪ By actively engaging with communities and contributing to positive social impact, we aim to build strong, long-term relationships and enhance our reputation as a responsible corporate citizen
Non-governmental organisations (NGOs)	NGO	<ul style="list-style-type: none"> ▪ We collaborate with NGOs to drive social development initiatives and address community needs such as education, entrepreneurship and environmental conservation ▪ We provide financial support, resources and visibility to NGOs to enable them to achieve their mission and goals ▪ By actively engaging with NGOs and leveraging their expertise, we aim to drive sustainable impact, enhance community engagement and create shared value for stakeholders
Civil society organisations	CSO	<ul style="list-style-type: none"> ▪ We engage with civil society organisations to address social and environmental matters and ensure that community voices are heard in decision-making processes ▪ Our focus is on promoting transparency, accountability and collaboration to support community development and positive impact ▪ By partnering with civil society organisations and aligning with their goals, we aim to enhance stakeholder engagement, drive sustainable development and contribute to a better society

OUR BUSINESS MODEL

Inputs

FC Access to capital

Financial capital enables our business activities and is provided by:

- Capital appreciation of property assets and investments
- Net rental income
- Foreign currency dividend income from foreign investments
- Fund management fees and dividend income from GIP
- T&D income generated by development profit and third-party development fees
- Distributions received from the V&A
- Interest income
- Proceeds generated by the disposal of assets

MC Property portfolio

Growthpoint's diversified portfolio of high-quality property assets across international geographies, sectors and income streams provides the base for our business and the ability to create value for our stakeholders:

- 511 high-quality, physical property assets
- 7 645 473m² of lettable space
- R174.7bn assets under management

HC Leadership team coupled with our property skills and talent

Our dynamic and proven management track record, along with our in-house development capability, enable us to successfully manage our portfolio and serve our clients' needs. Our human capital consists of our leadership and employees.

- 649 permanent employees (FY23: 637)
- 11 Board members comprising eight NEDs and three executives

SRC Trust through nurtured relationships and our social compact

We invest in our communities and engage with our stakeholders to understand their needs, enhance our strong relationships, manage our reputation and build trust. Our social and relationship capital consists of our communities, suppliers and other stakeholder groups.

- Property Point procurement spend R61m
- CSI initiatives spend R62m (FY23: R50m)

NC Environmental stewardship

Natural resources required to continuously run our operations efficiently for our tenants include:

- Water
- Electricity and renewable energy
- Waste management

HC Human and intellectual capital

- Employee training total spend R15.4m (FY23: R11.9m)
- Attracting and retaining top talent

Creating value for stakeholders through innovative and sustainable property solutions

OUR VISION

To be a leading international property company that provides space to thrive.

OUR MISSION

To create value for all our stakeholders through innovative and sustainable property solutions.

Values

- Be the best
- Own it
- The power of us
- Break new ground
- Wow them
- Play fair

Key activities

Finance
Accessing capital to enable business activities

Invest
Investing in our directly owned properties and investee companies

Manage
Managing our own properties and properties held by funds

Dispose
The disposal of assets is key to rebalancing and optimising our portfolio

Earn
Net rental income, distributions from investments, fund management fees, T&D income, interest income and proceeds from disposals

STRATEGIC THRUSTS

- Improving the quality of the SA portfolio
- Optimising our international investments

KEY DIFFERENTIATORS

- Largest primary listed REIT on the JSE
- Attractive ESG investment
- Diversified income streams
- Strong balance sheet and liquidity position
- Sector and geographic diversification
- Tradable and liquid investment
- Uninterrupted dividend payments

Read more in our investment case on page 22.

KEY RELATIONSHIPS

- Employees
- Tenants
- Shareholders
- Suppliers
- Providers of finance
- Government and regulatory bodies
- Property brokers
- Industry and business organisations
- Communities
- NGOs
- Civil society organisations

OUTPUTS

Earnings underpinned by high-quality physical property assets and investments

- Resource-efficient spaces
- Environmentally sustainable buildings
- High-quality, prominently located properties
- Superior property management services
- Bespoke alternative real estate properties through GIP

- ▲ Positive impact on the capital
- ▼ Negative impact on the capital
- ▶ Capital value preserved

Outcomes

Financial capital FC	<ul style="list-style-type: none"> ▶ R6.0bn* net rental income (FY23: R6.0bn) ▲ R108.0m fund management fees (FY23: R98.0m) ▶ R1.6bn (FY23: R1.6bn) Rand-equivalent foreign currency income, via cash and scrip dividend alternatives ▼ R22.0m T&D contribution to distributable income (FY23: R80.0m) ▶ Uninterrupted six-monthly dividends since inception
Manufactured capital SDG 11 MC	<ul style="list-style-type: none"> ▲ R2.1bn (FY23: R1.5bn) capital and development expenditure ▼ Targeted R4bn of disposals for FY24 and FY25. We sold R1.2bn in FY24, R580.3m is held for sale and R1.9bn are in various stages of disposal post FY24.
Human and intellectual capital SDG 4 SDG 5 SDG 8 SDG 10 HC IC	<ul style="list-style-type: none"> ▲ 501 employees trained (FY23: 441) ▲ Competitive benefits (eg hybrid working, employee share scheme, insurance and risk cover, educational assistance and wellness programme) ▲ 91.7% annualised retention rate (FY23: 88.6%)
Social and relationship capital SDG 4 SDG 5 SDG 8 SRC	<ul style="list-style-type: none"> ▶ Retained level 1 B-BBEE contributor ▼ 3 532 direct beneficiaries of CSI initiatives (FY23: 6 255) ▲ 53 SMMEs supported through Property Point (FY23: 43) ▲ 58 Property Point full-time jobs created in FY24
Natural capital SDG 6 SDG 7 SDG 12 NC	<ul style="list-style-type: none"> ▶ 195GWh renewable energy PPA ▲ 123 green building certificates (FY23: 63) ▲ 133.23kWh/m²/pa energy intensity factor (FY23: 130.21kWh/m²/pa) ▲ Water intensity: 0.68kl/m²/pa (FY23: 0.66kl/m²/pa) ▲ Waste: 11 679 tonnes (FY23: 11 213 tonnes) ▲ 577 448.53tCO₂e greenhouse gas (GHG) emissions (FY23: 599 106tCO₂e) ▲ Solar energy of 40.7MWp for FY24 (FY23: 27.32MWp)

* Including GIP.

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We anticipate that the gradual recovery in economic conditions, coupled with our strategic initiatives, will continue to improve our property fundamentals.

STRATEGIC VALUE CREATION

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Investec, V&A Waterfront, Cape Town



GROUP CEO'S REVIEW



Optimising our international investments

In a year marked by varied external challenges, we demonstrated our resilience by focusing on what we can control: driving operational excellence, optimising capital allocation and embracing innovation.

On reflection, this has been one of the most challenging years for Growthpoint in a decade. Faced with significant economic, political and operational headwinds, combined with cyclically high interest rates, we delivered a financial performance that saw DIPS decline by 10% to 141.9cps (FY23: 157.6cps). While disappointing, this result was better than our initial forecast, owing to stronger-than-expected operational performance across the Group's portfolio, demonstrating our team's resilience and ability to adapt in a continuously evolving environment.

Navigating challenges and realising opportunities

Global and local economic conditions were marked by high inflation and rising interest rates, which put pressure on the cost of debt and property valuations across our portfolio of investments. Political uncertainties in South Africa and globally added to the complexity, while ongoing geopolitical tensions further fuelled market volatility and put a dampener on investor and consumer confidence. Additionally, South Africa endured unprecedented levels of loadshedding during the first half of the financial year, reaching a peak in late 2023.

Despite these difficulties, we remained focused on driving operational efficiency, mitigating risks wherever possible and ensuring that we directed our capital allocation towards strategic and value-creating initiatives. One example of this proactive approach is our PPA with Etana Energy, a groundbreaking deal that addresses energy security, rising utility costs and climate change.

Our PPA will enable Growthpoint to wheel 195GWh of renewable energy annually across multiple properties, equating to 32% of our portfolio's FY23 total electricity consumption. This energy mix includes wind, hydro and solar power, ensuring a consistent and reliable supply of green energy that will be connected to the national grid throughout 2025 and 2026. A notable feature of this agreement is our exclusive purchase of 30GWh annually from a hydroelectric plant within the Lesotho Highlands Water Scheme, which will provide a steady baseload of power when it officially commences operations on 1 July 2025.

Tenants, in select buildings to rent, will be able to purchase up to 100% renewable energy through Growthpoint's e-CO₂ (e-CO₂ is short for electricity minus carbon dioxide and pronounced "eco two") green energy benefit scheme. The initiative will also generate renewable energy certificates (RECs) for tenant use using the latest blockchain technology, enabling them to report emission reductions or trade these certificates in the open market. In addition to the environmental benefits, tenants will enjoy cost savings over the long term in the form of a green energy benefit, credited on their monthly rental invoice. Our e-CO₂ scheme leverages the price stability of renewable energy by setting a fixed escalation rate for the renewable portion of tenants' electricity costs, providing a hedge against future electricity price increases from municipal authorities or Eskom.

We are proud of this innovative initiative, which aligns with our long-term goal of achieving carbon neutrality by 2050 and furthers our position as a sustainability leader in the real estate sector.

Read more about wheeling, our PPA and e-CO₂ [hyperlink](#).

Delivering on our strategy

Improving the quality of the South African portfolio

Our South African portfolio remains our core business, and we continue to focus on active asset management, strategic disposals of non-core assets and investment in high-growth areas to strengthen its quality and resilience. During the reporting period, we sold R1.2bn worth of assets (FY23: R1.5bn) and incurred R2.1bn of capital and development expenditure (FY23: R1.9bn), which we predominantly invested in new logistics and warehousing properties and strategic redevelopments.

The overall performance of the South African portfolio at the operational level has been commendable, with financial metrics across all sectors improving. Significant letting of 428 165m² of new space improved vacancies to 8.7% (FY23: 9.7%), and our total arrears reduced significantly to R85.2m (FY23: R165.4m).

We renewed leases of 774 095m², with a renewal success rate of 76.3% (FY23: 64.9%) and renewal rental growth rates improving to -6.0% (FY23: -12.9%). The average lease period on renewals was 3.7 years, slightly longer than the 3.5 years achieved during FY23. This is a testament to our active asset management strategy geared towards attracting and retaining high-quality tenants and stabilising performance.

The V&A continued to deliver outstanding results, contributing 16.1% to our DIPS, with income from the investment 12.6% up from FY23. These results were mainly driven by the strength of its diverse asset base and a 20% growth in international tourism, boosting footfall, retail sales, hospitality and attractions, resulting in a 74% increase in turnover rental. Precinct-wide, the V&A maintained negligible vacancies at 0.3% (FY23: 0.4%). A strategic decision to take on more operating risk in key assets, such as the Radisson Red Hotel, the Cape Wheel and the Two Oceans Aquarium, yielded results, providing additional income streams and capturing a greater share of the value chain. An application for further development rights at the V&A is underway, enabling substantial expansion, development and sustained growth from this prime asset.

Read more about our South African operations on pages 68 to 91.

Optimising our international investments

GOZ, C&R and GWI demonstrated a resilient operating performance, maintaining low vacancies and securing strong tenancies. Our strategic focus is to optimise our international investments to unlock opportunities as trends in these markets evolve.

GOZ faced a challenging year due to higher interest rates and significant property write-downs, particularly in the office sector. Funds from operations (FFO) per share decreased by 10.8% to 23.9AUD cps (FY23: 26.8AUD cps), while dividends per share were down 9.8% to 19.3AUD cps per share (FY23: 21.4AUD cps). Despite these headwinds, our strategic hedging of dividends repatriated to South Africa and efficient management helped mitigate some of the financial impacts. NPI decreased 5.5%, driven by the disposals of 333 Ann Street in the prior period and 1 – 3 Pope Court in October 2023, as well as lower lease surrender fees received in FY24 relative to FY23. The Australian economy is expected to rebound when interest rates decline, though this is likely to trail the rest of the world by between three and six months. This anticipated shift, combined with the country's robust employment rates, net migration and stable economic outlook, reinforces our confidence in the long-term prospects of our investment.

C&R in the UK delivered a resilient performance in FY24 despite ongoing economic challenges, reflecting the strength of its community strategy focus on value orientated, non-discretionary and needs-based retail and services. Net rental income rose by 17.4% primarily due to the successful integration of Gyle Shopping Centre, acquired in September 2023. Property valuations remained stable, with the portfolio value increasing by 0.6% to GBP374.9m or R8 628m (FY23: GBP329.7m or R7 895m). DPS for the period under review increased by 5.5% (in GBP). Notably, C&R has received non-binding offers from interested parties to acquire all the shares in the company. These interested parties are in various stages of due diligence, and a successful transaction could represent a strategic opportunity for us to simplify our international exposure and reallocate capital more effectively.

Total property assets
R174.7bn
(FY23: R179.8bn)

Revenue
R14.5bn
(FY23: R13.8bn)

Property expenses
R4.6bn
(FY23: R3.9bn)

Net property income
R10.0bn
(FY23: R9.8bn)

GROUP CEO'S REVIEW continued

GWI, our Eastern European investment, continues to show solid operational performance with positive rental reversions and reduced vacancies. Capital cities, such as Bucharest and Warsaw, delivered a resilient performance, with occupancy rates at 86.2% (FY23: 85.5%). However, GWI faced significant challenges due to the refinancing of EUR850m in bonds set to mature in 2025 and 2026. The refinancing, completed in May 2024, involved issuing new green bonds with extended maturities at a higher coupon rate of 6.25%, up from the original rate of 3%. This will impact future dividends from GWI. Dividend of EUR21.0 cps (R304.0m) received for FY24 versus EUR29.0 cps (R395.4m) for FY23. DPS were further negatively impacted by scrip dividends being issued at significant discounts to EPRA NAV.

Read more about our international investments on pages 96 to 105.

GIP

GIP continues to play an important role in diversifying our income streams, focusing on specialised funds in healthcare through GPHH, student accommodation through GSAH, and prime real estate in Africa through Lango.

While the financial impact of GIP on our overall balance sheet is currently limited due to our partnership approach, the capital-light fund management strategy remains attractive in the current environment. We are targeting R30bn of funds under management by FY27, with AUM of R18.0bn as of 30 June 2024 (FY23: R17.9bn).

GPHH underwent significant repositioning, securing long-term leases with major operators which de-risked the portfolio and stabilised income streams. GSAH continued to grow its asset base, increasing its bed count from 6 000 to approximately 8 000 beds through new developments and strategic acquisitions. Although fundamentally sound, Lango remains in a transitional phase as we work to redomicile the business to improve investor appetite and resume dividend payments.

Post-FY24, Lango concluded a USD200m retail real estate portfolio acquisition from JSE-listed REITs, Hyprop Investments Limited and Attacq Limited. Lango is in the process of redomiciling to the United Kingdom (UK), which will facilitate the resumption of dividend payments.

Read more about our GIP investments on pages 106 to 111.

T&D

Our T&D division completed projects to the value of R162.0m (FY23: R117.2m). While third-party development activities were subdued due to market conditions and the timing of deals, the team engaged in several internal developments, particularly within our logistics and industrial portfolio and for GSAH. These activities are crucial for driving future growth and maintaining the competitiveness of our assets. We continue to see T&D as a strategic lever to unlock value, particularly in identifying opportunities to repurpose and optimise existing assets to meet evolving market demands and sustainability standards.

Capital and financial management

Capital management remains a key priority as we navigate a high interest rate environment. Our balance sheet remains robust, with solid liquidity from the domestic banking market and institutional investors in our debt capital markets. While we have seen our LTV ratio increase to 42.3% (FY23: 40.1%) and our ICR decrease to 2.4 times (FY23: 2.9 times) due to the elevated interest rate environment, these metrics remain within acceptable ranges. We believe that the peak of the interest rate cycle is behind us, and we anticipate seeing gradual improvements as rates start to reduce towards the end of FY24.

Our disciplined approach to asset disposals is a significant aspect of our capital management strategy. While we are disappointed by the lower-than-expected disposal volumes this year, mainly due to regulatory delays and a constrained liquidity environment, we remain committed to this strategy. We sold 19 non-core properties for R1.2bn (FY23: R1.5bn), and we are targeting a further R2.8bn of disposals in FY25. The disposals in progress are expected to unlock additional value, improve liquidity and reduce our gearing levels.

Read more about our financial performance in our Group FD review on pages 114 to 117.

ESG integration and initiatives

Integrity and sustainability are common threads that run through our business, influencing how we operate, invest in and manage properties. The Board worked closely with executive management to ensure that our ESG initiatives support our long-term business strategy, resulting in a holistic approach that effectively addresses complex social and environmental issues. As a result, we reprioritised our focus on ESG issues by increasing the weighting of these factors in our performance scorecards for FY25, for our executives and senior management.

A significant area of emphasis continues to be our focus on electricity and alternative energy sources. In addition to signing our PPA to commence with the rollout of clean, wheeled power to select buildings in FY26, in FY24 we installed an additional 13.4MWp of solar capacity, bringing our total to 40.7MWp. We intend to expand our solar capacity to 50MWp in the year ahead.

We are also concentrating on our strategy for green-certified buildings. The redevelopment of our property at 36 Hans Strijdom Avenue in Cape Town for Ninety One will become one of the first carbon-neutral buildings in our portfolio. Additionally, we aim to develop and implement robust waste and water reduction strategies, underlining our broader ambition to achieve carbon neutrality across our properties.

Read more about our ESG initiatives in our 2024 ESG report.

Looking ahead and appreciation

We are cautiously optimistic for FY25. South Africa's economic environment shows signs of moderate improvement, driven by the easing of loadshedding and positive sentiment following the national elections and the formation of a GNU. These factors, combined with an expected lowering of interest rates, give us reason to believe that we are entering a period of renewed confidence and potential economic growth.

We anticipate that the gradual recovery in economic conditions, coupled with our strategic initiatives, will continue to improve our property fundamentals. We expect to see stabilisation in property valuations, further positive rental growth, particularly in the Western Cape, and continued reduction in vacancy rates and reversions. However, the lag effect of high interest rates, including in our international portfolios, will continue to impact our bottom line in the short term. As such, we are guiding for a further decline in DIPS for the coming year of between 2% and 5%.

I remain confident in Growthpoint's strategic direction and our ability to navigate the complexities of the market. Our focused strategy, strong operational performance, commitment to sustainability and disciplined capital management ensure we are well-positioned to capitalise on the opportunities that arise during the year ahead.

Finally, I would like to express my gratitude to the Board for their unwavering support and to the entire Growthpoint team for their remarkable commitment and dedication.

Norbert Sasse
Group CEO



Centralpoint, Midrand

GROUP EXCO



Norbert Sasse (59)

Group CEO
Joined Group Exco: 2003
BCom (Hons) (Accounting), CA(SA)
Skills and expertise: Corporate finance, capital markets, property and general management
Professional membership: SAICA, PPRA (Master Practitioner in Real Estate)



Estienne de Klerk (55)

CEO: SA
Joined Group Exco: 2008
BCom (Industrial Psychology), BCom (Hons) (Marketing), BCom (Hons) (Accounting), CA(SA)
Skills and expertise: Financial, general management, property and capital markets
Professional membership: SAICA, PPRA (Master Practitioner in Real Estate)
Industry body representation: Chairman of SA REIT Association



Gerald Völkel (64)

Group Financial Director
Joined Group Exco: 2013
BAcc, CA(SA)
Skills and expertise: Financial, tax and general management
Professional membership: SAICA
Industry body representation: Chairman of the Regulation and Taxation Committee of SA REIT Association



George Muchanya (53)

Head of GIP
Joined Group Exco: 2017
BSc Eng, MBA, CFEP (LBS), PLDL (Harvard)
Skills and expertise: Engineering, management consulting and the property industry
Professional membership: SAIBPP



Engelbert Binedell (54)

COO
Joined Group Exco: 2018
BA(Ed), MBL
Skills and expertise: Skilled in all aspects of property management, asset management, property development
Professional membership: PPRA (Master Practitioner in Real Estate)



Neil Schloss (53)

Head of Asset Management
Joined Group Exco: 2018
BSc Town and Regional Planning
Skills and expertise: 30 years' experience in the property industry with 27 years in retail property dealing with property developments, extensions, asset management, acquisitions and disposals, and disposals and due diligence



Aasha Patel (52)

Group Treasurer
Joined Group Exco: 2023
BAcc, CA(SA)
Skills and expertise: More than 20 years' experience spanning financial services and treasury management
Professional membership: SAICA



Xolani Hlatshwayo (42)

Group Legal Counsel
Joined Group Exco: 2019
LLB, LLM
Skills and expertise: Mergers and acquisitions, corporate restructurings, real estate, funds management and capital raisings (debt and equity capital markets)
Professional membership: Legal Practice Council



Werner van Antwerpen (42)

Head of Corporate Advisory
Joined Group Exco: 2023
B Eng, M Eng, PhD Eng, MBA, AMP (Harvard)
Skills and expertise: Property, engineering, management consulting and energy industry



Lauren Turner (48)

Head of Strategy, ESG and IR
Joined Group Exco: 2017
BCompt (Hons), CA(SA)
Skills and expertise: Financial, financial markets experience including investor relations, stock exchange listings, depository receipts and fixed income sales and structuring, property experience, relationship management, business development, ESG and strategy
Professional membership: SAICA



Panico Theocharides (54)

Group Head of Investments
Joined Group Exco: 2023
B.Com (Hons), CA(SA)
Skills and expertise: More than 25 years' experience in the real estate investment and the investment banking advisory industries. Corporate finance and property advisory services
Professional membership: SAICA



Naseema Fakir (52)

Head of Human Resources
Joined Group Exco: 2024
BCom Honours, MBL
Skills and expertise: Human capital; strategic HR management, change management, payroll, learning and development, organisational development, talent acquisition, HC projects, reporting and governance
Professional membership: Institute of Directors (IoD), South African Reward Association (SARA) and HR Mastermind Group



Johan de Koker (60)

Company Secretary
Joined Group Exco: 2019
By invitation
CIS, HDip Company Law
Skills and expertise: Company Secretarial
Professional membership: Chartered Governance Institute of Southern Africa

CEO: SA's REVIEW



Improving the quality of the South African portfolio

This financial year has been one of fundamental improvement for Growthpoint in SA. We are beginning to see green shoots of recovery, stability across our operations and an improvement in property KPIs across all sectors.

Growthpoint navigated several challenges during the year, including the high interest rate environment, economic uncertainty and deteriorating municipal services, which increased costs and impacted operational efficiency. Elevated LTVs and a depressed share price limited our ability to use shares for acquisitions.

Nonetheless, we did well to deliver strong operational outcomes and ongoing strategic progress: vacancies and arrears are reducing, renewal growth is improving, rental growth is evident in the coastal regions, and demand from inland tenants is gradually increasing.

Opportunities for sustainability and operational efficiency arose from our groundbreaking PPA energy solution and solar rollouts, and we actively sought to explore innovative tenant leasing and referral incentives.

Strategic focus

Our focus this year has been to refine our strategy. The foundations of our organisation are rooted in South Africa; this is our engine room and springboard to other markets. As such, it is imperative that we have a high-quality South African portfolio.

A key aspect of our refined strategy has been the re-allocation of resources towards high-quality commercial property assets in high-growth sectors and regions. We have prioritised investments

in high-demand modern logistics warehousing facilities, focusing on the Western Cape region, which has shown strong economic performance and resilience.

Over the year, we made significant strides in creating a more robust, high-quality portfolio that is well-positioned to meet the evolving needs of our tenants and the broader market. This involved a rigorous process of disposing of non-core assets, refurbishing existing properties and developing new logistics and industrial assets. We sold R1.2bn worth of assets (FY23: R1.5bn), incurred R2.1bn of capital and development expenditure (FY23: R1.9bn), and invested R15.0m in new properties (FY23: R298.8m).

For more details on our refined strategy, see pages 32 to 37.

Performance

For the second consecutive year, KPIs across our South African portfolio have shown a positive trend, indicating a stabilising and improving property market.

Total space let was 1 202 259m² (FY23: 1 194 850m²). Significant letting of 428 165m² of new space reduced vacancies to 8.7% (FY23: 9.7%), and renewal rental growth rates improved to -6.0% (FY23: -12.9%). Likewise, our lease renewal rate increased to 76.3% from 64.9% in FY23.

CEO: SA's REVIEW continued

Annual lease escalation rates and lease lengths achieved on renewal have also improved. The average lease period on renewals improved to 3.7 years (FY23: 3.5 years). Rental escalations on renewals increased marginally from 6.8% to 6.9%.

We are pleased to see a low level of arrears across all provinces. We concluded the financial year with R85.2m in arrears (FY23: R130.5m), despite the high interest rate operating environment. This achievement is a testament to the efforts of our team and the quality of our clients.

Financial performance

Our financial performance reflects the solid operational outcomes achieved in FY24. Total South African property assets stood at R66.3bn, showing a 3.4% increase, primarily due to new developments in the industrial sector and positive revaluations.

Our SA REIT LTV ratio was 35.4% (excl. GIP) (FY23: 33.7%), with an ICR of 2.8 times (FY23: 3.3 times), indicating a stable financial position. We have maintained good liquidity with R465.9m in cash on our SA balance sheet and R6.2bn in unutilised committed debt facilities. We secured several longer-dated bonds through private placements with the IFC and other debt investors at attractive margins.

SA NPI increased marginally by 0.5%, which is pleasing considering the R1.5bn of disposals in FY23, and R1.2bn in the current year. All key property fundamentals showed an improvement.

T&D income was lower than last year, mainly due to regulatory delays at the Deeds office and the Competition Commission delaying transfers, which we expect to occur in FY25. The T&D division remained focused on internal projects, particularly new logistics and warehouse properties, to improve the quality of our domestic portfolio and develop new products for GIP.

For more details on our financial performance, refer to our Group FD review on pages 114 to 117.

Sectoral performance

Our retail portfolio continued to perform well, with low vacancy rates and strong rental growth. We have seen increased demand for retail space, particularly in high-performing shopping centres. The renewal success rate has improved; however, trading densities decreased in the last quarter reflecting consumer pressure due to the higher cost environment. As such, consumers have reverted to non-discretionary categories, which have proven more resilient.

The office sector, although challenging, showed signs of recovery. We achieved a notable reduction in office vacancies, bringing vacancies down 7.3% from their peak in March 2022.

This improvement is a result of strategic letting and leasing efforts, as well as targeted refurbishments and asset disposals.

Our logistics and industrial portfolio remains the strongest and most active sector. We saw positive like-for-like net property income growth driven by good letting, improved renewal rental growth and fewer bad debts. Developing new logistics and warehousing facilities was a key focus, addressing the demand for modern industrial spaces.

More detailed reporting about the performance of our South African retail, office, and logistics and industrial sectors is available on pages 72, 80 and 86.

Regional performance

The coastal regions, including the Western Cape and KwaZulu-Natal (KZN), outperformed Gauteng due to stronger demand and smaller market sizes. Gauteng, with its surplus capacity, continues to face higher vacancy rates. However, we have seen rental growth in the Western Cape across all sectors, and niche markets like Umhlanga Ridge in KZN have shown full occupancy and rental growth.

The Western Cape benefited from robust demand across all sectors alongside low vacancies, leading to strong rental growth and tenants signing longer leases. KZN has also shown positive performance, particularly in the office sector, where occupancy rates are high.

Gauteng, particularly the Sandton node, continues to face challenges with an oversupply of vacant space. Progress has been made in addressing ghost vacancies, where large corporates were sub-letting space. These ghost vacancies are now being absorbed, and we are seeing vacancies reduce as employees return to offices, assisting in stabilising the Gauteng market.

T&D

Our T&D division had a productive year, delivering quality developments and refurbishments for Growthpoint and GIP. These projects enhance our portfolio and generate revenue through development fees from external projects. Key projects include the Bayside Mall refurbishment, office space conversions and developing new logistics and industrial properties. The division also completed an office-to-residential conversion, which is almost sold out. Strategic developments contribute to short-term profits and long-term portfolio enhancement and add considerable value to our overall business strategy.

Our commitment to reinvesting in South Africa remains unwavering. Despite challenging economic conditions, we have continued to invest in our local portfolio, reflecting our confidence in the country's future and our dedication to supporting economic growth and development.

GIP

GIP remains a solid contributor to our revenue, with R18.0bn in AUM across three distinct funds: GPHH, GSAH and Lango. The capital-light model and fee generation capabilities provide a stable income stream, with asset management fees increasing to R108.0m (FY23: R98.0m) and dividend income decreasing to R122.7m (FY23: R146.1m). We are committed to maintaining and growing GIP, recognising its importance in diversifying our income streams and supporting our overall financial health. Accordingly, we increased our shareholding in GSAH to 20.9%, investing an additional R250m.

For more details on GIP's performance, refer to pages 106 to 110.

Delivering on our ESG commitments

Our ESG strategies aim to safeguard our portfolio from energy insecurity, position us to attract further funding and enable us to reach carbon neutrality by 2050. By integrating ESG considerations into our business and executives' KPIs, we ensure that sustainability is a core part of our strategic decision-making processes.

A highlight is our PPA with Etana Energy, which aligns with our environmental sustainability strategy and will provide a competitive advantage in the market once implemented in FY26. Complementing this, our ongoing solar power rollout and expansion further underscores our commitment to renewable energy, while reducing our dependency on municipal power grids.

For more details on how we integrate ESG into our performance metrics, please refer to the remuneration scorecard on page 160.

For more details on our PPA with Etana Energy, refer to our Group CEO's review on pages 58 to 61 and our ESG report on page 66.

People and culture

Our people are our most valuable asset. We focused on enhancing our human resources function, welcoming a new Head of HR who is spearheading efforts to invigorate our corporate culture and develop new skills within our workforce. This includes a strong focus on succession planning to ensure that we have the right talent pipeline to support our long-term growth. We are proud to have maintained our level 1 B-BBEE rating.

To accelerate economic transformation, we continue to increase employee remuneration, with a specific focus on our lower-level staff. To that end, we completed a remuneration benchmark and reflected on how well our employees are remunerated. Growthpoint has a core value of ownership, where every employee is a shareholder. This core value is deeply embedded in our DNA and is a key driver of our success.

We also participate in the Gordon Institute of Business Science (GIBS) Ethics Barometer and conduct an employee engagement survey every two years, which provides valuable insights into staff perspectives and needs.

Industry advocacy

Growthpoint continues to play a pivotal role in the property sector, with representation on all major industry bodies such as SA REIT, SAPOA and the GBCSA. Our active participation in these bodies enables us to influence industry policies, improve disclosure standards and support investor confidence in the sector. Our leadership in this regard not only benefits Growthpoint but also contributes to the overall growth and development of the property sector in South Africa.

Looking ahead

We expect to build on our continued strategic actions and the positive trends we have seen in FY24, and anticipate further growth across our retail, office, and logistics and industrial sectors. We will continue with our optimisation goals, which will enable us to further streamline and improve the quality of our portfolio and reinvest in higher-growth areas.

We expect to see a significant reduction in negative rent reversions in coastal regions, potentially moving towards positive reversions in some sectors. In Gauteng, surplus supply remains a challenge, but we anticipate a reduction in negative reversions over time. Retail sector reversions are closely linked to the performance of shopping centres and the broader economic environment, which has been impacted by high interest rates.

The recent elections have brought more optimism. Interest rates remain a challenge, but we are optimistic that the expected reductions in rates will provide a tailwind for the economy and our business, and attract more investment in real estate. We are also hopeful that the new government will deliver more business-friendly policies, further supporting our growth.

Appreciation

I would like to extend my gratitude to our staff and management team for their dedication and hard work over the past year. Their commitment and resilience have been instrumental in our success. I also want to thank our stakeholders, including our suppliers, service providers, tenants and investors, for their continued support and partnership.

In conclusion, while FY24 presented its share of challenges, it was also a year of significant progress and positive change for Growthpoint Properties in South Africa. We look to the future with some optimism and the confidence in our ability to deliver sustainable value for our stakeholders.

Estienne de Klerk
CEO: SA

OVERVIEW OF SA PROPERTY PORTFOLIO

	Retail		Office		Logistics and Industrial		T&D		Total RSA	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Asset value (Rm)	25 574	25 180	26 502	25 868	13 477	12 602	697	442	66 250	64 092
Number of properties	37	39	151	155	157	168	9	7	354	369
GLA (m ²)	1 144 074	1 225 637	1 613 572	1 650 192	1 948 706	1 940 293	12 664	9 014	4 719 016	4 825 136
GLA as a % of RSA portfolio	24.2	25.4	34.2	34.2	41.3	40.2	0.3	0.2	100.0	100.0
Value per m ² (excluding bulk) (R)	22 189	20 448	15 796	15 140	6 760	6 023	n/a	n/a	13 698	13 143
Capital expenditure (Rm)	677	398	475	379	814	603	163	142	2 128	1 522
Gross property revenue (Rm)	3 237	3 210	3 125	3 119	1 598	1 558	49	30	8 009	7 917
Property expenses (Rm)	(1 046)	(1 026)	(1 094)	(1 070)	(394)	(391)	(23)	(9)	(2 557)	(2 496)
Property expense ratio (%)	32.3	32.0	35.0	34.3	24.7	25.1	46.9	30.0	31.9	31.5
Net property income (Rm)	2 191	2 184	2 031	2 049	1 204	1 167	74	128	5 500	5 528
Net property income as a % of RSA portfolio	39.9	39.5	36.9	37.1	21.9	21.1	1.3	2.3	100.0	100.0
Vacancies (%)	5.5	6.3	15.1	19.2	5.2	3.7	n/a	n/a	8.7	9.4
Arrears (Rm)	26.0	40.3	35.1	53.7	21.8	34.7	2.3	1.8	85.2	130.5
Provision for bad debts (B/S)	12.7	23.0	22.1	39.6	15.8	20.0	0.5	0.8	51.1	83.4
Bad debts provision for bad debts (I/S) (Rm)	(10.3)	(16.1)	(17.4)	(3.2)	(4.3)	(10.5)	(0.5)	0.5	(32.5)	(29.3)
Bad debts written off and recovered (I/S) (Rm)	8.3	15.8	8.3	3.3	11.3	22.4	(0.2)	-	27.7	41.5
Average gross rental (Rand per m ² /month)	228.0	215.6	164.3	164.6	68.7	65.7	n/a	n/a	139.3	139.2
Average annualised yield (%)	8.6	8.8	8.3	8.1	9.3	10.1	n/a	n/a	8.5	8.9
Average in-force escalations (%)	6.1	6.1	7.1	7.2	7.4	7.5	n/a	n/a	6.8	6.9
Weighted average renewal lease period (years)	4.0	3.8	3.6	3.6	3.5	3.3	n/a	n/a	3.7	3.5
Weighted average lease period (years)	3.1	2.9	3.6	3.8	3.4	3.2	n/a	n/a	3.3	3.6
Renewal success rate (%)	86.4	83.3	62.1	60.4	78.3	59.1	n/a	n/a	76.3	64.9
Weighted average renewal growth (%)	(2.1)	(9.1)	(14.8)	(20.1)	(3.3)	(10.4)	n/a	n/a	(6.0)	(12.9)
Weighted average future escalations on renewals (%)	6.4	6.2	7.2	7.2	7.4	7.4	n/a	n/a	6.9	6.8
Number of employees*									635	629

* Excluding GIP employees.



Nu Leaf, Saligna, Boksburg

COO's REVIEW



Strategic and operational performance

Growthpoint delivered significant operational improvements in FY24, reflecting our commitment to enhancing performance across our South African portfolio. KPIs have shown positive trends, driven by strategic initiatives and a focus on sustainability.

We have laid a solid foundation for long-term growth and resilience through key property developments, flexible tenant engagement, innovative energy solutions and a commitment to safe and sustainable property solutions.

Strategic investments and cost management

In FY24, we reinforced our commitment to maintaining a competitive and attractive portfolio through targeted investments and careful management of operational costs. We invested R2.1bn in developments and capital expenditure, focusing on refurbishing long-term hold assets and pursuing new developments, such as modern warehouses to meet the increasing demand for high-quality industrial and logistics spaces. These investments are aligned with our strategy to enhance the quality and resilience of our asset base, ensuring long-term growth and value creation.

The total expense ratio for our South African business increased to 36.7% (FY23: 35.9%), largely driven by above-inflation increases in municipal rates and taxes, rising utility costs and the need for more diesel to power emergency electricity generators for tenants due to frequent loadshedding in the first half of the financial year. Additionally, increased compliance requirements led to a higher headcount, further impacting our cost structure. Despite these challenges, we remained focused on managing costs effectively while continuing to invest strategically in our portfolio.

For more information about key development and refurbishments, refer to our retail (page 72), office (page 80), logistics and industrial (page 86) and performance sections (pages 63 to 65).

Tenant attraction and retention

Our success in attracting and retaining tenants is due to our quality people, strong tenant relationships, reliable service delivery and excellent relationships with the broker community.

We recognise that our clients are our most valuable source of income and strive to foster long-term relationships with them by establishing various touchpoints at both building and portfolio levels. Although we no longer conduct traditional client satisfaction surveys due to privacy regulations under the Protection of Personal Information Act (POPIA), regular interactions and visits with our tenants help us better understand their business needs and pressures, enabling us to customise our offerings.

Responsive and innovative property management

Our key differentiators are our well-maintained assets, excellent service and flexibility. In response to evolving market needs, we introduced the WorkAgility initiative, offering fully kitted-out, plug-and-play office spaces tailored to tenants' needs. This initiative accommodates hybrid working models, and provides more amenities and flexible lease terms.

We continuously innovate our property management services and tenant incentives. Our unique SmartMove offering provides up to 100% of the first year's rental back in allowances for new tenants who sign a long-term lease. At the same time, our Undeposit initiative allows clients to pay a one-time, non-refundable fee instead of a substantial security deposit, easing the financial burden on new tenants. For existing clients, we introduced SmartShare, an incentive programme that rewards tenants and their employees for referring new businesses to our properties.

In line with our flexible approach, clients frequently require customised lease agreements. Growthpoint's legal team is well-resourced and skilled to meet these business demands. To streamline operations, we are transitioning to electronic lease agreements using DocuSign, which simplifies and accelerates the process. This initiative is part of a broader effort to make client engagements more efficient and user friendly.

Broker relationships and incentives

Our valued network of brokers secures new tenants and fills vacancies by leveraging their market knowledge and networks, acting as intermediaries between Growthpoint and potential clients.

We conduct surveys to gather feedback from brokers, helping us understand their needs and enhance our offerings for stronger partnerships.

Utility management and energy supply

Utility management, specifically water and electricity, is a critical operational focus as we aim to ensure uninterrupted supply at our properties. Deteriorating municipal infrastructure across South Africa continues to present significant operational challenges, while inconsistent utility supply and other essential services lead to increased maintenance costs for Growthpoint as we frequently address municipal responsibilities to maintain our property standards.

We mitigate these challenges by investing in water security, infrastructure, backup power and smart meter rollouts across our properties. Smart meters enhance our ability to monitor and manage energy and water usage, providing accurate data and improving response times to address defects.

Our solar installation initiative is progressing well, reducing our reliance on the national grid and enabling us to bill tenants accordingly. We have also undertaken a review of all solar installations to service inverters and optimise performance. As part of this process, we consulted with solar experts to develop an optimal monitoring and maintenance programme.

Generator integration alongside solar installations has significantly improved our energy resilience during loadshedding and power outages, allowing us to recover diesel costs more accurately. By integrating generators and battery systems, we maximised solar energy use during outages, enhancing diesel recoveries and enabling more precise billing for tenants.

Our PPA with Etana Energy is a key strategic initiative, providing a competitive advantage by offering tenants more stable and predictable energy costs compared to escalating Eskom tariffs. With capped escalations, this strategy not only benefits our tenants but also allows Growthpoint to achieve a margin on the energy supplied and create new revenue streams for our business.

Read more on our PPA and renewable energy initiatives in our Group CEO's review page 58, CEO: SA's review pages 63 to 65 and in Thriving Environment on pages 56 to 79 of our 2024 **ESG report**.

Safe and sustainable properties

Ensuring we create safe and sustainable spaces for our tenants and employees is a top priority, highlighted by our ongoing efforts to obtain and maintain green building certifications. We made significant progress in FY24 by securing 123 green building certifications across various sectors. We are also conducting comprehensive audits of our key long-term hold assets to assess and enhance electricity intensity, water usage and waste management performance. This proactive approach aims to reduce our environmental footprint and ensure that our properties continue to meet stringent green building criteria.

Health and safety remains integral to our operations, with a strong focus on training and preventive measures. In FY24, we prioritised safety training, particularly for high-risk activities such as working at heights, resulting in zero significant incidents for the year. Health and safety metrics are integrated in employees' KPIs, ensuring they remain a core focus.

For our tenants, we drive health and safety through regular site visits, inspections and engagements with external consultants. We review tenant operations, offer operational health and safety guidance and perform necessary remedial work. This approach ensures that our properties are safe and conducive to a healthy working environment.

Read more about these initiatives in Thriving Environment on pages 56 to 79 of our 2024 **ESG report**.

Procurement and local economic development (LED)

In FY24, we bolstered our procurement division to ensure compliance and integrity, focusing on approved service providers who meet our high standards and on the prevention of B-BBEE fronting. Our procurement processes are underpinned by regular audits and rigorous oversight of service delivery, payment records and legislative adherence.

COO's REVIEW continued

To enhance transparency and efficiency, we introduced the COUPA procurement portal, which streamlines processes for expenses exceeding R1m. This platform allows us to manage requests for proposals effectively, driving cost efficiencies and ensuring robust, transparent procurement practices.

Growthpoint's local economic development (LED) initiatives are integrated into our procurement strategy, and we actively engage local communities to supply materials and services. We also hold bi-annual market days to showcase the capabilities of our LED partners, and the participants from Property Point, our enterprise development programme. These events foster long-term business relationships and contribute to local economic growth.

IT enhancements and cybersecurity

Ongoing investment in technology infrastructure is a critical component of our strategy, driving efficiencies and improving operations management. This year, we reintegrated customised software modules into our core MRI property management system, enhancing standardisation across the business. Our municipal accounts division uses robotic process automation to handle approximately 11 000 invoices per month, streamlining our billing processes. We are also piloting a new facilities management system to simplify client interactions and ensure compliance with health and safety regulations.

Given the increasing threat of cyberattacks, we continue to prioritise cybersecurity measures to safeguard client data and privacy. Regular employee training on cybersecurity best practices is integral to our efforts, and we have successfully maintained a strong security posture with minimal incidents reported to date. We also engage proactively with our clients to raise awareness about cybersecurity risks, especially those related to rental payments.

Our IT forums meet regularly, providing updates and insights to the Risk Management Committee. This structure ensures that our technology and cybersecurity efforts remain closely aligned with overall business objectives and respond effectively to evolving threats and opportunities.

Integrating sustainability across operations

Growthpoint emphasises environmental and social activities, and integrating sustainability into operations. Addressing ESG issues benefits our business, compelling us to critically evaluate our operations and leading to improvements that benefit the company and broader society.

To meet increasing ESG compliance demands, we enhanced our internal capacity and provided extensive staff training. In FY24, we conducted a needs assessment survey across departments, including T&D, facilities management, property management and procurement. We implemented customised environmental and social training programmes based on the findings. External consultants conducted a gap analysis and tailored our training to meet the stringent demands of our diverse funding sources, which include the IFC.

Looking ahead

We remain focused on further strengthening our portfolio through strategic developments and refurbishments, emphasising sustainability and innovative energy solutions. We will continue prioritising tenant retention and attraction by enhancing our property offerings and services while adapting to evolving market conditions.

Our proactive approach to managing operational challenges positions us well to capitalise on emerging opportunities. We believe our focus on operational excellence will continue to drive sustainable growth and resilience in the future.

Engelbert Binedell
COO



Deloitte, V&A Waterfront, Cape Town

IMPROVING THE QUALITY OF THE SA PORTFOLIO

RETAIL

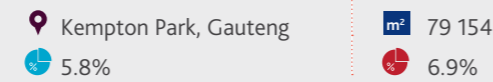


Top five retail properties by value

Festival Mall



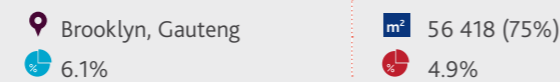
Festival Mall is close to OR Tambo Airport with easy access from the R21 and other highways. The centre benefits from the proximity of Tembisa and good access to public transport. The tenant mix covers various categories with a strong national representation.



Brooklyn Mall and Brooklyn Square (75% ownership)



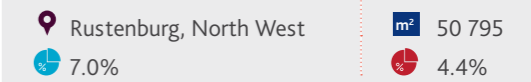
Brooklyn Mall is nestled in the affluent suburb of Pretoria's cosmopolitan area of Brooklyn and is the premier shopping destination. It offers shoppers a full complement of national retailers, specialist boutiques, restaurants and coffee bars, and home and décor shops.



Waterfall Mall



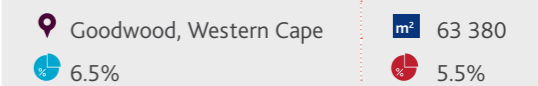
Waterfall Mall has a broad regional market and is well positioned to serve the upmarket suburbs of Rustenburg, with easy access from the R24 and N4 highways. It has an extensive representative tenant mix, including most national and some specialised retailers.



N1 City Mall



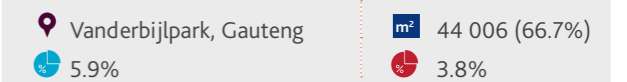
N1 City Mall is located in a well-established business precinct near the N1 highway, with excellent visibility and highway access. With a comprehensive mix of tenants, it caters to a wide range of shoppers.



Vaal Mall (66.7% ownership)



Vaal Mall serves residents of the Vaal Triangle with food, fashion and speciality retail stores, a food court and sit-down restaurants.



Location % of total retail value m² GLA m² % of total retail GLA

IMPROVING THE QUALITY OF THE SA PORTFOLIO continued

RETAIL

Growthpoint's portfolio of South African retail assets is evenly split between Gauteng and coastal regions. It comprises regional malls and community shopping centres with a high rental renewal success rate and low vacancy levels.

Our portfolio contributes to the local economy and society through community support and connections with tenants and shoppers. To best serve these stakeholders, each property uses the latest technologies and regularly upgrades facilities to ensure an optimum mix of retailers and amenities.

38.6%
of the South African portfolio by value
(FY23: 39.3%)

37 properties
(FY23: 39)

R25.6bn asset value
(FY23: R25.2bn)

GLA 1 144 074m²
(FY23: 1 225 637m²)

Our retail strategy

Our retail strategy aims to de-risk and optimise our portfolio by maintaining our core properties and acquiring suitable assets where feasible. We achieve this through a targeted disposal programme, strategic developments and acquisitions and improvements to our core properties.

Over the next five years, we aim to reduce our exposure to central business districts (CBDs) and focus on dominant retail assets with defined primary markets while increasing our Western Cape exposure.

The disposals will fund developments and acquisitions in densely populated areas of the Western Cape and enhance core properties to ensure relevance with tenant-driven extensions.

Core property upgrades, including on-site solar photovoltaic (PV) power, generator integration and water backup installations are critical to attract and retain tenants and shoppers. The enhancements support our environmental commitment and enable uninterrupted trading while controlling rising electricity costs and mitigating the impacts of South Africa's energy and water security crises.

Retail sector trends

The growth of ecommerce continues to impact traditional retail spaces. As consumers embrace online shopping, malls experience changes in foot traffic and tenant mix. Retailers are adapting to this trend by integrating online and offline strategies, such as click-and-collect services and immersive in-store experiences, to remain competitive against global retailers and meet consumer demand.

The sector was under strain due to sluggish economic growth driven by higher-for-longer interest rates which impacted consumer spending, election uncertainty and a tough economic environment impeding the confidence of the consumers. Despite these challenges, the South African retail sector still showed signs of growth during the December 2023 trading period and in the first half of 2024.

Performance

Vacancies 5.5%
(FY23: 6.3%)

Renewal success rate 86.4%
(FY23: 83.3%)

Renewal growth -2.1%
(FY23: -9.1%)

Disposals R490.5m
(FY23: R351.0m)

Developments and refurbishments R676.7m
(FY23: R397.8m)

Positive like-for-like growth in NPI of 4.1%
(FY23: 1.7%)

The quality of our retail portfolio improved with the disposals of City View and City Mall, and Checkers and Shoprite taking occupancy at Bayside Mall. Our core retail vacancies remain low at 3.8%. All centre types traded well, with good recovery in apparel and food supermarket trading densities.

Trading densities increased, mainly driven by value apparel and non-discretionary food spending, despite the impact of several industry challenges on consumer spending, low GDP growth and higher interest rates.

The stable valuation in the retail portfolio reflected the difficult trading conditions due to increased financial pressures on consumers and related renewal reversions offset by a decrease in vacancies.

We continued to right-size and optimise retail spaces with national retailers in response to changing consumer and retailer needs. We have seen growth in apparel and home stores, and a decline in banking space. Cinema performance has been poor, with no recovery in sight and indications of closures. The declining performance and market share of some of South Africa's larger retailers, such as Game stores, Edgars and Pick n Pay, resulted in store closures or space consolidation.

Space expansion is actively being pursued by some national retailers, with Shoprite, Pepkor, Mr Price and The Foschini Group showing the fastest growth in space footprint nationally.

Portfolio highlights

- Completed upgrades and extensions to River Square Shopping Centre and improved access at Vaal Mall
- Installed 8.4MW of solar power in four large regional shopping centres
- Commenced the upgrade and re-tenanting of Bayside Mall
- Completed upgrades and extensions to Beacon Bay and River Square

Progress against our disposal strategy

Our retail strategic objectives aim to improve the quality of our portfolio by disposing of small assets and exiting non-core nodes, particularly those where municipalities are non-functioning and CBDs are declining. To this end, we identified non-core retail properties to the value of approximately R1.5bn for disposal in FY24 and FY25.

We sold City View Shopping Centre, Greyville, KZN (R263.0m) and City Mall, Klerksdorp, Gauteng (R202.0m). The Sedgars building in Woodmead sold for R25.5m, effective on 1 April 2024, bringing total disposals to R491m. We signed sale agreements for R51.0m for the Sportsmans Warehouse property in Bellville, Western Cape and R253.9m for Mark Park Shopping Centre in Vereeniging, Gauteng, which might transfer in FY25. Another four properties for approximately R686m are earmarked for disposal in FY25. We also have approval for the disposal of motor dealerships at Woodmead, Gauteng.

IMPROVING THE QUALITY OF THE SA PORTFOLIO continued

Developments and refurbishments

We completed improvements to Beacon Bay Retail Park in East London, Eastern Cape, introducing Dis-Chem and a drive-thru to the tenant mix. We commenced with replacing Edgars with Builders Express. Our redevelopment at River Square Shopping Centre in Vereeniging, Gauteng was also completed. We replaced Game with a Builders Express and introduced Edgars and Econo Foods.

We are on track to complete the redevelopment of Bayside Mall in Cape Town by November 2024. This entails introducing new Checkers and Shoprite supermarkets, serving two market segments. We demolished redundant vacant space to enhance convenience with better access, egress and parking. The plan includes upgraded aesthetics, new fashion and pharmacy tenancies, and a large solar PV project and generators to ensure continued trade during loadshedding or improve electrical recoveries.

Environmental and social



Our retail portfolio has a strong solar focus, with consistent expansion across our assets. We focus on water independence to manage water resources more efficiently. We align with the national goal of zero organic waste to landfill, and we are exploring ways to achieve this.

We actively address our social commitments through mutually beneficial partnerships with local communities and Property Point.

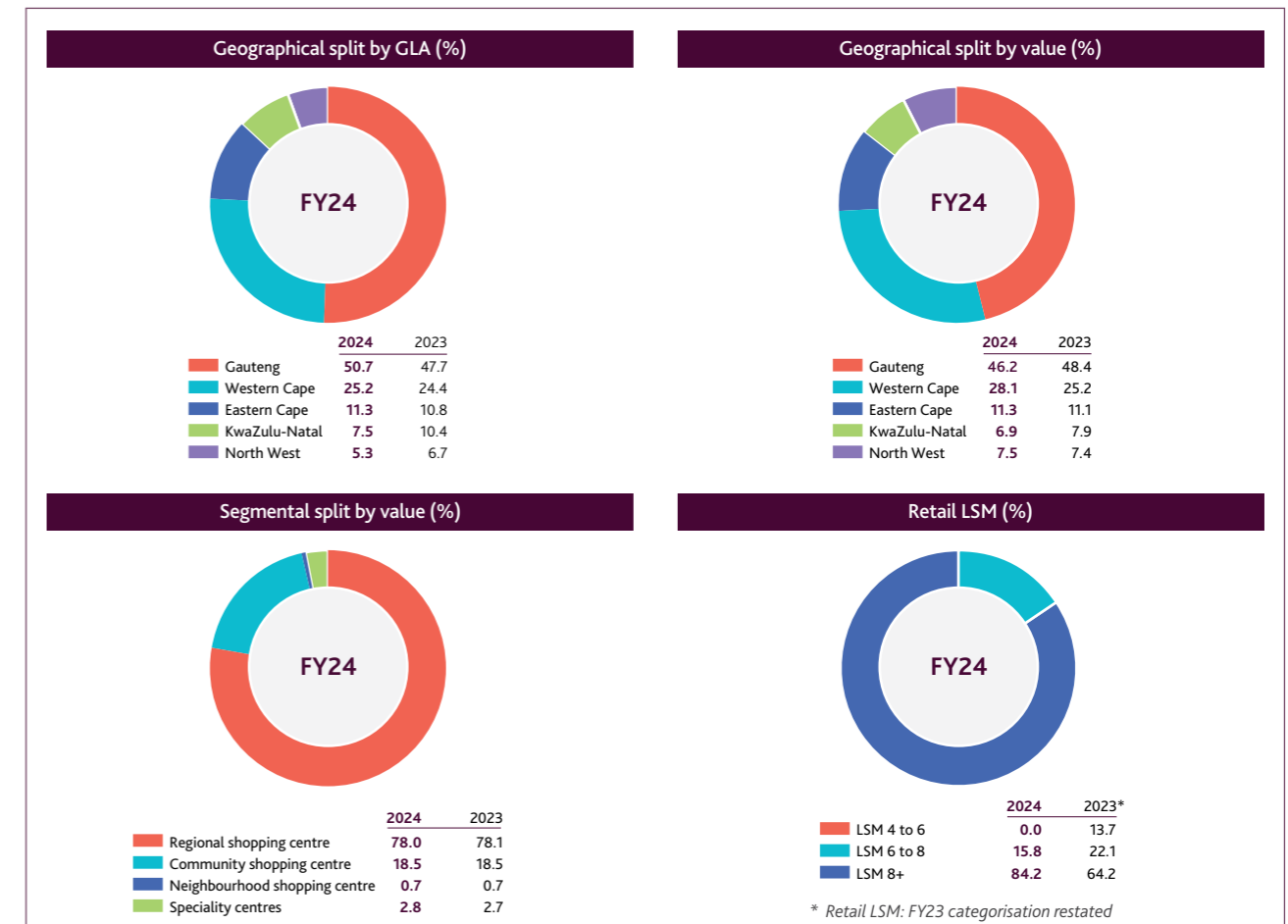
Read more about our ESG initiatives in the [ESG report](#).

Looking forward

We will continue to right-size and optimise our retail portfolio with a focus on the Western Cape and dominant primary markets. We aim to roll out value-adding developments and refurbishments to our core properties to provide attractive facilities with stable power and water supply for our tenants and their customers.

We anticipate subdued growth within the retail sector, due to the financial strain South African consumers face. Potential headwinds to in-store retail growth include Amazon's entry into the South African market, online apparel sales and the rise of food delivery services. In response, Growthpoint will continue our omnichannel approach for our retail assets.

We aim to explore customer mobility data monitoring to analyse customer behaviour, and we are introducing complimentary Wi-Fi at four retail centres to test the impact of free Wi-Fi on customer dwell time and the effective use of data analytics.



IMPROVING THE QUALITY OF THE SA PORTFOLIO continued

CASE STUDY



Revitalising our Bayside offering

Bayside Mall has been in the Table View and Parklands community for nearly 35 years. It is a small regional centre in the heart of Blaauwberg, approximately 17km from the Cape Town CBD. With excellent exposure from Blaauwberg and Otto du Plessis Drive, the mall is adjacent to the MyCiti bus rapid transit station.

The primary catchment area is an established residential neighbourhood with a household count of over 24 000 and an estimated population of 60 000 residents. This area has a solid A and B income* market presence.

Bayside has always been the preferred destination for fashion and grocery shopping in the area, with a high level of loyal shoppers. Due to the opening of Table Bay Mall close to Bayside, the closure of Game and Woolworths, and a reduction in market spend due to competition, Bayside Mall needed to be repositioned with the appropriate tenant mix to meet the needs of its primary customers.

* A income: monthly net income above R30 000. B income: monthly net income of between R18 000 and R29 999.

Growthpoint decided to undertake an extensive redevelopment project for the iconic shopping centre to provide it with a refreshed and contemporary look, new retail offerings, a revamped food court and improved flow and access.

Decisions were based on extensive market research and stakeholder engagement. Discussions with tenants, including Checkers, The Foschini Group, Pepkor, Mr Price Group and various national apparel traders resulted in the centre's shifting tenant mix and product change and repositioning, providing space for quality retailers as we deliver to the changing customer base over time and ensure the centre is appropriate for the community.

Changes

- Certain areas of the centre were demolished for increased convenience and on-grade parking
- We rebalanced the centre, with Checkers as our anchor tenant moving to the northern atrium of the mall with a revamped space to provide its latest offering
- A Shoprite was introduced in the old Game premises to re-anchor the southern mall and cater for a broader range of grocery shopper needs
- Nedbank, Standard Bank and FNB relocated to different areas in the centre with smaller GLAs
- Entrance 3 was closed while Value Co moved indoors and the circular ramp was demolished to provide for additional on-grade convenience parking
- Entrance 4 was revamped and upgraded with a new look and feel
- McDonald's was demolished and moved into a new pad site. The demolished area made way for new and improved parking
- We relocated the taxi rank to a dedicated area that does not interrupt customer traffic or parking areas
- The restaurant and fast food offering was upgraded and expanded

New tenants

- A new and relocated Value Co
- Dis-Chem
- Mugg & Bean and Starbucks
- New Exact, Identity and Truworths
- Pedros Chicken, Hungry Lion and Fabulous Fish
- PEP Home, Home Choice, Pick n Pay Clothing and enlarged Sportscene
- Relocated and new KFC, McDonald's, Best Asia and Spur
- Rochester, Incredible Connection and Sleepmasters
- Shoprite
- Shoprite and Checkers LiquorShop stores
- Upgraded Checkers
- Zone Fitness gym

Social and environmental sustainability

Community engagement and support

At Bayside Mall, we prioritise responding to the local community's needs, which is a key focus of our redevelopment strategy. Through extensive stakeholder engagement, we have gained a deep understanding of our shoppers' specific needs, many of whom travel on foot or rely on public transport. To better serve them, we repositioned and enhanced the taxi rank, improved pedestrian access and ensured that essential services such as ablution facilities were extended and upgraded. A centralised helpdesk was introduced at the mall centre.

Supporting local economic development is another aspect of our social sustainability approach. We have carefully curated a tenant mix that includes relevant national anchor tenants and smaller local businesses. Recognising that some small traders may struggle to succeed, we provide the necessary tools and guidance to help these businesses thrive.

Throughout the year, Bayside Mall initiated various projects designed to give back to the community, including:

Free festive season activities

During December 2023, Bayside Mall offered free holiday activities for children, including decorating Christmas ornaments and icing sweet treats. The event was designed to provide a magical Christmas experience for families who may not have the means to afford holiday clubs.

Wheelchair challenge

In March 2024, we participated in the South African Council of Shopping Centres (SACSC) Wheelchair Challenge, emphasising inclusivity and accessibility by re-affirming the mall's commitment to being wheelchair friendly.

SALT feeding programme

In February 2024, we partnered with non-profit organisation, SALT, to support its school feeding programme. The mall donated ingredients for sandwiches, and the centre management team volunteered to make 1 500 sandwiches, contributing to the local community's wellbeing.

Valentine's Day donation drive

Bayside Mall's "Share the Love" donation drive aimed to provide necessary resources to those in need. The centre collected pet care items for Cheryl-Lynn, a local pet care organisation, as well as non-perishable items and gently worn clothing for the Home of Hope.

Environmental initiatives

Bayside's "going green" project, launched in 2014, equipped the centre with advanced sustainable technologies, including municipal water tank storage, a rainwater harvesting system and a 500kW solar plant. The rainwater harvesting system collects stormwater from the mall's roof and nearby canal, storing it in tanks with a capacity of 60kl. This combined system ensures that the mall has enough water for three consecutive days.

The solar plant, consisting of 2 108 solar panels (enough to cover half a rugby field), generates green electricity to power 30% of the mall. The current renovations include the extension of the solar system, an integrated generator system, and inverter installations in smaller retailer premises. This will further enhance the mall's capacity to generate renewable energy, ensuring continuous trading during loadshedding and reducing its overall carbon footprint.

Free Wi-Fi will be installed throughout the mall on completion of the upgrade.

IMPROVING THE QUALITY OF THE SA PORTFOLIO continued

OFFICE

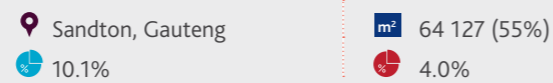


Top five office properties by value

Discovery 1 and 2 (55% ownership)



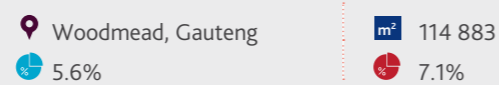
Discovery is a landmark building situated close to Sandton City and the Gautrain. The interior boasts modern state-of-the-art finishes and amenities around two atriums, with a long-term triple net lease.



Woodlands Office Park



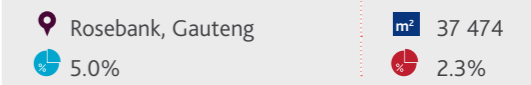
Woodlands Office Park is on a Gautrain shuttle route, and comprises 33 buildings in a low-density game reserve with free-roaming animals. It includes amenities such as a restaurant, nursery school and dry cleaner. It also hosts Parkrun on Saturdays.



144 Oxford Road



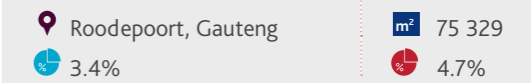
144 Oxford Road is in a prime location at the gateway to Rosebank and close to the Gautrain. It is a nine-storey Green Star-certified building close to Rosebank's attractive amenities. The building is let to Anglo American, Rothschild and UBS.



Constantia Office Park



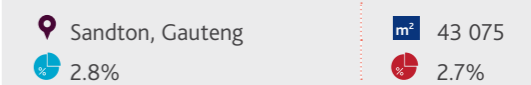
In a superb location, visible and accessible from the N1 highway, this office park offers A-grade and B-grade office space with amenities, including a gym and hotel, in a lush park environment with waterways running through.



Inanda Greens



Inanda Greens comprises of a park environment on the doorstep of Sandton, with easy access to major public transport routes. The office park offers a mix of modern and contemporary buildings that allow natural light to flow through, and overlooks a chip and putt golf course.



IMPROVING THE QUALITY OF THE SA PORTFOLIO continued

OFFICE

Growthpoint has a substantial office portfolio located in Gauteng, Western Cape and KwaZulu-Natal. Our portfolio comprises high-quality, well-maintained buildings and office parks offering desirable working environments.

Our buildings are designed or retrofitted to be energy-efficient and environmentally friendly, providing cost savings through sustainable initiatives and green building innovation.

Located in sought-after nodes within major metropolitan areas, our properties accommodate various tenants, from SMMEs to multinational corporates.

40.0%
of the South African portfolio by value
(FY23: 40.4%)

151 properties
(FY23: 155)

R26.5bn asset value
(FY23: R25.9bn)

GLA 1 613 572m²
(FY23: 1 650 192m²)

Our office strategy

In line with our strategic thrust to improve the quality of our SA portfolio, our office strategy aims to optimise the portfolio's performance by disposing of underperforming and non-core assets, investing in growth nodes and maximising returns from our core properties. The disposals enable us to decrease the office portfolio weighting compared to our retail and logistics and industrial portfolios, allowing us to self-fund capital expenditure and redevelopments and reduce debt.

We aim to reduce our office holdings by one-third of GLA over five years through property disposals in areas with high vacancies and low-growth nodes in Gauteng. The disposals will fund investments into the stronger retail and logistics and industrial sectors and, where appropriate, in A-grade and P-grade properties in recognised office nodes in the Western Cape, where demand is growing.

We assist our tenants with offerings such as:

- **WorkAgility**, providing private, fully furnished workspaces for 20 to 100 people in key Johannesburg and Cape Town locations
- **SmartMove**, where we return up to 100% of the first year's rental in allowances
- **Undeposit**, allowing tenants to pay a once-off non-refundable fee instead of a more expensive security deposit

Office sector trends

Demand for office space is growing as businesses resume in-person operations and embrace hybrid working models. This trend is reshaping office demand, space utilisation and design requirements.

South Africa is experiencing an influx of business process outsourcing (BPO) centres in the Western Cape, KZN and Gauteng.

Green building certifications, energy-efficient designs, waste reduction strategies, indoor air quality improvements and wellness programmes are becoming standard features that attract tenants and promote employee health and productivity.

Fewer tenants reduced space, and negative reversions stabilised. Vacancies in KZN and the Western Cape remained low at 0.5% and 5.3% respectively, with Gauteng displaying the highest vacancy rate at 19.3%. We are seeing people returning to work and an influx of BPO centres looking for space in Gauteng due to limited supply in the coastal nodes.

Technology companies are taking more space, and large banks are shifting their space requirements and moving from Johannesburg's CBD to the Rosebank and Sandton nodes. Letting activity improved in Sandton and Wierda Valley, Parktown and Rosebank. Additionally, tenants seek backup power ideally from sustainable sources along with reliable backup water supply. We expect this growth in Gauteng to continue, based on existing enquiries.

We successfully let 182 517m² of office space and renewed 162 540m², reducing vacancies to 15.1% (FY23: 19.2%). Rent reversions also improved from -20.1% to -14.8%.

Performance

Vacancies 15.1%
(FY23: 19.2%)

Renewal success rate 62.1%
(FY23: 60.4%)

Renewal growth -14.8%
(FY23: -20.1%)

Disposals R90.5m
(FY23: R267.0m)

Developments and refurbishments R473.6m
(FY23: R378.8m)

Portfolio highlights

- Two properties of R98.8m held for sale and transferred in July 2024
- Three properties with c.R495.0m in various stages of disposal post-FY24
- Riverwoods office to residential conversion in Bedfordview; 80% sold; proceeds expected in FY24
- In FY24, we sold three non-core properties for R90.5m

Progress against our disposal strategy

To reduce and rebalance our office exposure, our disposal strategy targets three main users: owner-occupiers, residential conversions and educational conversions. Conversions are key to reduce excess office stock out of the market but require buildings with favourable layouts priced to accommodate the capital for conversion.

We completed the Riverwoods Office Park conversion in Bedfordview into the BlackBrick Bedford urban resort and sold 151 on 5th in Sandton to a residential developer.

Developments and refurbishments

Our T&D division is working on two projects in Cape Town: The R426.0m Hilton Canopy hotel at the Long Kloof mixed-use precinct is on track to welcome guests from December 2024, and the green renovation at 36 Hans Strijdom, which is backed by a 15-year lease to Ninety One Limited, is due for completion in June 2025.

As sentiment towards offices slowly improved, some of our office portfolio KPIs stabilised alongside increased investor interest in acquiring office assets.

P-grade are new properties differentiated by high-tech features and green building installations, with potential for Green Star ratings.

A-grade properties are accessible with well-maintained, modern amenities.

B-grade properties are considered a step below (A-grade) properties but are still generally in good condition.

IMPROVING THE QUALITY OF THE SA PORTFOLIO continued

Environmental and social



Growthpoint is committed to sustainability practices. We are a founding member of the GBCSA, and aim to have all core buildings classified as long-term holds certified to a minimum of a four-star Green Star or As Built rating by 2028.

We manage resources effectively in collaboration with our clients and improve consumption efficiency while expanding our renewable energy mix where possible.

We enact our commitment to meaningful socio-economic impact through Property Point, enabling SMMEs to provide services to our portfolio. Additionally, we support organisations that protect the value of our investments in city improvement districts nationwide by sharing our skills, time and financial resources.

Read more about our ESG initiatives in the [ESG report](#).

Looking forward

The office sector will continue to grapple with oversupply in Gauteng. Until the South African economy shows a tangible growth trajectory, businesses will face persistent challenges countrywide. Nevertheless, we expect sustainable improvements in KZN and the Western Cape.

We will continue to reposition in key nodes as market sales allow, and to enhance and differentiate our office buildings with targeted asset management initiatives focusing on value, amenities, quality and efficiency.

CASE STUDY



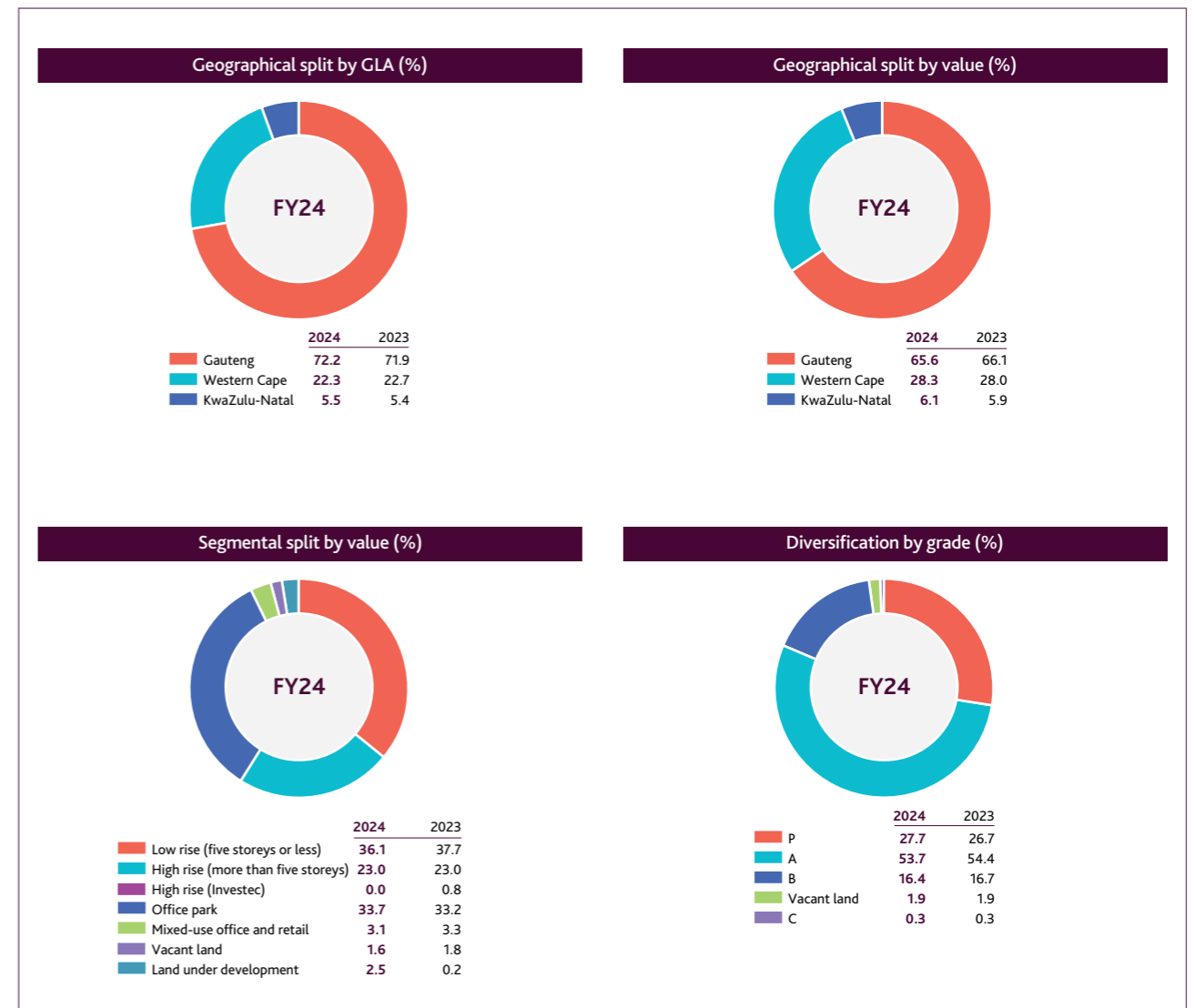
A green office retrofit for Ninety One Limited

Global investment manager Ninety One Limited signed a new 15-year lease with Growthpoint Properties in the 36 Hans Strijdom Building in Cape Town where it has occupied space for more than two decades. The new lease signals Ninety One's commitment to environmental sustainability and the Cape Town CBD.

Ninety One's decision was influenced by its net zero carbon aspirations. Utilising the building's existing concrete structure saves the carbon equivalent of two years' worth of Ninety One's operations.

Growthpoint is investing in a major green refurbishment over 15 months. The design includes an on-site solar plant, high-performance glazing and energy-efficient displacement air conditioning. Circulation stairs will replace energy-consuming escalators in the new layout.

Additionally, 36 Hans Strijdom recently became the first building in Cape Town to receive clean, green energy wheeled via the city's energy grid as part of the City of Cape Town's wheeling pilot project. This was due to Growthpoint's well-established focus on sustainability and green energy and its partnership with licensed electricity trader, Etana Energy, a selected pilot participant. Solar energy generated at Growthpoint's Constantia Village shopping centre is wheeled to Ninety One.



IMPROVING THE QUALITY OF THE SA PORTFOLIO continued

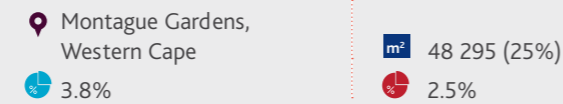
LOGISTICS AND INDUSTRIAL



Top five logistics and industrial properties by value

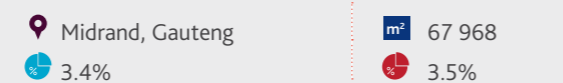
Montague Business Park (25% ownership)

The A-grade Montague Business Park accommodates 27 logistics and industrial tenants, with high demand for further bulk development.



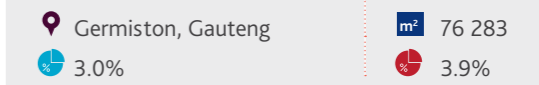
Growthpoint Business Park

Growthpoint Business Park is a multi-tenanted facility in a tranquil estate near the N1 highway in Gauteng. Tenants include national and international clients.



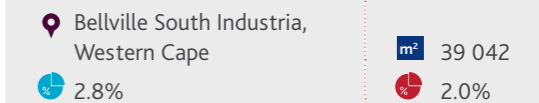
Hilltop Industrial Park

The upgraded B-grade Hilltop Industrial Park has superb highway frontage and access. The park encompasses some of the most functional industrial premises in the country.



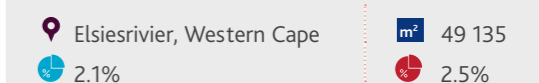
Mill Road Industrial Park

Mill Road Industrial Park is a warehouse and distribution park with premium-grade warehousing and associated offices near major routes (N1, N2 and R300). The park has excellent highway visibility.



Central Park

Central Park is a secure property that accommodates warehousing, logistics, and light manufacturing tenants. It has green energy facilities, secure interlink truck access, and is close to the airport and other relevant nodes.



Location icon | % of total logistics and industrial value icon | GLA m² icon | % of total logistics and industrial GLA icon

IMPROVING THE QUALITY OF THE SA PORTFOLIO continued

LOGISTICS AND INDUSTRIAL

Growthpoint's South African logistics and industrial portfolio is highly regarded for its diversity. We own well-located, secure, well-maintained, accessible and cost-effective industrial space, from warehousing and logistics facilities to workshops and large industrial parks.

Our logistics and industrial portfolio has consistently delivered strong returns, earning the sixth best performer (out of 20 subscribers) for the MSCI Index in 2023, as we focus on innovative and sustainable property solutions. We are focusing on rebalancing our portfolio in favour of modern logistics and warehousing properties of 5 000m² to 20 000m² in selected nodes to attract quality tenants.

20.3%
of the South African portfolio by value
(FY23: 19.7%)

157 properties
(FY23: 168)

R13.5bn asset value
(FY23: R12.6bn)

GLA 1 948 706m²
(FY23: 1 940 293m²)

Our logistics and industrial strategy

In line with our long-term growth and exposure rebalancing strategy, Growthpoint is increasing the logistics and industrial portfolio composition and weighting towards modern logistics and warehousing.

Our disposal programme focuses on disposing non-core, older and smaller assets that are not aligned with our investment criteria. We are reducing our exposure to the manufacturing sector while maintaining specific multi-park assets and growing our logistics and warehouse offering in selected growth nodes. Simultaneously, we are enhancing and expanding the portfolio with tailor-made development projects and strategic acquisitions that meet our core investment strategy.

We aim to rebalance the weighting of the logistics and industrial sector to 25% of the Growthpoint SA portfolio by value, and to rebalance our regional exposure to 50% in Gauteng (currently 61%) and 50% each in KwaZulu-Natal and Western Cape. We will enhance our industrial parks with amenities that add value for our tenants, including investing in on-site solar power, where feasible, to improve the energy value offering.

Rebalancing our logistics and industrial portfolio will take time, but we are progressing against clearly defined objectives. We expect the rebalancing to reduce our logistics and industrial portfolio from more than 200 to approximately 150 properties.

Logistics and industrial sector trends

South Africa's logistics and industrial property sector remained buoyant, with sustained demand driven by ecommerce, logistics and manufacturing expansion. Vacancies are low and rental growth is strong.

With an increased focus on sustainability, clients are seeking environmentally-friendly warehouse designs, energy-efficient systems, renewable energy sources, water security and waste reduction strategies. Amid ongoing loadshedding and logistics constraints, sustainability initiatives reduced environmental impact while improving cost savings and the ability to attract and retain tenants.

Performance

Vacancies 5.2%
(FY23: 3.7%)

Renewal success rate 78.3%
(FY23: 59.1%)

Renewal growth -3.3%
(FY23: -10.4%)

Disposals R326.7m
(FY23: R539.0m)

Developments and refurbishments R813.7m
(FY23: R602.8m)

Our logistics and industrial portfolio remains Growthpoint's strongest and most active sector and, as expected, we delivered on our strategy in FY24. The diversity of our logistics

and industrial portfolio, from a nodal and product offering perspective, and increased exposure to quality logistic assets contributed to our positive performance.

Property income increased by 3.2% during the year, driven by improved sector dynamics, letting and renewal rental growth and significantly fewer bad debts. The portfolio's vacancy rate was low, despite the completion of speculative developments aimed at increasing exposure to modern logistics and warehousing properties.

Due to unlet, newly developed warehouses coming to the market, our vacancies are currently above average in Gauteng, but low in the Western Cape and KZN where tenant demand is high. Nonetheless, the number of leases renewed with positive rental growth exceeded those renewed at reduced rental despite generally adverse market conditions.

In FY24, we added 67 474m² of speculative development, a 28 539m² modern logistics and warehouse facility for Edward Snell, a 4 457m² extension at Saligna for Nu Leaf and 1 000m² at Mill Road for Laser Logistics.

Vacancies increased to 5.2% (FY23: 3.7%), as two large tenants vacated 20 000m² and we delivered the remaining unlet speculative developments. Coastal regions reflect lower vacancies, with 1.4% in KZN and 2.9% in the Western Cape. Two-thirds of the portfolio is in Gauteng, with 7.2% vacancies after completing two high-quality logistics facilities in Samrand.

We are seeing positive rental growth on renewals in the Western Cape, where supply and demand are better balanced. Gauteng is still facing negative rent reversions.

Portfolio highlights

- 11 disposals of R327m, three properties of R228m held for sale at year end, and five other properties of c.R633m in various stages of disposal post-FY24
- Our property valuations increased by 3.5%
- Acquisitions and development contributed R103.4m to NPI in FY24

Progress against our disposal strategy

We have sold 11 properties and three properties have been internally transferred to our T&D division for development. In addition we have two long-term leasehold properties expiring in FY24.

IMPROVING THE QUALITY OF THE SA PORTFOLIO continued

Developments and refurbishments

Our development activity increased this year, with 106 704m² of new build across various developments by our internal T&D division.

We completed various phases of nine partially let and speculative developments (some tenant-driven projects): three in the Western Cape, five in Gauteng and one in KZN:

Western Cape:

- Arterial Industrial Park
- Chain Avenue
- Mill Road extension

Gauteng:

- Central Point, Samrand (three developments)
- Monteer
- Saligna

KZN:

- Trade Park

Environmental and social



Our environmental focus areas include addressing power and water supply challenges with interventions such as on-site solar plants, where structurally and financially feasible, and water backup systems. We complete environmental impact assessments and due diligence processes for impacted local communities.

We employ local contractors and individuals at our developments in collaboration with our CSR and Property Point teams, and proactively involve local communities in creating employment opportunities. We continued our solar rollout during FY24, and achieved installed capacity of 5.2 MWp for the year.



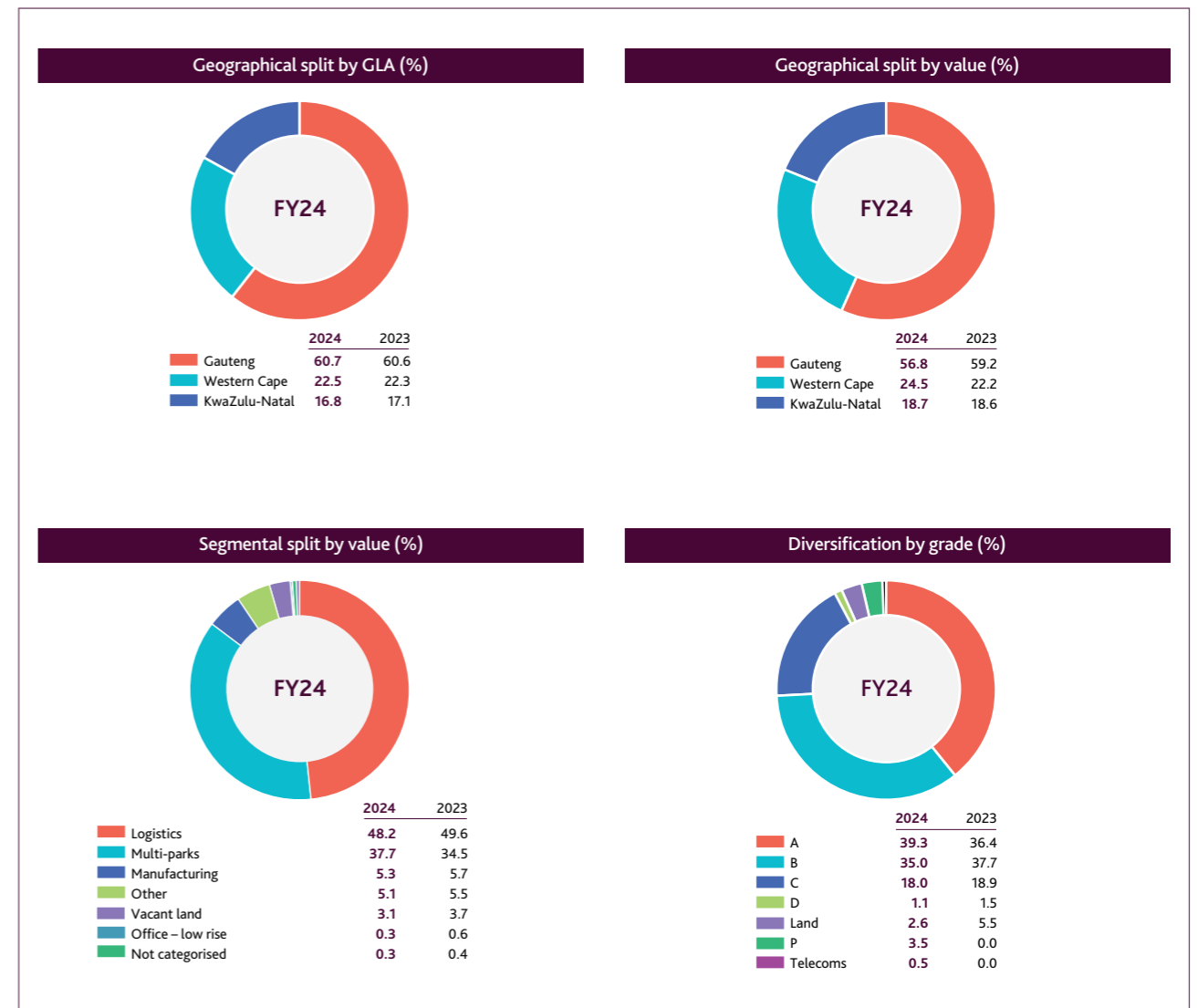
Read more about our ESG initiatives in the [ESG report](#).

Looking forward

The consumption-based South African economy relies on logistics to deliver goods to consumers. As such, the logistics and industrial sector remains buoyant with growth potential to meet future client needs. This strengthens the investment case for the sector and aligns with our strategy.



Edward Snell, Isando



V&A Waterfront (V&A)

The V&A is a premier mixed-use development in Cape Town, South Africa, known for its vibrant blend of retail, office, hotels, attractions, residential and marine offerings. It is a top destination for tourists and locals, contributing significantly to the local economy.

The V&A saw resilient performance driven mainly by a 74% increase in turnover rental, fuelled by increased local and foreign tourism and the positive knock-on impact of this on retail, hotels and attractions. Retail sales and visitor numbers increased by 14% footfall for the year.

Growthpoint investment
50.0%
(FY23: 50.0%)

NPI R914m*
(FY23: R766m)

R11.5bn asset value*
(FY23: R10.1bn)

GLA 224 884m²*
(FY23: 228 781m²)

* Our 50% share.

The V&A strategy

A key component of the V&A strategy is attracting international visitors by refurbishing and expanding the hotel portfolio and retail spaces to meet growing demand, particularly in the luxury segment. The V&A enjoys high demand for office space and is capitalising on this to attract and retain premier blue-chip tenants.

The V&A enjoys a rich heritage and unique natural ecosystems and is committed to ensuring its developments meet high ESG standards. This vision creates a shared value ecosystem that emphasises positive social, environmental and economic change, ensuring the V&A remains a premier destination for tourists while fostering a vibrant community hub.

V&A trends

The V&A experienced significant growth in international tourism, with a 20% increase in arrivals through Cape Town International Airport. December 2023 saw record numbers, with three million seasonal visitors. Throughout the year, the V&A recorded *circa* 25 million visitors, highlighting its strong appeal as a tourist destination. International tourists accounted for approximately 75% of hotel occupancies and 50% of retail activity.

The Cape Town Cruise Terminal welcomed 69 cruise ships from October 2023 to June 2024, reflecting the popularity of Cape Town as a port of call. There was a 26% increase in charter boat businesses, and the marina maintained full occupancy in November and December 2023. The marine and industrial sector benefited from increased mooring, particularly from superyachts diverting to Cape Town due to piracy threats around the Suez Canal and the Red Sea.

The retail sector continued to thrive, with strong growth and high trading densities. Luxury outlets reported double-digit growth, with conventional retailers also seeing a strong performance.

Demand for office space remained high, with supply constraints leading to increased rental rates. The available office space in the city of Cape Town was absorbed, and no new office capacity has been developed in the last three to four years, positioning the V&A to capitalise on this trend.

Performance

19.3% increase in NPI

74% increase in turnover rental

9% increase in footfall

14% increase in retail sales

20% and 15% increase in international and domestic tourism respectively

Vacancies 0.3%
(FY23: 0.4%)

Lease renewal success rate 84.2%
(FY23: 89.7%)

Renewal growth 3.0%
(FY23: -3.1%)

Developments and refurbishments R474m
(FY23: R400m)

Overall performance at the V&A was robust, with NPI up 19.3% year-on-year and a like-for-like growth of 13.4%. The V&A saw low vacancy rates, with retail vacancies at 0.4%, primarily due to ongoing redevelopment projects, and office vacancies at 0.1%, indicating a highly competitive market with limited available stock. We achieved positive renewal rent reversions of 3.2% for retail and 0.7% for office, with an overall positive renewal rent reversion of 3.0%.

Hotels, residential and leisure

The hotels, residential and leisure sector performed well, and NPI increased by 44%. The Table Bay and Radisson Red hotels were significant contributors to this growth, with Table Bay showing exceptional profit sharing and Radisson Red achieving substantial growth in occupancies and revenue per available room.

Marine and industrial

The marine and industrial sector experienced a 16.3% uplift in revenue, driven by the Toyota car dealership lease and increased mooring income from superyachts. The Two Oceans Aquarium, charter boats, helicopters and the Ferris wheel performed well, buoyed by the rise in tourism.

Retail

The retail sector continued to thrive, with sales reaching R9.2bn (FY23: R8bn). This growth has been across almost all categories, with particularly strong performances in the food, fashion and department store categories. Notably, the Time Out Market, a new addition, performed exceptionally well, generating significantly more turnover than the previous operators in its first seven months of trade.

Office

This sector saw positive momentum, supported by the strategic focus on blue-chip tenants and the transformation of commercial office space into premier blue-chip office accommodations. Major developments, such as the Investec head office and the temporary relocation of Ninety One, contributed to the sector's 10% year-on-year NPI growth.

Residential

Residential vacancies, typically higher due to the transient nature of young professionals, were at an unprecedented low of 3.4%. This performance reflects strong demand for the V&A's residential offerings, particularly among young professionals with dynamic lifestyles.

V&A highlights

- Retail sales increased by 14% and trading densities by 18.7%
- V&A Hotel occupancy levels grew by 1.3%, the average daily rate by 22%, and revenue per room increased by 24%
- Investec Bank moved into its new 10 500m² building, enhancing the blue-chip tenancy at the V&A
- The first Time Out Market in Africa successfully opened in November 2023
- The refurbished helistop facility launched in November 2023
- Alfred Square was completed, increasing public access in the V&A

V&A WATERFRONT (V&A) continued

Developments and refurbishments

The V&A focused on several key developments and refurbishments to enhance its portfolio and meet growing demand.

Retail developments include the Union Castle refurbishment, a 3 500m² total redevelopment incorporating a Nike flagship store (500m²), David Higgs signature restaurant (1 000m²) and office space of 1 000m² will open for trade by season.

A new luxury wing that will triple the space available to luxury brands with an additional 3 759m² is expected to be completed by November 2025, and involves relocating some tenants to accommodate the expansion.

Major office developments included the new Investec head office, completed in November 2023. Additionally, Ninety One moved into the V&A's former head office in December 2023, occupying 3 454m² and contributing to the increase in office rentals. New office spaces were introduced at the Cape Town Cruise Terminal, with tenants Harambe and Red Rocket taking beneficial occupancy of a total of 5 000m².

Development funding strategy

The V&A's development pipeline is supported by shareholder and third-party funding. In FY24, the V&A increased its debt availability to R2bn, of which R1bn was raised during the period, while R1.75bn was in the form of green loans. R850m was undrawn at 31 March 2024.

Environmental initiatives



Sustainability remains a core focus at the V&A. Environmental initiatives include:

- **PPA with Etana Energy:** This agreement will provide up to 70% of the V&A's energy needs through wind and solar farms operated by independent power producers, starting in 2026
- **Solar power expansion:** The V&A has an existing capacity to generate 2MW of solar power, receiving approval to double this capacity to 4MW during FY24
- **Micro wind turbines:** The V&A introduced four 1kW turbines and one 3kW turbine to harness wind energy when solar power is unavailable
- **Pyrolysis plant:** A pyrolysis plant is being piloted to convert organic waste into energy, which will be used to power the desalination plant
- **Desalination plant:** The plant can produce up to 3.5 million litres of water per day, with the capacity to expand to 5 million litres
- **Seawater cooling system:** The V&A is commissioning a seawater cooling plant for the V&A Wharf shopping centre and surrounding areas
- **Blackwater treatment plant:** This modular plant will produce greywater for toilet flushing and irrigation, meeting 8% to 15% of the V&A's greywater requirements

Social initiatives



The V&A's primary social impact focus is to create job opportunities for people living in the townships around the precinct. The V&A provides job readiness training for unemployed youth, followed by approximately six months of employment within the V&A, spanning the entire hospitality spectrum.

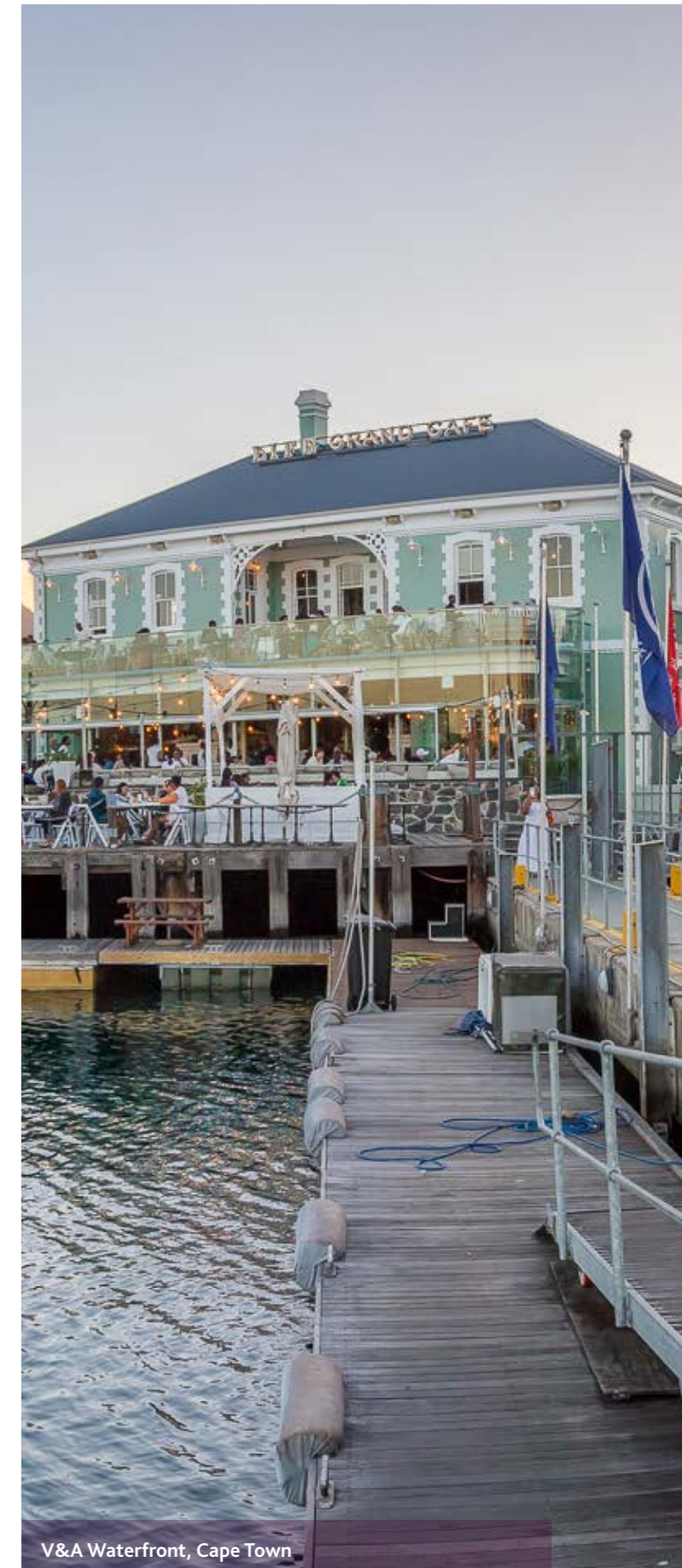
During FY24, the V&A piloted 50 placements and, working with Harambe, successfully placed 670 individuals into hospitality industry positions. The V&A is looking to launch a skills academy that will facilitate approximately 2 000 job placements.

Looking forward

Despite having no vacancies and limited new capacity coming online, the V&A anticipates continued growth driven by tourism, boosting retail and hotel activity. An upcoming development is the Table Bay hotel, which will close in February 2025 for a 10-month refurbishment, reopening in December as the Table Bay Intercontinental Cape Town. The rebranding to Intercontinental will leverage the brand's 120 million loyalty programme members, enhancing the V&A's appeal to international travellers.

The V&A is also developing a 140-room top luxury hotel adjacent to the Table Bay, scheduled for completion in May 2026. This will fill a high-end market gap for an internationally branded hotel in the country.

A future development focus is Granger Bay, where the V&A has submitted planning consent for 440 000m² of residentially led, mixed-use development with public and cultural amenities. This process began in July 2023, with formal public consultation currently underway. It is anticipated that the municipal planning tribunal will review the application in early 2025, with an appeals process likely to follow. It is hoped that the approval process will conclude by September 2025, providing a 15-year runway for development within the V&A.



V&A Waterfront, Cape Town

OPTIMISING OUR INTERNATIONAL INVESTMENTS

Growthpoint Properties Australia Limited (GOZ)

GOZ is a prominent A-REIT listed on the Australian Securities Exchange (ASX). GOZ owns and manages a diversified portfolio of high-quality industrial and office properties across Australia, with total assets under management of AUD6.0bn.

The directly owned portfolio is valued at approximately AUD4.4bn, and a further AUD1.6bn is managed on behalf of third-party investors through GOZ's funds management business. With a Moody's investment-grade rating of Baa2 for domestic senior secured debt, GOZ remains a reliable and resilient player in the Australian commercial property market.

Growthpoint investment
63.7%
 (FY23: 63.7%)

57 properties
 (FY23: 58)

AUD4.4bn asset value
 (FY23: AUD4.8bn)

GLA 1 051 940m²
 (FY23: 1 066 660m²)

Strategic focus

GOZ's portfolio is strategically focused on key logistics and distribution hubs and office properties in major metropolitan areas, ensuring consistent and stable rental income. The investment strategy is centred on acquiring and managing high-quality, income-producing properties with long-term leases to premier tenants, providing a reliable revenue stream.

GOZ is diversified through its funds management business. It manages assets on behalf of third-party investors, including wholesale syndicates and institutional investors, with exposure to office and retail sectors.

GOZ employs a disciplined approach to capital management and portfolio expansion, focusing on selective acquisitions and developments that align with its long-term objectives. It maintains strong relationships with its tenants through proactive asset management and tenant retention strategies, including refurbishments, expansions and low-risk developments. These initiatives aim to maximise property value and maintain high occupancy rates.

Sustainability is a core focus area, and GOZ is on track to achieve net-zero emissions by 1 July 2025, ensuring its assets meet tenant demand for energy-efficient, modern spaces.

Market trends

GOZ faced a challenging market environment characterised by rising interest rates, lower property valuations, subdued transaction activity and ongoing challenges in the office sector. Inflation continued to track higher than expected and remained above the Reserve Bank of Australia's target range of 2% to 3%, placing upward pressure on short-term interest rates.

The office sector experienced higher-than-average vacancy rates, even as physical occupancy gradually increased with more businesses implementing return-to-office policies. Melbourne's office sector faced elevated vacancy rates, with incentives exceeding 30% across most markets. Conversely, Brisbane's fringe office market performed robustly due to limited supply and strong rental growth.

Positive momentum in the Australian industrial sector continued during the period. Limited supply and strong demand, supported by population growth, placed upward pressure on rentals. The national average vacancy rate remained low at 1.9%, reflecting the ongoing challenges businesses face in securing modern, efficient warehouse space.

Performance

80% of portfolio
 leased to government and
 listed corporates

Vacancies 2.5%
 (FY23: 3.4%)

Renewal success rate 63.4%
 (FY23: 62.3%)

Number of tenants 170
 (FY23: 161)

Renewal growth 1.5%
 (FY23: -1.0%)

Disposals AUD35.0m
 (FY23: AUD125.6m)

Capital expenditure AUD30.9m
 (FY23: AUD27.9m)

Despite a challenging operating environment, GOZ delivered funds from operations (FFO) of AUD289.8m, exceeding guidance while maintaining robust distributions to security holders. Dividends totalled 19.3AUD cents per share (cps) for FY24, compared to 21.4AUD cps in FY23. FFO was impacted by property divestments, lower lease surrender payments and higher interest rates. Excluding a net decrease in lease surrender fees of AUD14.5m, office like-for-like property FFO increased by 2.3% compared to the previous year.

Despite higher borrowing costs, net operating income remained resilient, supported by strong leasing activity and high occupancy rates.

The office portfolio, with 27 properties, saw good leasing activity, particularly in Brisbane. It completed 44 lease agreements totalling 46 834m², representing 12.5% of office portfolio income. The average lease term for new and renewed leases was 6.4 years, with an average annual rent review of 3.6%. The occupancy rate improved to 92% (FY23: 90%), although the portfolio's valuation declined by 11.2% due to increased capitalisation and discount rates.

The industrial portfolio, comprising 30 properties, maintained 100% occupancy. However, the valuation of the portfolio decreased by 1.8%, with market rent growth and leasing success mainly offsetting the impact of yield expansion. The weighted average lease expiry (WALE) for the industrial portfolio is 4.9 years.

Following the receipt of an unsolicited offer, GOZ completed the sale of 1 – 3 Pope Court, an industrial site in Beverly, South Australia, for AUD35.0m, yielding an unlevered internal rate of return of 12% since its purchase in 2015 for AUD20.8m. GOZ used the proceeds to repay debt.

Although transaction markets remained subdued, the funds management business maintained strong execution capability and sought new opportunities. The business divested property assets totalling AUD87m, including the sale of Taylors House, which achieved an 11% levered internal rate of return over the seven-year fund term. GOZ remains committed to growing funds under management across industrial, office and retail sectors for institutional and wholesale syndicates.

Portfolio highlights

- Maintained a high overall occupancy rate of 95%, with 108 000m² of leasing completed
- Achieved a WALE of 5.7 years across the portfolio
- Completed the sale of 1 – 3 Pope Court, Beverly, South Australia, for AUD35.0m (approximately 15% above book value)
- Converted AUD500m of existing bank debt into sustainability-linked loans, bringing the total to AUD1 020m
- Recognised by GRESB as a Sector Leader in the 2023 Sustainability Benchmark, scoring 84/100
- Maintained high National Australian Built Environment Rating System (NABERS) ratings across the portfolio, with ongoing progress towards net-zero emissions by July 2025

OPTIMISING OUR INTERNATIONAL INVESTMENTS continued

Environmental and social



GOZ maintained its strong focus on sustainability, achieving a four-star GRESB ranking and improving the portfolio's average NABERS Indoor Environment rating from 4.5 to 4.8 stars. Notably, GOZ was included in the Dow Jones Sustainability Index Australia for the first time.

GOZ is on target to meet its net zero commitment by 1 July 2025. A key achievement was establishing electricity contracts for quantities of GreenPower*. It procured approximately 50% of its GreenPower needs, which will increase to 75% in FY25, with full coverage in FY26 and beyond. Measures to reduce energy consumption and GHG emissions, such as on-site solar installations, continued throughout the reporting period.

GOZ supported Indigenous communities and contributed to youth homelessness programmes through the Property Industry Foundation. Additionally, it published its fourth modern slavery statement, outlining its actions to assess and address modern slavery risks within its operations and supply chains.

Read more in GOZ's **FY24 sustainability report**.

* GreenPower is a label the Australian government uses that makes it easy for consumers to recognise and purchase renewable energy that meets environmental standards. Renewable energy made easy (greenpower.gov.au).

Capital management

GOZ continued to optimise its capital management strategy, focusing on extending debt maturities and enhancing sustainability-linked financing. These loans are tied to predetermined sustainability KPIs, reinforcing GOZ's commitment to improving sustainability performance while generating value for security holders.

Additionally, GOZ extended various bank debt facilities totalling AUD470m, representing approximately 20% of total facilities. However, higher borrowing costs due to rising interest rates saw net borrowing costs increase to AUD86.2m (FY23: AUD76.4m).

GOZ's gearing ratio increased slightly to 40.7% (FY23: 37.2%), primarily due to property devaluations, but remained within the target range of 35% to 45%. The ICR was 2.8 times, with the weighted average cost of debt at 4.8%. GOZ also proactively managed rising interest rates by maintaining a 75% hedging position (FY23: 71%), with plans to maintain similar hedging levels in FY25.

Looking forward

Despite the current economic landscape, the future is promising. While high vacancy rates in Australian office markets persist, GOZ is optimistic about its medium-term prospects. Strong population growth, along with higher construction costs for new buildings, should see supply moderate and benefit existing well-leased assets.

Office real estate transaction activity remains subdued relative to longer-term historical averages; however, price discovery across all markets is anticipated to gather momentum in FY25. Industrial markets remain positive; solid rental growth is expected as new supply is absorbed due to underlying demand in the logistics sector.

GOZ remains confident that it can increase occupancy in the office portfolio, continue industrial rental growth and improve performance in the funds management business.

The Group provides FY25 FFO guidance¹ of 22.3AUD cps to 23.1AUD cps and FY25 distribution guidance of 18.2AUD cps.

¹ A key assumption to guidance is interest rates, with the Group assuming an average FY25 floating rate of 4.35%.

Capital & Regional plc (C&R)

C&R is a specialist property REIT that primarily invests in and manages community shopping centres across the UK. It creates dynamic retail environments tailored to the needs of local communities.

C&R's portfolio includes strategically located shopping centres that dominate their catchment areas, focusing on non-discretionary and value-oriented retail. C&R owns and manages assets in Edinburgh, Hemel Hempstead, Ilford, Maidstone, Walthamstow and Wood Green.

Additionally, C&R owns and operates Snozone, an indoor ski slope business in Milton Keynes, Yorkshire and Madrid. C&R is listed on the London Stock Exchange (LSE), with a secondary listing on the JSE.

Sustainability is integral to C&R's strategic focus, with a commitment to reducing environmental impact through energy efficiency improvements and waste reduction initiatives. C&R emphasises maintaining strong relationships with local communities, supports social initiatives, and ensures its properties contribute positively to the areas in which it operates. This commitment to community integration is reflected in C&R's management practices, which prioritise collaboration with retailers to develop sustainable and profitable partnerships.

Market trends

The UK retail market navigated a challenging environment characterised by high inflation, rising interest rates and subdued consumer spending, particularly in discretionary categories. UK inflation peaked above 11% in late 2022 and fell to around 2% by mid-2024. Despite this, the Bank of England remains cautious about rate cuts due to ongoing inflation risks. Despite these headwinds, non-discretionary spending, particularly in categories like grocery and pharmacy, showed resilience.

Vacancy rates in the retail sector remained relatively stable, although leasing incentives increased as landlords aimed to attract and retain tenants in a competitive market. The online retail market, which surged during the pandemic, stabilised but continued to account for a significant share of total retail sales across the UK.

Retailers are increasingly adopting an omnichannel approach, integrating physical stores with online platforms to enhance the customer experience and reduce fulfilment costs. This shift is evolving the role of physical stores, with many serving as hubs for online order collection, returns and customer acquisition. C&R is well positioned to benefit from these trends, as in-store order collections are driving additional sales and supporting the resilience of shopping centres.

Growthpoint investment
68.9%
(FY23: 62.4%)

6 properties
(FY23: 5)

GBP374.9m asset value
(FY23: GBP329.7m)

GLA 224 268m²
(FY23: 185 806m²)

Strategic focus

C&R's strategy is community-focused, with retail properties in key urban areas across major UK cities. It focuses on delivering cost-effective, efficiently managed centres that provide convenience and meet the everyday needs of local communities. This approach includes strategic refurbishments, rebranding initiatives and optimising the tenant mix to increase foot traffic and improve the shopping experience.

OPTIMISING OUR INTERNATIONAL INVESTMENTS continued

Performance

Vacancies 6.9%
(FY23: 6.9%)

NAV GBP203.9m
(FY23: GBP183.2m)

Developments and refurbishments GBP10.7m
(FY23: GBP12.9m)

17.4% increase
in net rental income

C&R delivered resilient performance despite ongoing economic challenges. Net rental income rose by 17.4% to GBP29.4m, primarily due to the successful integration of the Gyle Shopping Centre, which contributed to a 21% increase in statutory revenue to GBP64.1m.

Occupancy levels improved slightly, supported by strong leasing activity, particularly in London. During the period, C&R completed 48 new lettings and renewals, securing GBP2.2m in annual rent and an 8.8% premium over previous rents. C&R maintained a rent collection rate of 99.2%, reflecting the resilience and reliability of its tenant base.

Despite losing a top 10 tenant, Wilko, due to liquidation, C&R quickly mitigated the impact by re-leasing all three affected units to B&M, a prominent value retailer.

Property valuations remained stable, with a 0.6% increase in like-for-like property valuations and stable over the last three years, with total valuations increasing to GBP374.9m reflecting the acquisition of the Gyle Shopping Centre in Edinburgh. The Gyle Shopping Centre saw a 5% uplift in value since acquisition, reflecting the positive impact of C&R's asset management initiatives post-acquisition.

Snozone also delivered strong performance with a 19% increase in EBITDA to GBP1.9m. This growth was driven by the UK and Madrid operations, showcasing the success of strategic initiatives such as broadening lesson programmes and introducing a new booking platform.

NAV grew to GBP203.9m, while adjusted earnings per share for the period were 3.6 pence on a diluted basis (FY23: 4.1 pence). The reduction reflects the larger number of shares in issue due to the equity raise to part fund the Gyle acquisition and the scrip dividend shares issued regarding the interim and final 2023 dividends.

Portfolio highlights

- Improved occupancy to 93.9% (FY23: 93.4%) and achieved a rent collection rate of 99.2% (FY23: 98.4%)
- Secured GBP2.2m of annual rent through 48 new lettings and renewals at a combined average premium of 8.8% to previous rent
- Invested a net GBP3.1m during the period towards completing the NHS community healthcare centre in Ilford and remerchandising the former WH Smith in Wood Green
- The first phase of the Walthamstow residential development is entering its final stages, with completion expected in early 2025
- Achieved an 83% reduction in scope 1 natural gas and a 20% reduction in scope 2 electricity consumption since 2019 within the shopping centres

Developments and refurbishments

C&R is involved in the repositioning and development of several key assets. Significant progress has been made at the Walthamstow Centre. The food court, which opened in late 2023, initially faced challenges due to its focus on nighttime trade, which was misaligned with the centre's daytime operating hours. In response, C&R took direct control of the venue in late 2023 and began a comprehensive repositioning strategy. The bar was leased to a local brewery, and space previously allocated to nighttime activities is being converted into a family-oriented venue, including a children's soft play area. The reconfiguration of retail spaces, including resizing food kiosks and adjusting menus, is expected to enhance foot traffic and overall performance.

The residential development adjacent to the Walthamstow Centre is progressing well, with 495 build-to-rent apartments in two towers scheduled for completion by early 2025. This development will introduce approximately 1 000 residents, which is anticipated to positively impact the food court and broader centre. Adding key workers and affordable housing will also benefit the community, reinforcing the centre's role as a vital part of local infrastructure.

C&R has made notable headway in Ilford, where it is undertaking a comprehensive repositioning masterplan. The expanded and relocated TK Maxx is performing well, and a new NHS community healthcare centre, which opened in May 2024, further enhances the centre's offering. Post 30 June 2024, C&R agreed terms on two major leases covering 4 088m² of floor space.

Capital management

C&R maintained a disciplined approach to capital management, focusing on extending the maturity of key debt facilities and managing interest rate exposure effectively. It successfully extended the maturity of its GBP39m Ilford facility from March 2024 to September 2025, with further conditional options to extend until December 2027. Similarly, the GBP4m Hemel Hempstead facility now benefits from covenant waivers until its July 2025 maturity, with options to extend the term by up to two years.

Debt maturity is 3.6 years with average cost of debt of 4.25% with 97.8% fixed until September 2025 and 78% until at least January 2027.

C&R maintained a strong liquidity position, with GBP36.4m in cash at the end of June 2024, of which GBP20.8m was held centrally outside secured loan arrangements.

Looking forward

C&R is navigating a period of potential corporate change, and shareholders are referred to the announcements made by C&R regarding the disposal of the business to NewRiver REIT plc. Stakeholders are also to note the resignation of the CEO, Lawrence Hutchings as announced by C&R.

C&R continues to focus on operational excellence. It secured terms on several key letting deals, expected to add approximately GBP0.8m in annualised rent. Upcoming developments include benefits from the completion of the Walthamstow residential project and the conversion of GBP1.0m of contracted rent to passing rent, which are set to strengthen the portfolio further.

C&R remains financially robust, with a strong balance sheet and a clear strategy to drive income growth and shareholder value, providing confidence in its prospects.

Environmental and social



C&R has made substantial progress in its ESG initiatives, significantly reducing gas, energy and water consumption across its portfolio. It is working to remove gas from all its centres and has improved energy performance certificate ratings at key sites. All its shopping centres' electricity is 100% renewable and certified by Renewable Energy Guarantees of Origin.

Social initiatives remain a core focus, with ongoing support for local communities through charitable activities and programmes, including job creation and resident training opportunities in collaboration with residential developers. One standout social initiative was providing sanitary products to young girls in Wood Green, addressing a critical need in one of London's most deprived wards. This programme is being expanded to all centres, reflecting C&R's commitment to the communities it serves.



Read more in C&R's [ESG report 2023](#).

OPTIMISING OUR INTERNATIONAL INVESTMENTS continued

Globalworth Real Estate Investments Limited (GWI)

GWI is a premier real estate company that operates in Central and Eastern Europe (CEE) and is listed on the Alternative Investment Market (AIM) segment of the LSE. GWI acquires, develops and manages high-quality office and mixed-use properties in prime metropolitan areas in Poland and Romania.

GWI's diverse tenant base of over 700 corporations, mainly comprising multinational corporates, ensures stable rental income through long-term, EUR-denominated leases. With a dedicated team of 269 professionals, GWI continues to strengthen its leading position in the CEE office market.

GWI is known for high-efficiency and environmentally compliant assets, with over 92.5% of the portfolio green certified as of the 2023 year end.

Growthpoint investment
29.5%
 (FY23: 29.5%)

59 properties
 (FY23: 72)

EUR2.7bn asset value*
 (FY23: EUR3.1bn)

GLA 1 146 540m²*
 (FY23: 1 401 793m²)

* 100%.

Strategic focus

GWI's strategic focus is on maintaining and enhancing a high-quality portfolio in prime real estate markets across CEE. The portfolio is divided into three key regions: Bucharest in Romania, Warsaw in Poland and the remaining regional cities in Poland.

The company's principal focus is on acquiring or developing Class A environmentally sustainable offices, offering a diverse mix of high-quality space. These properties accommodate back-office and support operations, mainly BPO and shared services centres, in seven cities in Poland and Romania, accounting for 83.8% of GWI's combined portfolio by value. This emphasis on Class A assets attracts and retains prestigious national and multinational corporations, positioning GWI as the preferred landlord for leading companies across the region.

Operational excellence is a cornerstone of GWI's strategy, leading to high tenant retention rates. The company continues to internalise property management to ensure operational efficiencies and superior tenant service. GWI continuously explores value-added investment opportunities and proactively seeks asset management initiatives to enhance revenue streams and improve efficiency.

Sustainability and ESG are a critical strategic focus for GWI, with tenants seeking modern, efficient buildings that support employee wellness and productivity. GWI is committed to enhancing the ESG compliance of its assets, ensuring that they meet contemporary standards for energy efficiency, waste reduction and indoor air quality.

Market trends

Office sector trends

GWI's office sector is experiencing unequal performance across its key regions due to varied market dynamics. In Bucharest and Warsaw, demand for high-quality office space is growing as businesses seek to attract employees back to the office with amenity-rich, ESG-compliant buildings that rival the convenience and comfort of working from home. This increases operational costs for landlords but ensures high occupancy rates. Bucharest remains the strongest market, with GWI's occupancy rate lifting to 95.0% (2023: 94.0%), largely due to a moratorium on new office developments which has kept supply in check. Warsaw follows with an occupancy rate of 89.0% (2023: 88.6%), benefiting from high-quality assets and strategic location. Both cities are seeing improving leasing and rental rates, supported by leases indexed to the harmonised index of consumer prices (HICP). GWI's regional occupancy rate in Poland is at 69.9% (2023: 74.3%).

Regional cities in Poland are facing challenges due to an oversupply of office space due to the work-from-home trend. The presence of numerous multinational BPO companies, such as Google, Amazon and Microsoft, initially drove demand for office space in these areas due to a strong, educated and cost-effective labour force and lower rentals, compared to Western Europe. Following the Covid-19 pandemic, many BPOs developed technology that monitors productivity from home, allowing them to maintain flexible post-pandemic work arrangements. This work-from-home trend created an overhang of supply, leading to higher vacancy rates. In addition, BPOs continue to sublet unused spaces, exacerbating the oversupply issue and impacting leasing dynamics.

Poland initially benefited from an influx of Ukrainian refugees, temporarily alleviating labour market constraints. This effect has diminished as refugees returned to Ukraine. The tighter labour market gives employees who are reluctant to return to the office greater negotiating power, further complicating efforts to return to pre-pandemic office utilisation levels.

The Russia-Ukraine war influenced inflation and interest rate hikes by the European Central Bank (ECB), impacting financing costs and investor confidence. High interest rates and the oversupply of office space have muted investor activity, particularly in regional cities. As a result, high-quality, ESG-compliant buildings with generous tenant incentives are increasingly crucial for maintaining occupancy and attracting new tenants.

Performance

Vacancies 13.8%
 (FY23: 14.5%)

Disposals EUR72.4m
 (FY23: EUR67.1m)

Developments and refurbishments EUR50.8m
 (FY23: EUR50.1m)

Despite ongoing challenging market conditions, throughout the year GWI successfully negotiated the take-up or extension of 90 100m² of commercial space, with a weighted average lease expiry (WALE) of 4.8 years. Letting activities were almost evenly divided between renewals (accounting for 52.4% by GLA) and new contracts, including expansions by existing tenants (47.6% by GLA).

The average standing occupancy of GWI's combined commercial portfolio was 86.1%, a 2.1% decrease compared to FY23. Capital cities, such as Bucharest and Warsaw, delivered a resilient performance, with commercial properties averaging a 93.4% occupancy rate.

Headline market rental rates across the portfolio exhibited upward pressure over the last six months, driven by inflation and bolstered by the high calibre of properties, proactive asset management and dedication to sustainable development. Total annualised contracted rent for the combined portfolio decreased by 4.4% to EUR192.3m, with like-for-like annualised commercial contracted rentals climbing by 3.1% to EUR182.6m. The decrease is mainly attributed to disposals in the first half of 2024.

OPTIMISING OUR INTERNATIONAL INVESTMENTS continued

GWI continued its active investment and upgrade programme, investing over EUR43.8m to enhance energy efficiency, technology and comfort levels across all buildings. Due to higher net operating expenses, disposals over the past six months and lower occupancy in regional properties, net operating income decreased by 1.8%, ending 30 June 2024. However, market conditions, expanding yields, higher discount rates and capex investments contributed to negative revaluations of EUR112.6m in the consolidated portfolio as of 30 June 2024.

GWI continues to focus on maintaining strong cash balances and liquidity. This focus has resulted in a substantial increase in cash reserves, with a EUR210.3m cash balance at the end of June 2024, demonstrating the financial strength of GWI's core business.

Highlights

- Average WALE in standing commercial properties to 4.6 years (FY23: 4.9 years)
- Completed the development of two additional logistics sites in the Bucharest greater area, which were subsequently sold as part of the fully owned industrial portfolio that was disposed of in May 2024
- Started a new build-to-suit logistics venture in Craiova, which will contribute 5 900m² of prime GLA upon completion
- Completed renovation of Supersam (Katowice, Poland), adding 26 700m² of premium GLA
- Sold two industrial portfolios, one fully owned (in May 2024) and the other in a joint venture (in July 2024), generating net proceeds of approximately EUR72.4m and EUR56m respectively, after repaying associated debt

Bond refinancing

GWI finances its operations through a combination of equity and debt, competing with many other real estate companies for investor trust. To issue Eurobonds efficiently and benefit from favourable market opportunities, GWI established a euro medium-term notes (EMTN) programme in 2018, allowing the Group to issue up to EUR1.5bn of bonds. From this programme, EUR950m was raised through bonds issued in March 2018 and July 2020, with maturities in 2025 and 2026.

Faced with rising interest rates, investor risk aversion and two significant bond maturities, EUR450m due in March 2025 and EUR400m due in July 2026, GWI embarked on a complex refinancing process. The successful negotiation and implementation of these bond exchanges, completed in May 2024, were crucial in resolving near-term debt maturities and enhancing the company's financial position.

The refinancing strategy involved paying back a portion of the existing bonds in cash and issuing new green bonds with extended maturities. GWI exchanged the EUR450m notes due in March 2025 with EUR307m notes due in March 2029 at a coupon rate of 6.25%, after repaying EUR143m in cash for the 2025 bond.

Similarly, the EUR400m bond due in July 2026 was exchanged with a EUR333m bond due in March 2030 at a coupon rate of 6.25%, after repayment of EUR67m for the 2026 bond. This reduced GWI's total debt from EUR850m to EUR640m and lowered the LTV ratio to 39.8% from the mid-40s. The new terms, although featuring higher interest rates, provided a much-needed extension of debt maturities and improved GWI's debt maturity profile, increasing the average debt maturity to over five years.

Additionally, GWI disposed of its industrial assets to further repay debt facilities, generating proceeds of EUR56m from the sale of its joint venture, and EUR72m from sales of its directly held logistics portfolios. These proceeds were used to further reduce the bonds by EUR65m, reaching EUR262m for the 2029 bonds and EUR313 million for the 2030 bonds.

Post-June 2024, GWI launched and successfully completed a buy-back offer for EUR83.2m of the bonds, further strengthening its liquidity position and balance sheet. This proactive approach to managing debt and liquidity underscores GWI's commitment to maintaining financial health and strategic flexibility in an evolving market landscape.

Looking forward

GWI is optimistic about occupancy rates, leasing rates and overall real estate fundamentals in Bucharest and Warsaw, which remain strong and stable. However, regional cities face challenges with excess supply and market overhang, where GWI expects most disposals to occur over the next few years.

With the ECB expected to meet its inflation targets within the next six to 18 months, GWI anticipates a rejuvenation of the investment market, narrowing the bid-ask spread and increasing investment activity. The company plans to use its substantial liquidity for deleveraging by buying back bonds and acquiring new, fully ESG-compliant buildings to improve portfolio quality and cash flow stability.

Environmental and social



GWI is dedicated to creating environmentally sound, safe buildings that positively impact the communities it serves. The company aims to meet GHG emission and energy use intensity targets based on stringent EU decarbonisation standards and is committed to reducing its scope 1 and 2 GHG emissions intensity by 46% by 2030 (2019 baseline). Notably, 85.3% of the standing commercial portfolio holds Building Research Establishment Environmental Assessment Methodology (BREEAM) or Leadership in Energy and Environmental Design (LEED) certifications, and standing office and mixed-use properties have received the WELL Health-Safety Rating. All the energy used in GWI's Polish and Romanian office portfolio is from renewable sources.

GWI is deploying AI-driven real-time performance monitoring to track energy and water use at buildings. The company is also conducting portfolio-wide energy audits and plans to initiate a similar audit for water management in FY25. GWI's comprehensive ESG efforts have been recognised by Sustainalytics, with an improved "low risk" rating of 11.1 and MSCI, where the company maintained its A rating.

GWI also aims to assist the communities in which it operates. The Globalworth Foundation in Romania, wholly owned by GWI, oversees the company's various social initiatives, striving to assist and improve local communities through numerous projects and support programmes.



Read more in GWI's [2023 sustainability report](#).

Growthpoint Investment Partners (GIP)

GIP is an alternative real estate co-investment fund management business offering a partnership platform and unique investment approach distinctly different from Growthpoint Properties.

In 2014, Growthpoint launched the GIP platform to diversify and grow its assets and create new income streams. GIP creates value for its stakeholders and investment partners as both a capital and management partner in these portfolios.

Since 2018, GIP has launched three unlisted investments with total assets under management (AUM) of R18.0bn (FY23: R17.9bn) across the funds:

	FY24 Rbn	FY23 Rbn
GPHH	4.0	3.7
GSAH	3.6	2.7
Lango	10.4	11.5
Total	18.0	17.9

GPHH and GSAH are subsidiaries of the Group. Lango is an unlisted investment with its own governance structure.

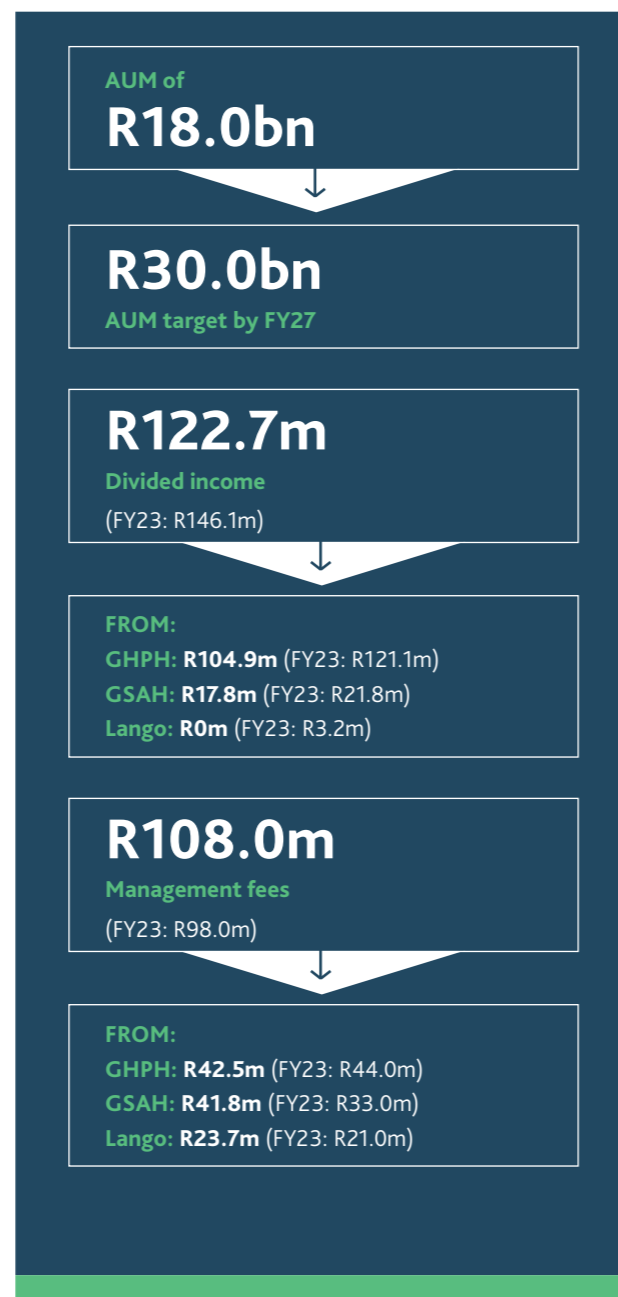
The GIP strategy

GIP creates investment opportunities in alternative asset classes and intends to grow each fund for future stock exchange listing and reach R30bn of AUM by FY27.

GIP's strategy is to co-invest in and co-manage specialist alternative real estate investment portfolios. This strategy is attractive in South Africa's low growth and limited capital macro-economic environment. Key drivers include growing the fund's existing asset base and launching a new fund, however, new opportunities depend on investor interest and the ability to grow the identified opportunity to scale.

GIP considers the following factors before investing:

- Potential to scale the asset class
- Investor appetite to invest equity
- Assets in sectors with strong fundamentals that differ from core South African investments in retail, office and retail and industrial, particularly those that appeal to impact investors



	GPHH	GSAH	Lango
Inception date	2018	2021	2018
Growthpoint's shareholding	39.1%	20.9%	18.4%
Cost of investment	R765.8m	R490.0m	R1 291.0m
NAV of investment	R1 249.3m	R505.0m	R957.2m
Dividend income earned in FY24	R104.9m	R17.8m	0*
Management fees earned in FY24	R42.5m	R41.8m	R23.7m
Number of properties	9	14	11
		(7 975 beds)	

* Growthpoint did not receive a dividend for FY24 compared to R3.2m (USD0.2m) for FY23.

Environmental and social



GIP's co-investments focus on long-lasting, positive socio-economic impacts. The funds benefit from Growthpoint's strong governance and dedicated environmental, corporate social investment and sustainability resources. The funds are also attractive to B-BBEE investors and provide opportunity for business transformation in South Africa.

The GIP business model

The GIP co-investment and co-management model is contingent on growing AUM and provides four potential income sources:

- Equity investment returns**
Growthpoint, as a cornerstone investor, aims to own approximately 15% to 20% of the equity in each investment opportunity to earn investment returns. The balance of the equity is raised from third-party investors, with a targeted LTV of between 30% and 40% in each fund.
- Asset management fees**
As a significant stakeholder in the management entities managing each investment, Growthpoint also earns management fees on assets it manages. Fees are based on either gross or net asset value.
- Property management fees**
Growthpoint earns property management fees where it is the appointed property manager.
- Development management fees**
Growthpoint earns development fees when it is appointed as the developer for projects.

Performance

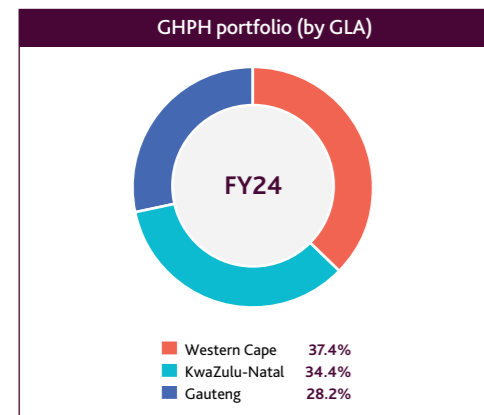
The GIP co-investment platform continued to grow in FY24, with AUM growing to R18.0bn (FY23: R17.9bn) due to new developments and acquisitions in GSAH and GPHH. Management fees amounted to R108.0m in FY24, compared to R98.0m in FY23, however, dividends received decreased by 16% to R122.7m (FY23: R146.1m). A lower dividend was received mainly due to lower shareholding in GPHH, the newly introduced National Student Financial Aid Scheme (NSFAS) rental cap and the expiry of the rental guarantees from the original vendors in GSAH and higher interest rates impacting both funds. Potential interest rate cuts will increase the funds' returns. No dividend was received from Lango in FY24.

GROWTHPOINT INVESTMENT PARTNERS (GIP) continued

Growthpoint Healthcare Property Holdings (RF) Limited (GHPH)

Manager	Growthpoint Healthcare Management <i>en commandite</i> Partnership (85%)
Fund manager	Dr Linda Sigaba
Gross asset value (GAV)	R4.0bn (FY23: R3.7bn)
NAV (including convertible loan)	R3.4bn (FY23: R3.1bn)
Growthpoint shareholding	39.1% economic interest including a convertible loan (FY23: 39.1%)
SA REIT LTV	16.8% (FY23: 13.0%)
Investors	Growthpoint Properties, Government Institutions Pension Fund of Namibia (GIPF), Kagiso Capital, IFC, Sentinel Retirement Fund, Vulindlela Holdings, Zamani Capital, ECI Pension Fund and Nodus Capital
Asset management fees	1.25% of GAV
Property management fees	1.5% of gross collections
Portfolio	Nine (FY23: eight)
Distribution policy	Twice yearly, a minimum of 90% of distributable income

The GHPH portfolio has a WALE of 13.5 years, with an average lease escalation of 6.5%.



Assets

- 50% undivided share of the Adcock Ingram facility, Midrand, Gauteng
- Busamed Gateway Private Hospital, Umhlanga Ridge, KZN
- Busamed Hillcrest Private Hospital, Hillcrest, KZN
- Busamed Paardevlei Private Hospital, Somerset West, Western Cape (FY24: 100% (FY23: 51%), acquired 49.0% during FY24)
- Cintocare Hospital, Menlyn, Gauteng
- Johannesburg Eye Hospital, Randburg, Gauteng
- Mediclinic Louis Leipoldt Hospital, Bellville, Western Cape
- Netcare N1 City Hospital, Goodwood, Western Cape
- Netcare N1 City Medical Chambers, Goodwood, Western Cape

Performance

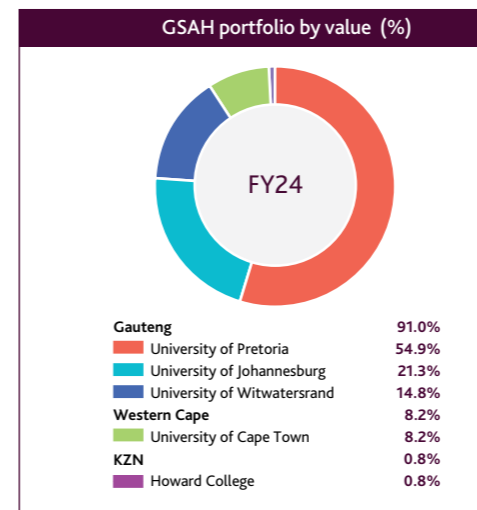
GHPH had challenges due to increasing rates and taxes and operating costs impacting operators and threatening their sustainability. Although new opportunities remain scarce, sentiments are positive that GHPH can increase its healthcare property asset base in the next 18 to 24 months.

GHPH renewed two leases during the period. Considering these renewals and the current negotiations in respect of Louis Leipoldt Hospital that is expiring in 2025, the income growth profile of GHPH is more predictable and backed by long-term, escalating leases.

Growthpoint Student Accommodation Holdings (RF) Limited (GSAH)

Manager	Growthpoint Student Accommodation Management <i>en commandite</i> Partnership (100%)
Fund manager	Amogelang Mocumi
Property manager	Feenstra Group
GAV	R3.6bn (FY23: R2.7bn)
NAV	R2.4bn (FY23: R1.8bn)
Growthpoint shareholding	20.9% (FY23: 14.3%)
LTV	29.7% (FY23: 29.5%)
Investors	Royal Bafokeng Holdings, Growthpoint Properties, Kagiso Capital, Eskom Pension and Provident Fund (EPPF), GIPF, Vulindlela Holdings, Feenstra Group
Asset management fees	1.25% of GAV, reducing to 1.1% for GAV of R5.0bn to 7.5bn and 1.0% >R1.0bn
Number of properties	14 (FY23: 11)
Number of beds	7 975* (FY23: 6 443)
Distribution policy	Twice yearly, a minimum of 90% of distributable income

* Excluding Fountains View and properties under construction.



Assets

- Apex Studios, Braamfontein, Gauteng (901 beds)
- Brooklyn Studios, Brooklyn, Gauteng (714 beds)
- Festival Edge, Hatfield, Gauteng (557 beds)
- Hatfield Studios, Hatfield, Gauteng (965 beds)
- Horizon Heights, Auckland Park, Gauteng (795 beds)
- Kingsway Place, Auckland Park, Gauteng (665 beds)
- Peak Studios, Observatory, Western Cape (563 beds)
- Richmond Central, Auckland Park, Gauteng (388 beds)
- Studios@Burnett, Hatfield, Gauteng (987 beds)
- The Richmond, Auckland Park, Gauteng (388 beds)
- Varsity Studios, Hatfield, Gauteng (1 052 beds)
- Crescent Studios, Braamfontein, Gauteng (development)
- Arteria Parktown, Gauteng (development)
- Howard College, Glenwood, KZN (land)

Performance

Despite NSFAS challenges, GSAH managed to grow its student residence assets in FY24, completing three new projects and commencing development on two projects. It also attracted capital of R630m, with the potential opportunity to attract more before the end of the 2024 calendar year. First-close B-BBEE investors in GSAH have been offered an opportunity to acquire a 20% interest in its asset manager by the second anniversary of its launch.

With GSAH's improved student accommodation offering and changed rental mix, the fund's revenue will increase. For new developments, designing the buildings more efficiently will increase returns.

GROWTHPOINT INVESTMENT PARTNERS (GIP) continued

Lango Real Estate Limited (Lango)

Asset manager	Lango Real Estate Management Limited (37.5% Growthpoint share)
Managing director	Thomas Reilly
GAV	USD573.1m (FY23: USD611.2m)
NAV	USD342.1m (FY23: USD333.8m)
Growthpoint shareholding	18.4% (FY23: 18.4%)
SA REIT LTV	47.9% (FY23: 41.3%)
Investors	A diversified grouping of international institutional shareholders, predominantly pension funds
Asset management fee	2.0% of NAV
Number of properties	11 (FY23: 11)
Distribution policy	Twice yearly, a minimum of 90% of distributable income

Assets

1. Junction Mall, Ghana, Retail (11 151m²)
2. Accra Financial Centre, Ghana, Office (13 914m²)
3. Standard Chartered Building, Ghana, Office (12 066m²)
4. Achimota Retail Centre, Ghana, Retail (14 696m²)
5. Wings Office Complex, Nigeria, Office (26 050m²)
6. Stanbic Heights, Ghana, Office (19 949m²)
7. Circle Mall, Nigeria, Retail (13 931m²)
8. Manda Hill Centre, Zambia, Retail (41 018m²)
9. Royal Gardens, Nigeria (land)
10. Muxima, Angola (land)
11. Patriota, Angola (land)

Performance

Lango faced challenges in terms of its structure. The company is looking to redomicile from Mauritius to Guernsey as it cannot pay dividends due to Mauritian regulations, resulting in poor investment returns for investors. Additionally, the letting environment is challenging, the portfolio has high vacancies and USD liquidity is a challenge in the Nigerian portfolio.

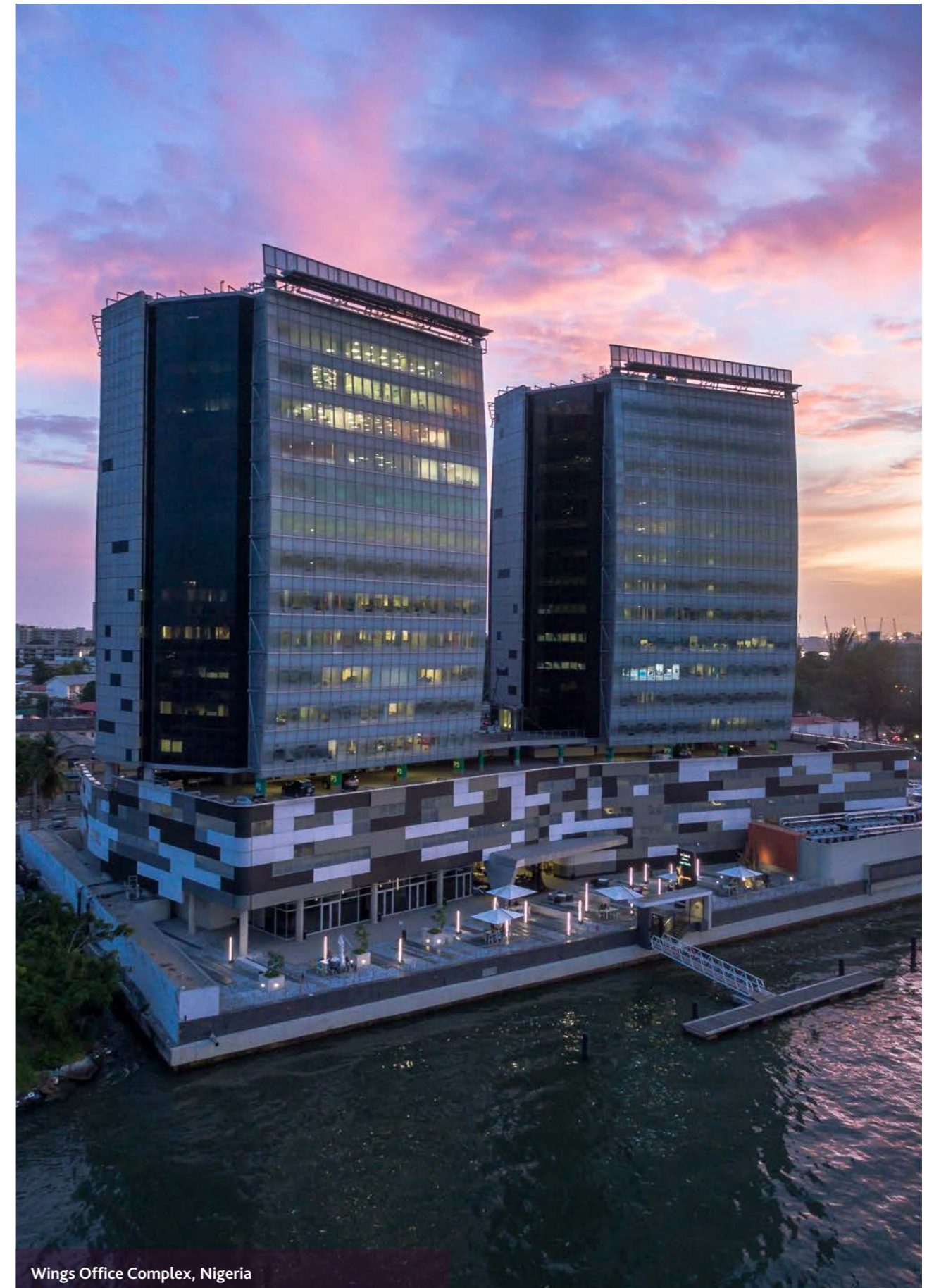
Post-FY24, Lango concluded a USD200m retail real estate portfolio acquisition from JSE-listed REITS, Hyprop Investments Limited and Attacq Limited.

Looking forward

GHPH's focus in FY25 is to refinance the IFC loan and continue pursuing growth opportunities.

GSAH will develop suitable product for each university's demographics. The fund will continue to conduct broader engagements with NSFAS and attract new investors. The developments for Arteria Parktown and Crescent Studios will be completed, adding 1 400 beds to the portfolio in FY25.

Lango should complete its redomiciliation and resume dividend payments.



Wings Office Complex, Nigeria

06

We remain focused on strategic initiatives that will preserve our liquidity and balance sheet in the long term.

FINANCIAL REVIEW

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Woodlands Office Park, Johannesburg



GROUP FD's REVIEW



We achieved robust operational results across our local and international investments, highlighted by outstanding performance from the V&A, an improved contribution from C&R, and steadily improving property metrics within our stable SA portfolio. However, this robust operational performance was overshadowed by the adverse effects of higher interest rates, lower dividends from GWI, and reduced profits from our T&D division, resulting in a 10% decline in distributable income.

The V&A was a standout performer driven by the positive impact of increased tourism with distributable income increasing by 12.6% to R775.0m (FY23: R688.0m). However, high interest rates across the Group continue to negatively impact distributable income.

With nearly all key metrics showing improvement, the SA business achieved solid operational performance. Overall, vacancies decreased from 9.7% to 8.7%. Rental renewal growth also demonstrated a positive trend, improving from -12.9% to -6.0%. Additionally, renewal success rose from 64.9% to 76.3%. Bad debts and arrears have significantly reduced and are aligning with long-term trends. Like-for-like NPI growth for SA was 1.8%.

The SA Logistics and Industrial portfolio is well-let despite a few challenging vacancies and the completion of speculative modern logistics and warehouse facilities in line with our strategy. It benefited from ongoing leasing success. Like-for-like NPI grew by 2.6%. The renewal success rate increased considerably from 59.1% to 78.3% and renewal rental growth moved up from -10.4% to -3.3%.

The SA Retail portfolio like-for-like NPI increased substantially, swinging positive from -1.7% for FY23 to +4.1% for FY24. Its core vacancy remained low at 4.0%.

The SA Office sector continued to recover as people return to offices. Vacancies reduced yet again across all nodes, improving from 19.2% at FY23 to 15.1% at FY24. Like-for-like NPI for this sector continued to firm, moving from -1.9% for FY23 to -1.0% for FY24. Renewal growth also improved significantly from -20.1% to -14.8% for FY24.

Growthpoint's total expense ratio for its SA business increased to 36.7% (FY23: 35.9%), primarily driven by disposals, above-inflation hikes in municipal rates and taxes, rising utility costs, and increased other operating costs.

With less loadshedding in 2024 so far, diesel spend reduced from R140.0m in FY23 to R112.6m in FY24, and diesel cost recoveries, as a percentage of recoverable diesel spend, was 82.0%. Office recoveries were 86.0%, Logistics and Industrial 94.0% and Retail 65.0%.

Spiralling municipal costs are a substantial contributor to expenses in SA. In return, fewer services are being reliably received and infrastructure maintenance is lacking. For our SA portfolio, this has required active scrutiny and management of income and expenses. The result of inflated administered costs is that the total cost of occupancy for tenants increases, but the rental portion of this total does not. The entire property industry, through SAPOA, is addressing these issues collectively.

Growthpoint's diversification and the high quality of our distributable income served us well in an ongoing challenging macro-economic environment. The details of each component of the business are covered throughout this report.

We remain focused on strategic initiatives that will preserve our liquidity and balance sheet in the long term. Our capital management is disciplined with capital and development expenditure of R2.1bn (FY23: R1.5bn) for SA and R359.2m (FY23: R399.0m) for GIP funded from R380.0m (FY23: R250.0m) third-party investments in GSAH, asset sales proceeds of R1.2bn (FY23: R1.5bn) and R842.3m (FY23: R938.5m) cash retained due to the 82.5% dividend payout ratio.

Wealth created increased by

R284m

32.4%

of DIPS is earned offshore

The SA valuations, with a portfolio value of R66.3bn (FY23: R64.1bn) at FY24, were positively impacted by the improved property metrics across all three sectors and reduced vacancies in the Office and Retail sectors coupled with the repositioning of the portfolio to higher-quality assets by way of disposals and developments.

Group total cost of funding increased by 16.2% to R4 394.0m (FY23: R3 781.5m) mainly as a result of higher interest rates impacting the unhedged portion of borrowings for SA and GOZ as well as the refinancing of interest rate swaps and cross-currency interest rate swaps (CCIRS). Our FY24 results were impacted by a full year of higher interest rates.

With SA debt (including GIP) of R42.4bn (FY23: R41.1bn), of which 78.9% was hedged at year end, a 1% increase in interest rates increases our annual floating debt costs by R88.2m.

Growthpoint is not unique in dealing with the effects of high interest rates. It is a global real estate challenge that is being felt throughout our diversified portfolio. GWI refinanced their Eurobonds during FY24 and their interest rate more than doubled from 3.0% to 6.3%.

We continued to pursue our growth ambitions through gradual, incremental steps, gearing down in an environment where raising equity is unfeasible. We believe LTV ratios, linked to valuations, are stabilising, other than possibly for GOZ where interest rates are lagging. Group LTV based on the SA REIT definition increased to 42.3% compared to 40.1% in FY23. The lower property valuations in GOZ were the main contributor to the increased LTV. The Office and Industrial portfolio valuation for GOZ declined by 11.2% and 1.8% respectively on a like-for-like basis over 12 months, with the total portfolio valued at A\$4.4bn at FY24 (FY23: A\$4.8bn).

We continue to have excellent access to liquidity at very attractive spreads and for tenures of more than five years as seen in the strong appetite from banks and financial institutions. Access to liquidity was proven with R6.5bn of new senior unsecured bonds issued during FY24.

ESG, reporting and communication

Growthpoint prioritises and integrates our ESG strategy into our business and reports on this appropriately. We understand that this disclosure helps us attract equity and debt capital.

Investors increasingly demand clear, reliable and comparable ESG reporting. This information is also growing in importance for funders.

During FY23, the IFRS Sustainability Disclosure Standards (ISSB Standards) were issued, one on general sustainability-related disclosure standards and the other on climate-related disclosure standards. Both are aligned with the most influential global initiatives on sustainability and climate change reporting.

Because Growthpoint is committed to upholding international standards for sharing our South African sustainability goals, actions and results, our current reporting aligns well with the JSE's guidance. We are actively discussing this guideline with the JSE to understand if there is a need to adapt our reporting accordingly. We consistently adopt best practices, as we have done with previous standards. Reporting these measures increases awareness and integration into our operations. ESG topics have gained more attention in our business this year, but there is still progress to be made.

The quality of our market disclosure is recognised. We are pleased that Growthpoint was ranked in the top three overall in the second annual Intellidex Investor Relations Awards and placed first in the Industrials category. The awards are based on a survey of 130 institutional investors and professional analysts.

External audit

Growthpoint has a mature relationship with Ernst & Young Inc (EY), who has been our appointed external auditor for the past five years. We have proven processes to produce prompt, precise and relevant reporting, building on the improvements gained each year.

I would like to thank Jane Fitton for her professionalism as our audit partner for the past five years and I look forward to working with Raakhee Kalain, our new audit partner.

Automation and business intelligence

Our MRI software system has proven to be a valuable support for our skilled team. Working together with our IT team, we have had significant success in our consolidation process. Besides its intended purpose, this technology offers valuable business insights that help our business stay agile, competitive and helps attract quality tenants.

Tax and regulatory updates

We have retained our dividend payout ratio at 82.5%, with tax being payable on the funds retained in the business. The R842.3m (before income tax) retained is used to protect our balance sheet, fund our development pipeline, and maintain our properties.

Tax remained a challenging aspect for the REIT sector this year. The SA REIT Association's Tax and Regulation Committee, which I chair, is actively working with relevant parties to find solutions where needed.

Collaborating for sustainability

At Growthpoint, we recognise the value of collaboration and work to strengthen our partnerships. We actively engage with industry groups such as SAPOA, SA REIT, SACSC, and many others. In addition, we maintain good relationships with all our capital providers.

Gerald Völkel

Group FD

GROUP FD'S REVIEW continued

Simplified distribution income statement

For the year ended 30 June 2024	Notes	FY24 Rm	FY23 Rm
Revenue	1	14 530	13 784
Property expenses		(4 573)	(3 926)
Net property income		9 957	9 858
Other operating expenses		(1 127)	(931)
Finance and other investment income	6	1 354	1 431
Interest paid and interest on derivatives		(4 394)	(3 782)
Profit before taxation		5 790	6 576
Taxation	7	(297)	(412)
Profit before dividends and debenture interest		5 493	6 164
Minorities' share of profit and realised foreign exchange loss		(680)	(801)
Distributable income		4 813	5 363
Number of shares in issue (net of treasury shares)		3 386 900 576	3 380 482 632
Distributable income per share (cents)		141.9	157.6

Simplified balance sheet

at 30 June 2024	Notes	FY24 Rm	FY23 Rm
Assets			
Property assets	8	137 749	140 782
Equity-accounted investments		16 381	16 471
Intangible assets		571	977
Derivative assets		1 374	1 971
Long-term loans granted		3 113	3 235
Listed investments		1 661	1 576
Unlisted investments		1 079	1 561
Equipment		120	111
Deferred tax		107	29
Current assets		3 582	5 263
Cash and cash equivalents		1 905	3 519
Taxation receivable		88	163
Other current assets		1 589	1 581
Total assets		165 737	171 976
Equity and liabilities			
Shareholders' interest		68 267	71 911
Non-controlling interest		16 801	19 341
Interest-bearing borrowings		70 261	68 180
Derivative liabilities		635	1 450
Lease liability		1 988	2 101
Deferred taxation		4 071	5 281
Current liabilities		3 714	3 712
Trade and other payables		3 646	3 623
Taxation payable		68	89
Total equity and liabilities		165 737	171 976

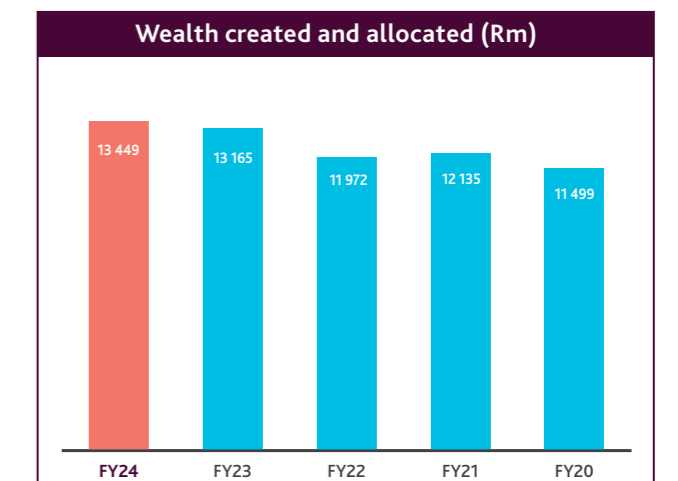
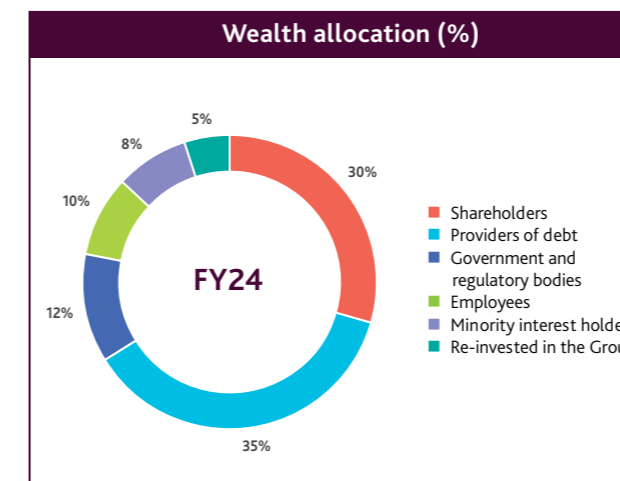
Reconciliation between statutory and simplified financial statements

	FY24 Rm	FY23 Rm
1 Revenue as stated	14 401	13 740
Add: straight-line lease income adjustment	129	44
	14 530	13 784
2 Fair value adjustments as stated	(5 572)	(3 616)
Add: fair value adjustments reversed	5 572	3 616
	-	-
3 Equity-accounted investment loss	49	(13)
Add/(less): equity-accounted investment profit reversed	(49)	13
	-	-
4 Non-cash charges as stated	(45)	(42)
Add: non-cash charges reversed	45	42
	-	-
5 Capital items as stated	(347)	(159)
Add: capital items reversed	347	159
	-	-
6 Finance and other investment income as stated	1 411	1 370
Adjustments to dividends from equity interests held	(57)	41
Add: antecedent dividend received	-	20
	1 354	1 431
7 Taxation as stated	988	(240)
Less: deferred taxation	(1 285)	(172)
	(297)	(412)
8 Property assets as stated	136 878	140 322
Add: investment property reclassified as held for sale/T&D	871	460
	137 749	140 782

VALUE-ADDED STATEMENT

	FY24 Rm	FY23 Rm	FY22 Rm	FY21 Rm	FY20 Rm
Turnover	17 361	16 324	14 963	14 707	12 935
Property and other operating expenses	(4 386)	(3 561)	(3 043)	(2 245)	(2 124)
Value added	12 975	12 763	11 920	12 462	10 811
Finance, investment income and other adjustments	474	402	52	(327)	688
Wealth created	13 449	13 165	11 972	12 135	11 499
Attributed to:					
Shareholders	4 017	4 463	4 404	4 068	4 495
Providers of debt	4 900	4 091	3 479	3 640	3 138
Government and regulatory bodies	1 588	1 719	1 485	1 810	1 447
Employees*	1 304	1 129	1 030	852	707
Minority interest holders	1 004	1 052	810	748	729
Re-invested in the Group (after tax)	636	711	764	1 017	983
Wealth allocation	13 449	13 165	11 972	12 135	11 499

* In previous years GWI's employee costs were not included in this row, instead it remained in property and other operating expenses. The value for FY24: R56m



TREASURY MANAGEMENT

This report pertains to Growthpoint's treasury function (excluding GIP), which is managed from South Africa. Our offshore subsidiaries and investments have their own treasury departments.

Amid continuing geopolitical tensions, particularly the Russia-Ukraine conflict, tensions in the Middle East and US China trade relations, the global economy continued to experience subdued growth, ongoing inflationary pressures and the lingering effects of tight monetary policies. In the first half of FY24, South Africa was impacted by persistent electricity shortages, weak consumer confidence, slow structural reforms and uncertainty around the national elections. Some progress was made in the second half of FY24 in addressing the energy crisis, with increased capacity from renewable energy projects and ongoing reforms at Eskom. Renewed optimism after the elections and the formation of the GNU created a supportive local political environment and improved consumer and business sentiment. These factors offer a positive outlook for the economy in the medium term.

While global inflation remained high during the first half of FY24, it began to stabilise early in the second half of FY24 as monetary tightening took effect and global supply chains improved. With inflation showing signs of stability in many economies, the Swiss National Bank, Bank of Canada and the European Central Bank started reducing their policy rates towards the end of FY24. Economists expect other economies, including the United States and South Africa, to commence their rate-cutting cycles early in FY25.

The positive outlook from a political, economic and interest rate perspective positions Growthpoint well into FY25 in terms of treasury management.

Liquidity position

Growthpoint focused on efficient liquidity management in FY24, ending the year with a surplus cash balance of R179m, with R6.2bn of unutilised committed facilities. The FY24 unutilised committed facilities are from four different financial institutions, with a weighted average maturity of 2.8 years.

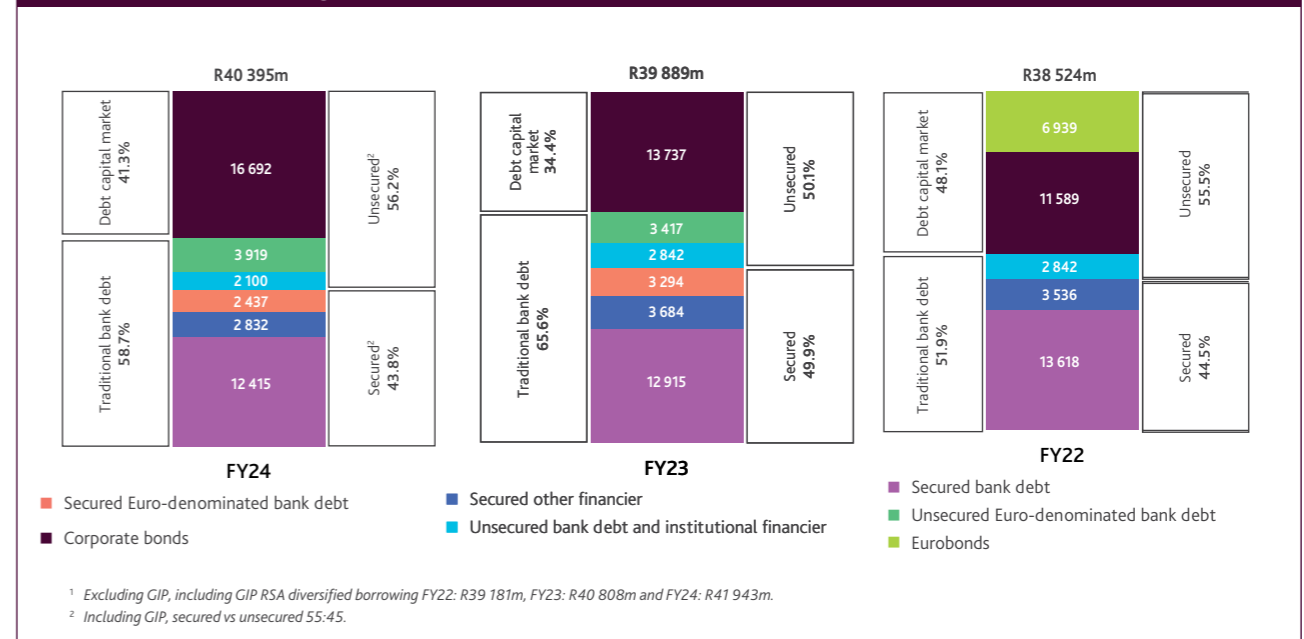
Liquidity is proactively managed by updating forecasts and strategically planning for maturing interest-bearing liabilities, considering business requirements and prevailing market conditions. Significant business requirements during FY24 included capital expenditure of R788.6m, development spend of R1.3bn, R676m for cross-currency interest rate swap (CCIRS) extensions and GBP21.8m (R528m) for the additional investment into C&R relating to the open offer to acquire the Gyle shopping centre. Growthpoint financed these through disposing R1.2bn of properties, liquidity retained from the 82.5% dividend pay-out ratio, utilising existing cash resources and increased funding from the domestic bond market.

At year end, we had R2.8bn of loans maturing in the following 12 months. While we are comfortable that Growthpoint will continue to access the market for refinancing of maturing debt, we are prepared for a stress scenario. We have sufficient liquidity and committed available facilities to utilise on a short-to-medium basis in the event of significant market disruption.

Interest-bearing liabilities

	FY24 Rm	FY23 Rm
Total South African debt	40 395	39 889
GSAH and GPHH	1 548	919
Accrued interest	414	358
Fair value on debt	389	118
Australia and UK		
Bank debt and loan note	27 515	26 896
Consolidated debt	70 261	68 180

RSA diversified borrowings – nominal value¹



Growthpoint has seen continued support from institutional investors and banks. We were well supported in both public auctions held in October 2023 and April 2024, with these issuances being oversubscribed by 2.8 times and 2.3 times respectively. In October 2023 we issued two bonds totalling R910m for seven years and five years at the Johannesburg Interbank Average Rate (JIBAR) plus 1.5% and 1.34% respectively. In April 2024, we issued two bonds totalling R1.1bn for five years and three years at JIBAR plus 1.3% and 1.18% respectively, achieving significantly better pricing than previous bonds issued.

We privately placed a further R1bn of green bonds with the IFC in November 2023. In total, R350m of this was placed for seven years at JIBAR plus 1.5% and R650m was placed for 10 years at JIBAR plus 1.9%. We also privately placed a green bond in June 2024 for R500m at JIBAR plus 1.3%. These green bond issuances reflect our continued commitment to ESG, providing access to a diversified pool of funding and to increased longer-term funding.

We have seen strong demand for Growthpoint's longer-term funding. On the back of the IFC issuance in November 2023, we received reverse enquiries for a 10-year bond. In February 2024, we privately placed a R1bn 10-year bond at JIBAR plus 1.85%. This bond was tapped for an additional R570m in June 2024 at an effective margin of JIBAR plus 1.78%.

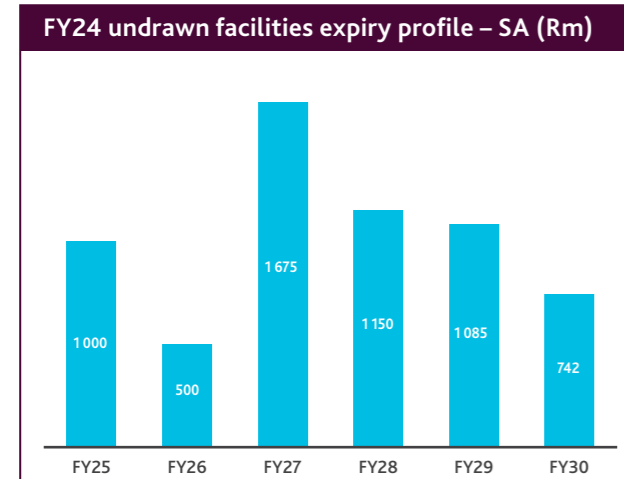
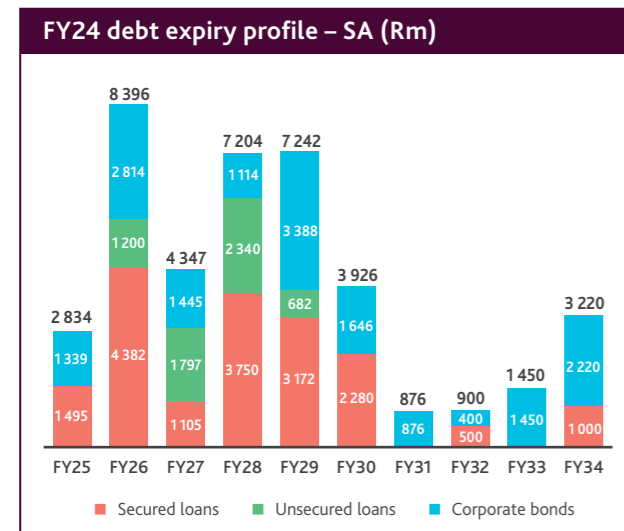
In November 2023, we privately placed a R900m five-year bond at JIBAR plus 1.34% and in June 2024, we privately placed a R500m five-year bond at JIBAR plus 1.3%. These issuances demonstrate a strong demand for corporate credit, especially from higher-rated corporates and, in particular, for Growthpoint's long-term funding.

With continued strong support from our lenders, we refinanced EUR65m previously drawn from EUR committed facilities. This was refinanced for a five-year period and was split between secured and unsecured funding. We also refinanced loans and committed facilities with banks and institutional funders totalling R3.8bn, with tenures ranging between three and 10 years, further enhancing the maturity profile of our funding. These loans would have matured after FY24 and were refinanced early at improved margins.

During FY24 we redeemed R3.6bn of bonds that matured during the period. We repaid R742m previously drawn from a revolving credit facility. USD20m of USD60m raised from the IFC for acquiring and developing qualifying healthcare assets in GPHH, was due for conversion into equity in January 2024. As the IFC opted not to convert, Growthpoint repaid this tranche of funding. The related funding was raised directly by GPHH from a local bank onto its own balance sheet with no recourse to Growthpoint.

The funding activities resulted in an improved weighted average term of debt of 4.0 years compared to 3.5 years for the previous year.

TREASURY MANAGEMENT continued

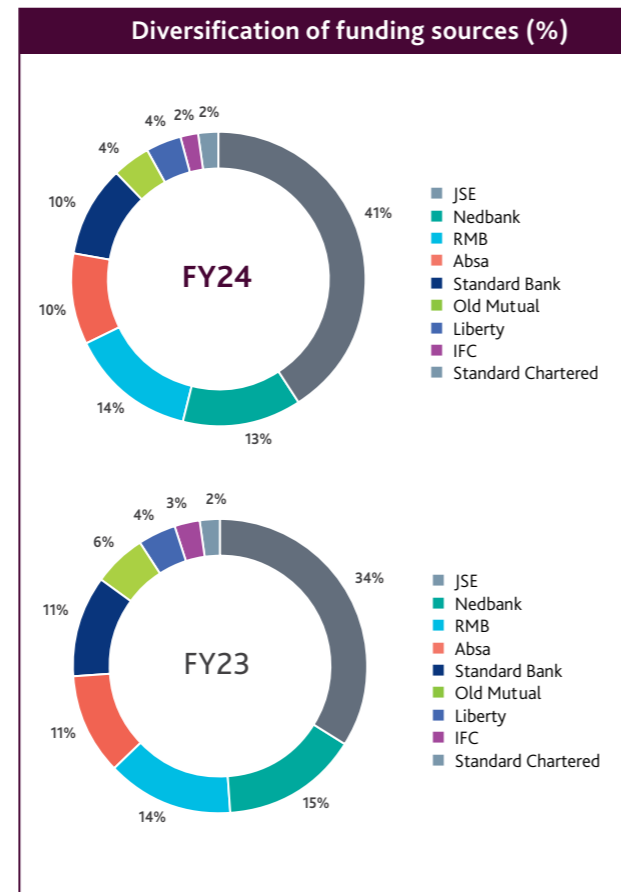


Of the total outstanding liabilities at 30 June 2024, 56.2% was unsecured. Most unutilised facilities are secured, so should these facilities be utilised, this percentage will decrease.

LTV for SA is 35.4% (FY23: 33.3%) at 30 June 2024. The unencumbered direct property pool at year end amounted to R21.8bn. All our shares in V&A, GOZ, GWI, C&R and Lango are unencumbered. The equity-accounted investments plus the market value of the shareholdings in GOZ and C&R totalled R31.3bn.

Diversification of funding sources

Our strong credit rating and the size of our balance sheet allow us to access funding from a diversified group of debt investors, thereby limiting our concentration risk. The graph below reflects the diversification of funding sources and investors, excluding any undrawn facilities available to Growthpoint.



Cost of funding

The weighted average cost of funding as per the SA REIT BPR is set out in the table below:

2024	ZAR %	AUD %	EUR %	USD %	GBP%
Cost of debt					
Pre-adjusted weighted average cost of debt	10.1	–	6.2	7.6	–
Adjustments					
Impact of interest rate derivatives	(0.4)	–	(1.8)	–	–
Impact of CCIRS	(0.1)	4.6	–	(2.1)	6.5
Amortised transaction costs imputed into the effective interest rate	–	–	0.1	–	–
All-in weighted average cost of debt	9.6	4.6	4.5	5.5	6.5

Growthpoint's weighted average cost of Rand denominated debt including interest rate swaps increased from 9.1% at FY23 to 9.6% for FY24. The weighted average cost of AUD synthetic funding increased from 3.8% in FY23 to 4.6% in FY24, mainly due to the weighted average floating interest rates rising during the year under review, and interest rate swaps and CCIRS executed at higher rates.

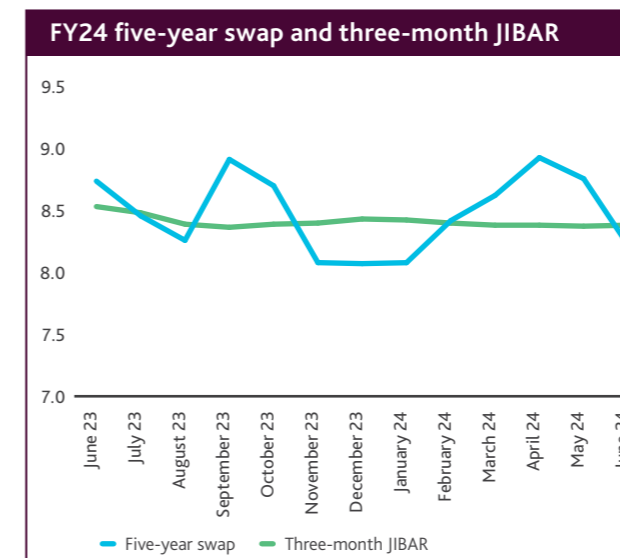
Growthpoint's weighted average cost of total debt, including foreign exchange debt and derivatives, is 7.2% compared to 6.7% for FY23.

Growthpoint's strictest Group loan covenants are set out in the table below:

Covenants	Limit	FY24 Group LTV including GOZ and C&R	FY24 SA LTV excluding GIP	FY23 Group LTV including GOZ and C&R	FY23 SA LTV excluding GIP
LTV (SA REIT) (%)	≤55%	42.3	35.4	40.1	33.7
ICR (times)	≥2.0	2.4	2.8	2.9	3.3

Interest rate risk management

The three-month JIBAR rate remained relatively flat during the year, while the five-year swap rate fluctuated based on changing views relating to the timing of interest rate reductions by the SARB. These rates remained above historical averages during the year, resulting in refinancing of swaps at higher rates.



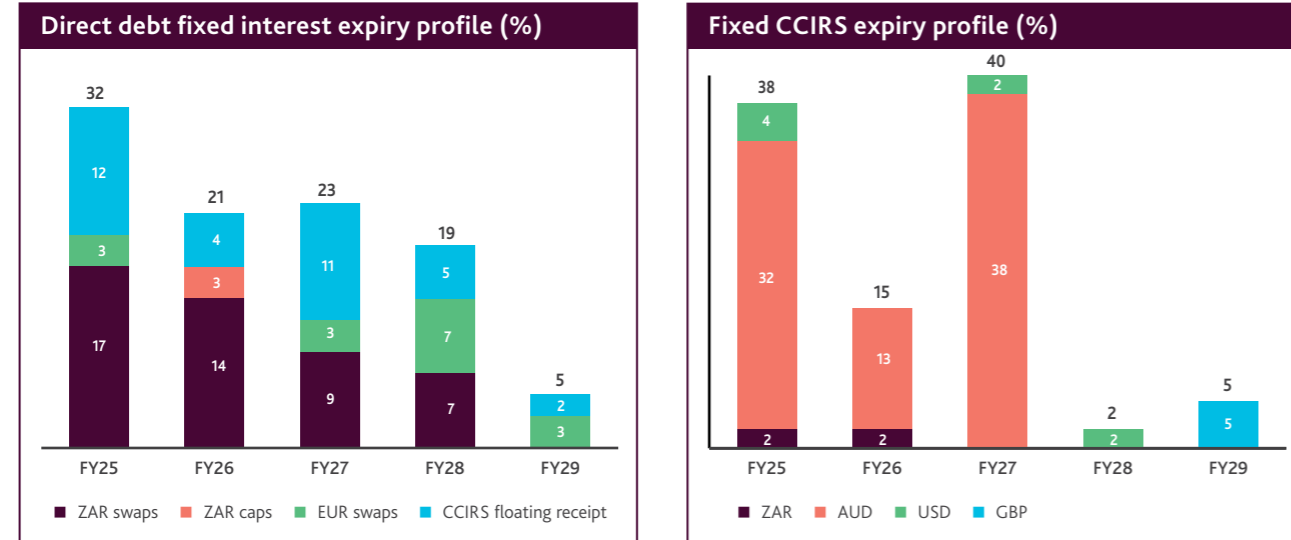
Recent market indicators reflect that tighter monetary policy globally has reduced inflation to acceptable levels, with the expectation that many central banks will start reducing interest rates early in FY25. The total quantum of these rate reductions, along with their timing and the impact on longer-term swap curves, will impact the overall cost of funding going forward.

Growthpoint has a policy of hedging a minimum of 75% of our borrowings at a fixed interest rate to reduce volatility in distributable income. As at 30 June 2024, 78.9% of borrowings were hedged at an effective fixed interest rate (including the receipt leg of floating CCIRS). Synthetic funding for AUD was hedged at 83.1%, ZAR at 75% and USD and GBP at 100%.

Should interest rates increase by 1.0% for a full year, we would incur additional interest costs of R85m per year, translating to 2.5c decrease in DIPS.

TREASURY MANAGEMENT continued

SA fixed interest expiry profile (%)



* The above graph includes interest rate swaps, interest rate caps and floating receipt CCIRS.

* The above graph includes CCIRS with a fixed interest rate pay leg.

The weighted average term for interest rate swaps and caps is 1.9 years (FY23: 2.5 years) and on the CCIRS is 1.6 years (FY23: 1.5 years).

Foreign exchange-denominated liabilities and exchange rate risk management

Our treasury policy does not allow us to use foreign currency-denominated debt to fund our Rand denominated South African operations. Growthpoint only uses this debt to fund hard currency-denominated investments. We view CCIRS as synthetic foreign-denominated debt to fund our foreign investments. These swaps offer better pricing than vanilla loans.

An exception to the above policy is the IFC loan, where Growthpoint borrowed USD and swapped them to Rand to be used over time for the acquisition and development of qualifying healthcare assets.

Our foreign currency investments and debt metrics are set out in the table below:

Balance sheet hedge table

	Currency	NAV (m)	Market value (m)	FX debt (m)	CCIRS (m)	FX LTV % (NAV)	FX LTV % (MV)	Interest rate (%)	Interest cover (times)	% FY25 dividends hedged (%)	FX hedged rate
GOZ	AUD	1 662	1 042	–	970	58	93	4.6	2.5	78	12.3 ⁴
GWI	EUR	453	192	326	–	72	170	4.5	0.7	n/a ²	n/a ¹
C&R	GBP	141	100	–	22	16	22	5.5	5.7	n/a ²	n/a ¹
Lango	USD	63	n/a	–	60	96	n/a	6.5	0.4	n/a ³	n/a ¹

¹ No FECs to hedge the dividends were taken out as of 30 June 2024.

² An assumption has been made that we will continue to take up a scrip dividend in these businesses for FY25.

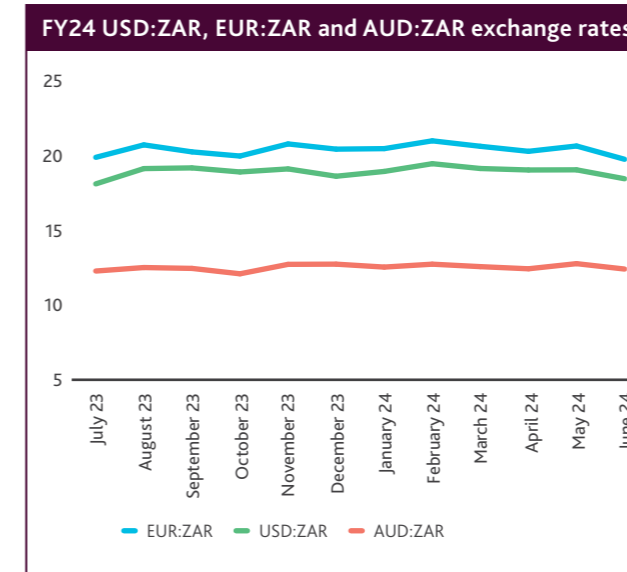
³ Given the unpredictability and immaterial nature of these flows, no income hedges have been taken out.

⁴ R12.3: 1 AUD.

Debt as a percentage of assets reflects the LTV, calculated as foreign-denominated liabilities over such assets.

Exchange rate risk management

During the year under review, the ZAR has remained relatively stable across USD, EUR and AUD.



From a balance sheet point of view, our foreign-denominated investments are hedged via foreign-denominated liabilities, either in the form of direct foreign-denominated debt or via CCIRS. Our balance sheet is, therefore, largely shielded from foreign exchange movements to the extent that the investments are hedged.

As dividends from our foreign investments are earned in foreign currency, our distributable income is subject to exchange rate movements. We mitigate this foreign exchange rate risk by matching the interest expense in the same currency as the dividend receipt, and fixing the outstanding portion of the receipts via FECs.

Credit ratings

On 3 April 2024, Fitch Ratings re-affirmed Growthpoint's global scale credit rating of BB+ with a stable outlook. Due to Growthpoint's significant and stable foreign exchange earnings, which comfortably cover the projected foreign exchange interest obligations, this credit rating is two notches above the South African sovereign rating of BB-. Growthpoint's national scale rating assigned by Fitch is AAA (zaf).

On 27 February 2024 Moody's re-affirmed Growthpoint's global scale credit rating is Ba2, with a national scale rating of Aa1.za with a stable outlook. Moody's does not consider our international exposure sufficient to warrant a delinking from the sovereign rating.



V&A Waterfront, Cape Town

07

Sound corporate governance is paramount to Growthpoint. The Board delivers sustainable and meaningful value through our approach and adherence to good governance. The result of good corporate governance ensures an ethical and cohesive culture, effective control, transparency, compliance and accountability.

GOVERNANCE

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V&A Waterfront, Cape Town



CORPORATE GOVERNANCE

Growthpoint is committed to good governance that drives meaningful value creation. We embed our ethical culture through effective control, transparency, compliance and accountability.

The Board is our governance framework custodian, and provides strategic and responsible leadership founded in ethical values. We optimise on our capitals and address key risks through effective governance.

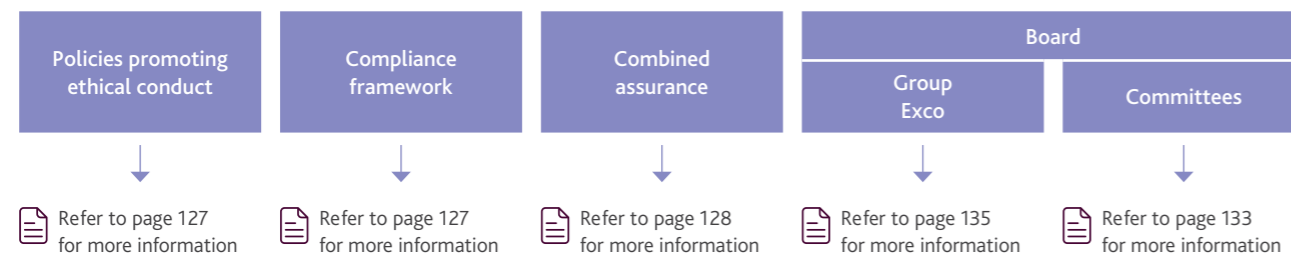
Growthpoint is listed on the exchange operated by the JSE and complies with the JSE Listings Requirements and the JSE Debt Listings Requirements. Growthpoint also complies with the Act and the relevant laws governing its establishment, specifically related to its Memorandum of Incorporation (MOI).

Growthpoint further endorses the recommendations contained in the King IV™ and applies the various principles to achieve good governance outcomes. Growthpoint's King IV application register is available on the Group's website.

Our approach to corporate governance

Growthpoint's Board-approved strategies, policies, standards, practices and procedures deliver the highest standard of corporate governance. We embody our values through a transparent and ethical culture, sound risk management and enhanced accountability. Our internal controls promote risk awareness, compliance and good governance.

Governance structures



Organisational ethics

Growthpoint is committed to ethical behaviour and an ethical culture. Our Code of Ethics was approved by the Board in 2022 and ensures that Growthpoint conducts our business with the highest ethical standards.

The Code of Ethics considers relevant topics, including training and awareness of ethical matters, confidential reporting and

Protecting and creating value are at the core of our governance and integrated thinking. Our ability to create value is underpinned by our stakeholders, whose trust is integral to ensure Growthpoint's sustainability and performance. Through our structured operational frameworks and governance processes, the Board makes well-informed decisions in the best interests of the company and all stakeholders.

Philosophy

Our governance philosophy links to our business philosophy, which incorporates our vision, values and ethics. Good corporate governance provides a platform for us to achieve our strategic objectives, while management strives to foster an enterprise-wide culture of effective management, extending beyond regulatory compliance.

Governance structures

Effective governance structures and processes enable us to exercise proper supervisory oversight at all levels of the organisation.

ethical advice, managing conflicts of interest, ensuring governance oversight and managing disciplinary and grievance processes. Read more on these topics in our **ESG report** on page 30.

To enhance the effectiveness of our ethics function, we participate in the GIBS-facilitated Ethics Barometer.

Policies promoting ethical conduct

Growthpoint has various policies in place to create a culture of ethical behaviour (see our **ESG report** on page 30). These policies should be read in conjunction with our Code of Ethics. We use multiple channels to ensure our employees understand these codes and policies.

The SET Committee is responsible for monitoring and reporting on policy implementation to the Board. Internal audit provides assurance to the Audit Committee on the effectiveness of the ethics function, which has been further enhanced with the appointment of an Ethics Officer (Mr Shawn Theunissen).

To read our policies, please see our website. Read more on how we embed an ethical culture in our **ESG report** on page 30.

Corporate citizenship

Environmental stewardship, social responsibility and good governance exemplify Growthpoint's approach to conscientious and responsible corporate citizenship. We invest in society and our employees, aligning our initiatives with the UN SDGs and our ESG strategy.

Our transformation strategy is regularly reviewed, while our transformation targets track our progress and showcase our commitment to workforce diversity, equity and inclusion (read more in our **ESG report** on pages 38 to 41).

We adhere to all labour laws applicable but not limited to the Basic Conditions of Employment Act, Labour Relations Act, Employment Equity Act, Skills Development Act and the Occupational Health and Safety (OHSA). Our policies and processes go beyond compliance to ensure fair and favourable employment conditions (read more in our **ESG report** on page 45).

Governance functional areas

Risk governance

Risk management is imperative to Growthpoint to help safeguard our assets, enhance our performance and ensure long-term success. Enterprise risk management (ERM) identifies risks and enables us to make informed decisions and allocate resources effectively.

Growthpoint has a well-defined risk governance structure that outlines how key ERM functions are organised. This ensures that risk management is institutionalised, and it promotes a risk management culture.

Our risk reporting mechanism ensures that risk information flow is comprehensive and reported to the appropriate authorities.

Read more about ERM and compliance on pages 43 to 50.

Information and technology (IT) governance

Effective IT governance is imperative in the digital age, ensuring that IT resources align with business objectives and risks are managed while performance is optimised. Read more about our IT strategy and governance in the **ESG report** on page 32.

Compliance framework

Growthpoint is compliant with the Act, JSE Listings Requirements (debt and equity), company statutes, its MOI and the Board Charter. Our Board committees' terms of reference are aligned with relevant provisions of the Act and King IV™.

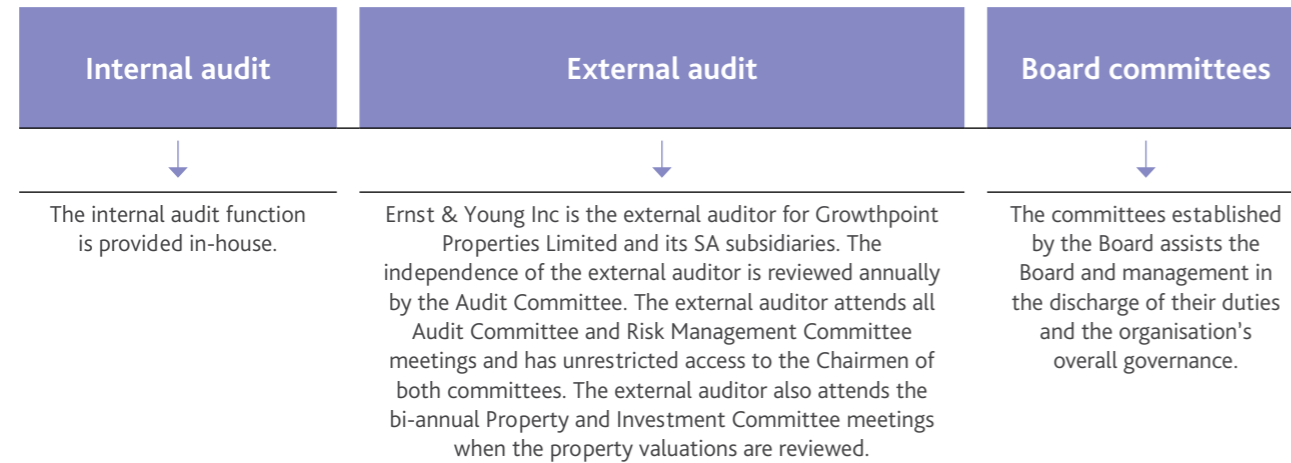
Governance compliance framework



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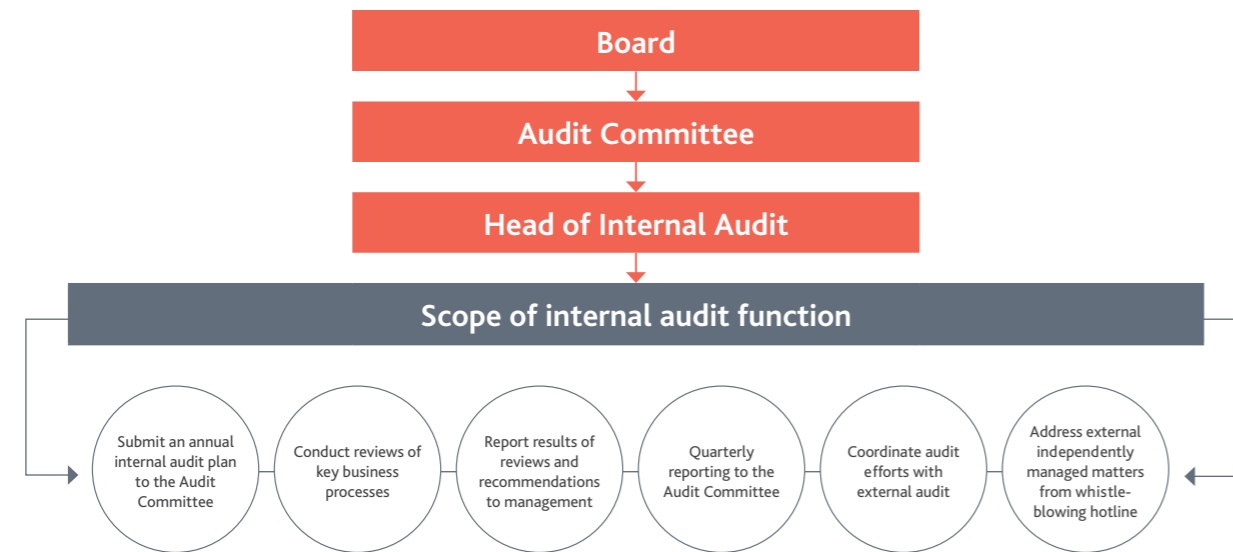
CORPORATE GOVERNANCE continued

Combined assurance



Scope of internal audit

Executive and operational management are responsible for establishing and maintaining internal control systems that provide the directors of Growthpoint with reasonable assurances. The internal audit function enables the Board and management to assess whether systems of internal control are adequate and effective.



Our leadership

Growthpoint values strong leadership as the cornerstone of our business, fostering a culture of integrity that permeates our interactions with employees, suppliers, clients and communities. We strive to build trust and ensure transparency, to secure the long-term success of our company and communities.

Read more about our leadership and their skills, experience and expertise on page 62.

Our Board

The Growthpoint Board is the custodian of our governance framework and provides strategic direction and leadership to the company and its stakeholders. Our Board-approved strategies, policies, standards, practices and procedures are designed to deliver the highest standard of corporate governance.

Our directors act with integrity and are required to adhere to Growthpoint's Code of Ethics and other policies that promote ethical behaviour.

Board responsibilities and accountability

The Board is guided by the Board Charter. Its responsibilities include:

- Governing, directing and monitoring the business's performance as a going concern and presiding over material decision making
- Approving the company's strategic plans and objectives
- Managing risks through the Risk Management and Audit Committees
- Providing direction to and evaluating management's performance

The roles of the Chairman of the Board and the Group CEO are separate, and they operate independently of one another.

The Chairman

Rhidwaan Gasant
Independent NED

The Chairman is an Independent NED. His responsibilities are contained in, but not limited to, the Chairman's Charter.

They include:

- Providing overall leadership to the Board and its committees
- Leading and managing the business of the Board, without limiting the Board's collective responsibility
- Serving as the link between the Board and management
- Together with Remco, assess the performance of the Group CEO and CEO: SA
- Together with the Group CEO and Remco, evaluate the performance of the CEO: SA and Group FD

The Lead Independent Director

Andile Sangqu
Independent NED

The Lead Independent Directors is an Independent NED, and his responsibilities include:

- Strengthen the independence of the governing body if the Chairman is not independent
- Lead in the absence of the Chairman or in any instance where the Chairman is conflicted
- Act as an intermediary between the Chairman and other members of the governing body
- Deal with shareholder concerns if normal channels have failed
- Lead the performance appraisal of the Chairman

Board efficacy

The Board comprises individuals with wide-ranging skills and backgrounds, allowing for balanced views and diverse experience that aid sound decision making and oversight.

Skills and experience

Through the Governance and Nomination Committee, the Board periodically reviews its composition relative to the skills, knowledge and experience needed to provide strategic direction, leadership and equitable representation in terms of gender, race and composition.

Our Board rejuvenation process included independent skills profiling and assessments to enable proper succession planning. This ensures that newly appointed directors' skills supplement those of existing directors. Growthpoint addressed any skills gaps identified during the assessment, and we are satisfied that the Board has the requisite skills to perform its duties effectively.

Refer to our leadership on page 18 for Board CVs.

Succession planning

Growthpoint prioritises succession planning to ensure continuity. We foster diversity throughout the organisation and consider candidates with diverse skills and varying ages, races, genders and cultures. We set firm targets for gender and racial diversification, and are committed to women holding Board positions.

Refer to the remuneration report on page 144 for more details on succession planning.

Diversity and inclusion

Our Board-level gender diversification policy stipulates targets for gender and racial diversification, with a commitment to promoting female representation on the Board. The two female directors currently represent 18% of the total number of directors. Olive Chauke - Human Resources Director resigned from the Board on 10 October 2023 and served her notice as an executive until 31 March 2024.

Gender diversification



The Board Charter includes a policy statement on racial diversification. The Board strives to meet the applicable legislated or regulated employment equity targets.

Independence and tenure

The Board has a fiduciary duty to the company to consider all stakeholders in its approach to governance and decision making. The NEDs are independent of management to ensure sound and ethical judgement.

To further enhance independence, NEDs have a nine-year term, which may be extended subject to re-election and re-appointment at subsequent AGMs following the nine-year term.

All our NEDs are independent. We are confident that we have an appropriate balance of independence required for objective and effective governance, with no one director having unfettered powers of decision making. These criteria are assessed separately and addressed in more detail in this report (refer to pages 18 and 19).

CORPORATE GOVERNANCE continued

Board independence

In accordance with the King IV definition of independence, the Board conducted its annual independence assessment of the NEDs and is satisfied that all directors meet the independence criteria.



144 Oxford, Rosebank, Johannesburg

DIRECTORSHIPS, INDEPENDENT SKILLS PROFILING AND ASSESSMENT PROCESS

- 1 → NED tenure**
 - Maximum tenure of nine years
 - No mandatory retirement age
- 2 → NED and Chairman positions**

NEDs are:

 - Allowed up to four directorships, including Growthpoint
 - Allowed one Chairman position outside Growthpoint and two NED positions, including Growthpoint
 - Prohibited to sit on boards of competitor companies

The Chairman is:

 - Limited to one additional Chairman position or two NED positions outside Growthpoint
- 3 → External boards for Executive Directors**
 - Not permitted to serve on external boards, except for industry bodies and if a company is set up for family purposes
- 4 → Independence assessment of NEDs**
 - Following an independence assessment, all NEDs were deemed independent as per the King IV definition
- 5 → Skills and experience**
 - The Board has the required skills, experience and depth of knowledge and skills for effective governance
- 6 → Succession planning**
 - Ensures leadership continuity

Refer to our leadership on pages 18 and 19 for information on Board composition, tenure, independence and demographics.

These limitations (detailed in the table above) ensure that directors have the necessary capacity to perform their duties, prepare adequately and attend all Board and committee meetings.

Additional non-executive directorships are subject to approval by the Board Chairman. The Chairman is required to approve or decline additional directorships outside of the set criteria if he considers this to be in the best interests of the company. Additional directorships for the Chairman are subject to Board approval.

Limits to external Board positions for Executive Directors

Growthpoint Executive Directors may only hold other directorships in Growthpoint subsidiaries and associated companies, or in companies set up for personal and/or family purposes that are not in competition with Growthpoint. Any exceptions are subject to the discretion of the Board.

Directorships in Growthpoint's subsidiaries

GOZ

GOZ submits for noting to Growthpoint's Risk Management Committee annually on the application of the King IV principles to its governance policies. GOZ's governance policies conform to, or exceed, the principles of King IV.

Growthpoint Executives hold positions on GOZ's Board and committees as follows:

Board: LN Sasse, EK de Klerk and P Theocharides

Audit, Risk and Compliance Committee: P Theocharides

Remuneration and HR Committee, Nomination Committee: LN Sasse

Investment Committee: EK de Klerk

C&R

C&R is listed on the JSE and London Stock exchanges and comply with local regulation.

Growthpoint Executives hold positions on the C&R Board and committees as follows:

Board: LN Sasse and P Theocharides

Audit Committee: LN Sasse and P Theocharides

Remuneration Committee: LN Sasse and P Theocharides

GHPH

Growthpoint Executives hold positions on the GHPH Board and committees as follows:

Board: EK de Klerk, G Muchanya, L Sigaba and G Völkel

Audit and Risk Committee: All members are independent non-executives

Advisory Committee: P Theocharides

Growthpoint Healthcare Management *en commandite* Partnership

Growthpoint Executives hold positions on the Growthpoint Healthcare Management *en commandite* Partnership Board and committees as follows:

Investment Committee: E Binedell, EK de Klerk, G Muchanya, LN Sasse (Chairman) and G Völkel

General Partner Committee (Operations Committee):

EK de Klerk, G Muchanya, A Patel, LN Sasse (Chairman) and D Swarts

Observer: Kagiso Capital Nominee

GSAH

Growthpoint Executives hold positions on the GSAH Board and committees as follows:

Board: EK de Klerk and G Muchanya

Audit and Risk Committee: All members are independent non-executives

Advisory Committee: P Theocharides

Growthpoint Student Accommodation Management *en commandite* Partnership

Growthpoint Executives hold positions on the Growthpoint Student Accommodation Management *en commandite* Partnership Board and committees as follows:

Investment Committee: LN Sasse (Chairman), EK de Klerk and G Muchanya

Operations Committee: G Muchanya (Chairman), M Gerber, I Maraume, A Mocumi, A Patel and D Swarts

Property Management Exco: G Muchanya (Chairman)

Directorships in Growthpoint's investments

V&A Waterfront Holdings (Pty) Ltd

Growthpoint directors hold positions on the V&A Board and committees as follows:

Board: LN Sasse, EK de Klerk and R Gasant

Property Committee: LN Sasse and EK de Klerk

Social, Ethics and Transformation Committee: EK de Klerk

Remuneration Committee: LN Sasse

Audit Committee: EK de Klerk and R Gasant

GWl

GWl is listed on the AIM-segment of the London Stock Exchange and complies with related legal prescripts.

Growthpoint Executives hold positions on the GWl Board and committees as follows:

Board: LN Sasse, P Theocharides and Growthpoint-appointed, Guernsey-based, NED R van Vliet

Audit and Risk Committee: R van Vliet

Remuneration Committee: R van Vliet

Investment Committee: LN Sasse

Nominations Committee: P Theocharides

Lango Real Estate Limited

Growthpoint Executives hold positions on the Board and committees as follows:

Board: EK de Klerk

Advisory Committee: P Theocharides

Audit and Risk: EK de Klerk

Sustainability: EK de Klerk

Remuneration: EK de Klerk

Lango Real Estate Management Limited

Growthpoint Executives hold positions on the Board and committees as follows:

Board: LN Sasse

Investment Committee: LN Sasse

CORPORATE GOVERNANCE continued

Re-election of directors and new appointments

Through the Governance and Nomination Committee, the Board recommends certain retiring NEDs for re-election at the AGM. Directors retire by rotation or otherwise at AGMs when they have either been in office the longest since their last re-election or were appointed by the Board since the previous AGM. The AGM notice and proxy list retiring directors for re-election.

The Governance and Nomination Committee recommends the appointment of new directors to the Board. Induction sessions familiarise new directors with Growthpoint's business, policies and meeting dates. As part of their induction, directors receive the Board Charter, which is reviewed annually. There were no new NED appointments in FY24.

In terms of Growthpoint's MOI, Executive Directors are not subject to retirement by rotation at the AGM. This aligns with the recommended best practice for South African-listed companies and is supported by the JSE.

Directors' interests

Directors declare their financial interests annually and as and when changes occur, as required by the Act. Directors' interests in the company's shares as at FY24 are disclosed in the AFS (refer to related-party transactions on pages 68 to 74).

Dealings in the company's shares

In terms of company policy and the JSE Listings Requirements, directors of Growthpoint and its major subsidiaries and their associates, Group Exco members and the Company Secretary must obtain prior written clearance from the Group CEO, CEO: SA and/or Chairman of the Board if they intend to deal in Growthpoint shares, whether directly or indirectly. All directors have signed a letter of undertaking in this regard. This policy also applies to certain members of senior management who are privy to price-sensitive information.

Closed periods are imposed on directors and staff prior to publishing interim and annual financial results, and as and when required in respect of specific corporate actions.

Voting rights

Each share entitles the shareholder to one vote at the AGM. There are no non-voting shares.

NED remuneration

NEDs' remuneration is subject to annual review by the Board and submitted for approval at the AGM. The fees for FY24 were approved at the AGM held on 28 November 2023.

At a meeting on 11 June 2024, the Board recommended an average 5.5% increase (FY24: 5.2%) in NEDs' remuneration for FY25 for submission and approval at the AGM.

Shareholders submit non-binding votes to approve Growthpoint's overall remuneration policy and its implementation for FY24.

In line with the JSE Listings Requirements, directors' remuneration is disclosed in the AFS on pages 72 and 73.

More information can be found in the remuneration report on pages 144 to 169.

Access to information

Non-executive and Executive Directors have unrestricted access to company information. To assist them in executing their responsibilities effectively, NEDs may seek independent professional advice at the company's expense. As a standing agenda item, the Audit Committee provides for combined or separate closed sessions with management, the external auditor and the internal auditor.

Formal Board and committee self-assessment

The Board and its committees conducted a formal self-assessment process in July 2024. No significant concerns were raised. Feedback was provided to the Board and the respective committees at their meetings held in August and September 2024.

Competence, qualifications and experience of the Company Secretary

The Board must consider and satisfy itself with the competence, qualifications and experience of the Company Secretary. The Board evaluated the Company Secretary on 10 September 2024. The evaluation covered the individual performance of the Company Secretary and the effectiveness of the Company Secretariat function.

The Board remains satisfied with the adequacy and effectiveness of the Company Secretary's performance in assisting the Board to discharge its duties. The Board believes that Johan de Koker is competently qualified for the role.

The Company Secretary maintains an arm's-length relationship with the directors and oversees governance in Growthpoint Properties Limited.

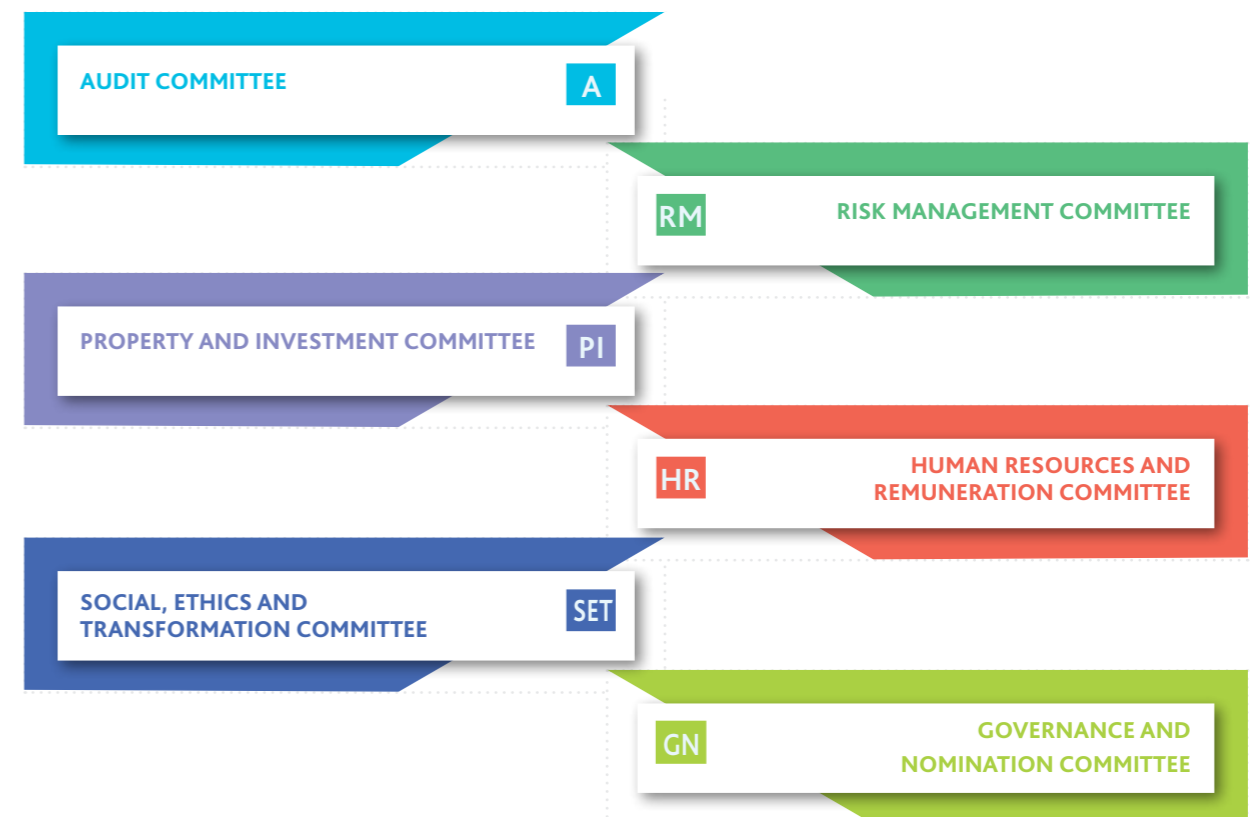
Board committees

The Board established committees to assist in the discharge of its duties and the overall governance of the organisation.

The Board committees have unrestricted access to company information and resources required to assist them to fulfil their responsibilities, including professional advice paid for by the company. The committees have Board-approved terms of reference, which are reviewed annually and aligned, as far as applicable and possible, with King IV, the JSE Listings Requirements and the Act.

The Board determines and amends, as necessary, the scope and responsibilities of the committees, and the appointment of new committee members.

To promote sound corporate governance and optimise information sharing, the Executive Directors and other senior management are present at Board committee meetings, whether ad hoc or by standing invitation.



All the committees are satisfied that they have fulfilled their responsibilities per their terms of reference during FY24.

CORPORATE GOVERNANCE continued

Meeting attendance

The Board meets quarterly and on an *ad hoc* basis if required. Growthpoint's MOI quorum requirements are considered when scheduled or special meetings are convened, and due regard is given to recusal of directors where conflicts of interest or related-party situations exist or could arise.

Details of attendance at Board and committee meetings in FY24 are set out below.

	Board	Governance and Nomination Committee	Audit Committee	Risk Management Committee	Property and Investment Committee	Social, Ethics and Transformation Committee	Human Resources and Remuneration Committee	Total meeting attendances	Average meeting attendance per Director
Non-executive Directors									
R Gasant	8/8	6/6	–	5/5	1/1*	–	5/5	25/25	100%
AH Sangqu	7/8	5/6	6/6	–	2/2*	6/6	–	26/28	93%
FM Berkeley	8/8	6/6	6/6	–	6/6	–	5/5	31/31	100%
M Hamman	8/8	6/6	6/6	–	6/6	–	5/5	31/31	100%
JA van Wyk	6/8	6/6	–	5/5	6/6	–	–	23/25	92%
EA Wilton	7/8	6/6	–	4/5	–	6/6	5/5	28/30	93%
KP Lebina	8/8	–	6/6	5/5	1/1*	6/6	–	26/26	100%
CD Raphiri	8/8	–	6/6	–	6/6	6/6	–	26/26	100%
Executive Directors									
LN Sasse	8/8	6/6^	–	5/5^	6/6^	–	5/5^	30/30	100%
EK de Klerk	8/8	4/4^	4/6^	5/5^	6/6^	3/3	5/5^	35/37	95%
G Völkel	7/8	–	6/6^	5/5^	6/6^	6/6^	5/5^	35/36	97%
NO Chauke**	1/1	–	–	1/1^	–	1/2^	2/2^	5/6	83%
Total meetings	84/89	45/46	40/42	35/36	46/46	34/35	37/37	321/331	96%
Average meeting attendance	94%	98%	95%	97%	100%	97%	100%	97%	97%

* By invitation

^ Executive permanent invitee. (Executive Directors are recused from Executive Directors' remuneration discussions.)

** Resigned from the Board on 9 October 2023.

During FY24 the Board held four meetings, three special meetings and an offsite strategy session.

During FY24 the Property and Investment Committee held four meetings and two special meetings.

During FY24 the Social, Ethics and Transformation Committee held four meetings and two special meetings.

During FY24 the Audit Committee held four meetings and two special meetings.

During FY24 the Human Resources and Remuneration Committee held four meetings and one special meeting.

During FY24 the Risk Management Committee held four meetings and one special meeting.

During FY24 the Governance and Nomination Committee held four meetings and two special meetings.

Executive management committees

Group Exco

- Group CEO (Chairman)
- CEO: SA
- Group FD
- COO
- Group Head of Investments
- Group Legal Counsel
- Group Treasurer
- Head of Asset Management (SA)
- Head of Corporate Advisory
- Head of GIP
- Head of Human Resources
- Head of Strategy, ESG and Investor Relations

The committee meets quarterly, and as required, to consider Group results, operations, strategic issues and initiatives, and monitor capital requirements and market trends.

Group Deal Forum

- CEO: SA (Chairman)
- Group CEO
- Group FD
- COO
- CFO: SA
- Group Head of Investments
- Group Treasurer
- Head of Asset Management (SA)
- Head of GIP
- Head of Strategy, ESG and Investor Relations

The committee's primary purpose is to discuss, consider and approve:

- Potential acquisitions or disposals in terms of the Growthpoint levels of authority
- All developments or substantial redevelopments
- Due diligence reports for proposed transactions

The Deal Forum makes recommendations to the Property and Investment Committee and/or the Board regarding proposed acquisitions and disposals of physical property assets and letting enterprises that exceed its level of authority of R500m. The Deal Forum also considers and recommends strategic, non-property-related transactions.



Draper on Main, Newlands, Cape Town

CORPORATE GOVERNANCE continued

Board committees and key focus areas

To assist the Board in its supervisory and governance responsibilities, the committee ensures that:

- Adequate processes are in place to safeguard the company's assets
- Appropriate accounting records are maintained
- The design effectiveness of internal controls is reviewed and effective systems of internal control are maintained
- An open channel of communication is maintained between directors, management and accounting staff, and internal and external auditors
- The financial position and performance of the business are reviewed quarterly
- The company complies with accepted corporate governance practices and codes, and international reporting standards
- The AFS are reviewed prior to recommendation to the Board for approval
- An external auditor is nominated for appointment by the Board and subsequent approval at the next AGM
- The external auditor's scope and fees are reviewed and approved
- The external auditor is independent and that the audit was carried out without restricting the audit's scope
- The internal audit is independent and managed effectively
- The controls in relation to the valuation of investment property are adequate

Key focus areas for the committee during FY24:

- The consideration of information detailed in paragraph 3.84 (g)(iii) of the JSE Listings Requirements and 7.3 (e)(iii) of the Debt Listings Requirements regarding the audit firm in its assessment of the suitability of appointment
- The treatment of maintenance expenditure and review of the capital expenditure accounting policy
- Review of tax risk and compliance reports for local and foreign companies in which Growthpoint has invested
- The consideration of the committee's composition and skills sets, the independence of its members and their ability to act independently
- This committee report includes the committee's assessment of the financial knowledge, expertise and experience of the Group FD as well as the appropriateness, expertise and adequacy of the resources of the finance function
- The committee reports to shareholders on how it carried out its obligations in the **AFS** page 3

Melt Hamman
Chairman



AUDIT COMMITTEE

The Audit Committee maintains an effective working relationship with management and other Board committees. The committee report includes the assessment of the Group FD's financial knowledge, expertise and experience, as well as the appropriateness, expertise and adequacy of the finance function's resources. The committee shares its report in the AFS (page 3).



Five Independent NEDs

- | | |
|---------------|--------------|
| ▪ M Hamman | ▪ CD Raphiri |
| ▪ FM Berkeley | ▪ AH Sangqu |
| ▪ KP Lebina | |

Meetings

The committee meets at least quarterly plus one additional session dedicated to the Group's IAR.

Present at meetings by standing invitation are:

- CEO: SA
- Group FD
- CFO: SA
- Company Secretary
- External auditor
- Financial Manager
- Group Financial Managers
- Group Treasurer
- Head of Internal Audit
- Head of Risk Management and Compliance
- Senior assistant Company Secretary
- Senior Financial Manager

The main focus of this committee is to:

- Assist the Board in matters of corporate accountability and associated risks
- Ensure that risk policies and strategies are managed effectively
- Monitor external variables that could affect corporate accountability
- Review and assess the integrity of risk control systems
- Define risk management policies and the risk management function, as well as the scope of ERM
- Ensure the independent and objective oversight and review of information provided by management on corporate accountability and associated risks
- To review the adequacy of the risk management framework relative to identified risks and opportunities

Key focus areas for the committee during FY24:

- Monitoring operating performance of IT systems, including business continuity in the face of disruptions to electricity supply and an enhanced focus on cybersecurity
- Ongoing monitoring of liquidity and funding as well as the impact of increasing interest rates on borrowings
- Monitoring actions taken and management's processes designed to ensure compliance with legislation, including environmental legislation
- Monitoring obligations associated with the GIP business
- Review of Group risk appetite and tolerance indicators

John van Wyk
Chairman



RISK MANAGEMENT COMMITTEE

The Risk Management and Compliance function assists the Risk Management Committee with its review of risk management controls and procedures.

Four Independent NEDs

- | | |
|--------------|-------------|
| ▪ JA van Wyk | ▪ KP Lebina |
| ▪ R Gasant | ▪ EA Wilton |

Meetings

The committee meets at least quarterly.

Present at meetings by standing invitation are:

- Group CEO
- CEO: SA
- Group FD
- COO
- CFO: SA
- Chief Information Officer
- Company Secretary
- External auditor
- Financial Manager
- Group Legal Counsel
- Group Financial Managers
- Group Treasurer
- Head of Human Resources
- Head of Internal Audit
- Head of Risk Management and Compliance
- Independent IT consultant
- Senior assistant Company Secretary

CORPORATE GOVERNANCE continued

Board committees and key focus areas continued

Frank Berkeley
Chairman



PROPERTY AND INVESTMENT COMMITTEE

The committee assists the Board with recommendations regarding Growthpoint's property and investment portfolio strategy, and the review and approval of property budgets and valuations.

Four Independent NEDs

- | | |
|---------------|--------------|
| ▪ FM Berkeley | ▪ CD Raphiri |
| ▪ M Hamman | ▪ JA van Wyk |

Meetings

The committee meets at least quarterly.

Present at meetings by standing invitation are:

- Group CEO
- CEO: SA
- Group FD
- COO
- CFO: SA
- Company Secretary
- Group Head of Investments
- Group Legal Counsel
- Head of Asset Management (SA)
- Head of Business Intelligence Centre
- Head of GIP
- Heads of AM x 3
- Head of Strategy, ESG and Investor Relations
- Property Market Analyst
- Senior assistant Company Secretary
- Valuations Manager

The main focus of the committee is to:

- Consider and recommend proposed acquisitions and disposals in terms of the levels of authority
- Periodically review the due diligence processes for acquisitions
- Review and recommend:
 - Proposed capital expenditure
 - Growthpoint's annual budgets, including capital expenditure budgets to the Board
 - The bi-annual property valuations to the Board
- Review and assess investment in physical property assets
- Review and assess Group investments

Key focus areas for the committee during FY24:

- The company's investment strategy
- The investment and development guidelines for the property trading and development
- Assess optimising our international investments
- Challenges facing the property industry in the current economic climate
- Independence of the property valuation process

Eileen Wilton
Chairman



HUMAN RESOURCES AND REMUNERATION COMMITTEE

The committee assists in determining the key components of remuneration and performance review criteria for Executive Directors and senior management.

Four Independent NEDs

- | | |
|---------------|------------|
| ▪ EA Wilton | ▪ R Gasant |
| ▪ FM Berkeley | ▪ M Hamman |

Meetings

The committee meets at least quarterly.

Present at meetings by standing invitation are:

- Group CEO*
- CEO: SA*
- Group FD*
- Head of Human Resources*
- Head of Strategy, ESG and Investor Relations*

* Executive Directors and Executives recuse themselves from their own remuneration discussions.

The committee assists the Board by ensuring that:

- Formal and transparent policies and procedures for remunerating executive and senior management are established and maintained
- Remuneration for Executive Directors, senior management and staff (including incentives, grants and other benefits) is set at the correct level to attract and retain competent people

The focus of the committee is to:

- Determine specific and appropriately benchmarked remuneration packages for Executive Directors
- Determine the criteria for measuring the performance of Executive Directors and linking this to remuneration
- Approve proposed allocations to eligible participants in the company's staff incentive scheme
- Establish the remuneration policy and oversee its implementation with shareholders
- Recommend NEDs' benchmarked remuneration to the Board
- Consult with the Chairman of the Board and the Group CEO on formulating the remuneration policy and determining specific remuneration packages
- Review and approve the succession plan for Directors and executive management

Key focus areas for the committee during FY24:

- The structure of executive remuneration
- Group structure and succession planning in line with the Group strategy
- Workforce transformation
- Reporting on remuneration policy and implementation
- Engagement with major shareholders on executive remuneration
- Fair and reasonable pay

CORPORATE GOVERNANCE continued

Board committees and key focus areas continued



Andile Sangqu
Chairman

SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE

The committee's mandate includes the statutory duties of a social and ethics committee in accordance with applicable regulations. It evaluates, monitors and makes appropriate recommendations to the Board in terms of its scope and mandate.

Four Independent NEDs

- AH Sangqu
- CD Raphiri
- KP Lebina
- EA Wilton

Meetings

The committee meets at least quarterly plus one additional session dedicated to reviewing the company's ESG report.

Present at meetings by standing invitation are:

- Chairman of the Board
- Group FD
- CEO: SA
- COO
- Chairman of the Diversity and Inclusion Forum
- Company Secretary
- ESG Specialist
- Group Legal Counsel and Chairman of Ethics Committee
- Head of Corporate Social Responsibility and Ethics Officer
- Head of Human Resources
- Head of Internal Audit
- Head of Risk Management and Compliance
- Head of Sustainability
- Head of Strategy, ESG and Investor Relations
- National Procurement Manager
- National Development Head
- Senior assistant Company Secretary

The main focus of the committee is to:

- Review B-BBEE initiatives under the Property Sector Transformation Charter
- Review enterprise development and related training initiatives
- Monitor the company's B-BBEE equity ownership, funding structures and potential new B-BBEE equity ownership participants
- Monitor corporate social responsibility initiatives, investments and annual budgets
- Review the company's preferential procurement spend
- Ensure employment equity targets are set and monitored
- Review Growthpoint's transformation philosophy and strategy
- Review ESG matters, including carbon emissions impact and climate change
- Provide oversight of ethics strategy
- Manage stakeholder engagement
- Provide oversight of the Diversity and Inclusion Forum

Key focus areas for the committee during FY24:

- Growthpoint GEMS, a bursary scheme for children of employees in the lower-earning categories
- Corporate social investment initiatives and transformation, which are more fully reported on in the relevant sections of this report
- ESG strategy, implementation and monitoring
- Monitor progress on the implementation of the approved ethics strategy



Rhidwaan Gasant
Chairman

GOVERNANCE AND NOMINATION COMMITTEE

The committee reviews and monitors the adequacy, efficiency and appropriateness of the company's corporate governance structures and practices, and ensures compliance with relevant legislation. The committee independently reviews and monitors the integrity of the company's NED nomination and appointment processes.

The main focus of the committee is to:

- Review and make recommendations on the Board's composition, structure and size, as well as the balance between Executive and NEDs
- Make recommendations to the Board on director appointments after identifying and screening candidates for Board approval and appointment
- Board succession planning for all directors
- Raise governance matters with the Board through committee chairmen and their committees
- Advise directors on important governance matters

Key focus areas for the committee during FY24:

- Board and Board committee composition
- Process of appointment successor to Group FD
- Renegotiating employment contract for extension of Group CEO

Chairmen of committees and the Board

- R Gasant
- AH Sangqu
- FM Berkeley
- JA van Wyk
- M Hamman
- EA Wilton

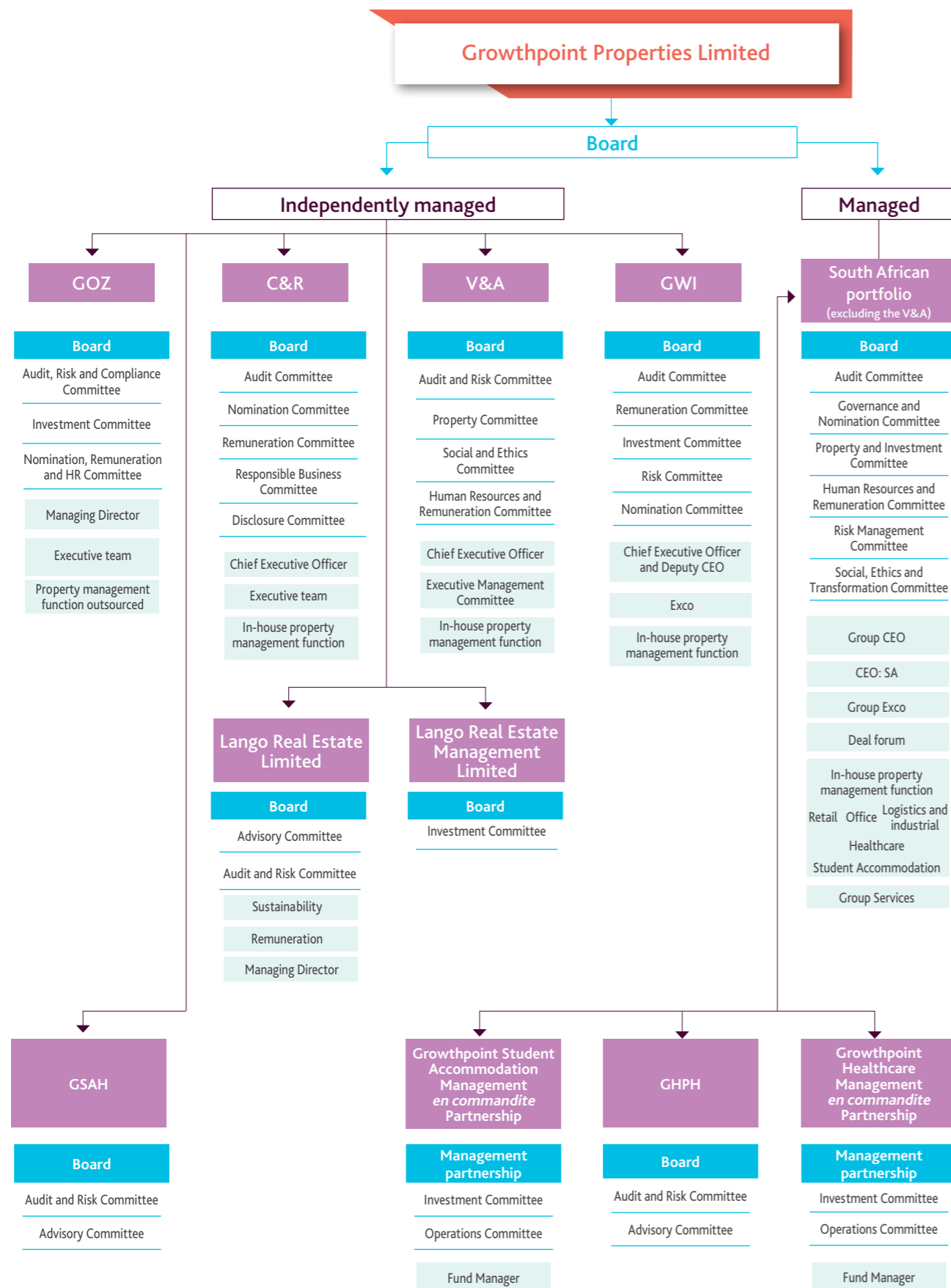
Meetings

The committee meets at least quarterly.

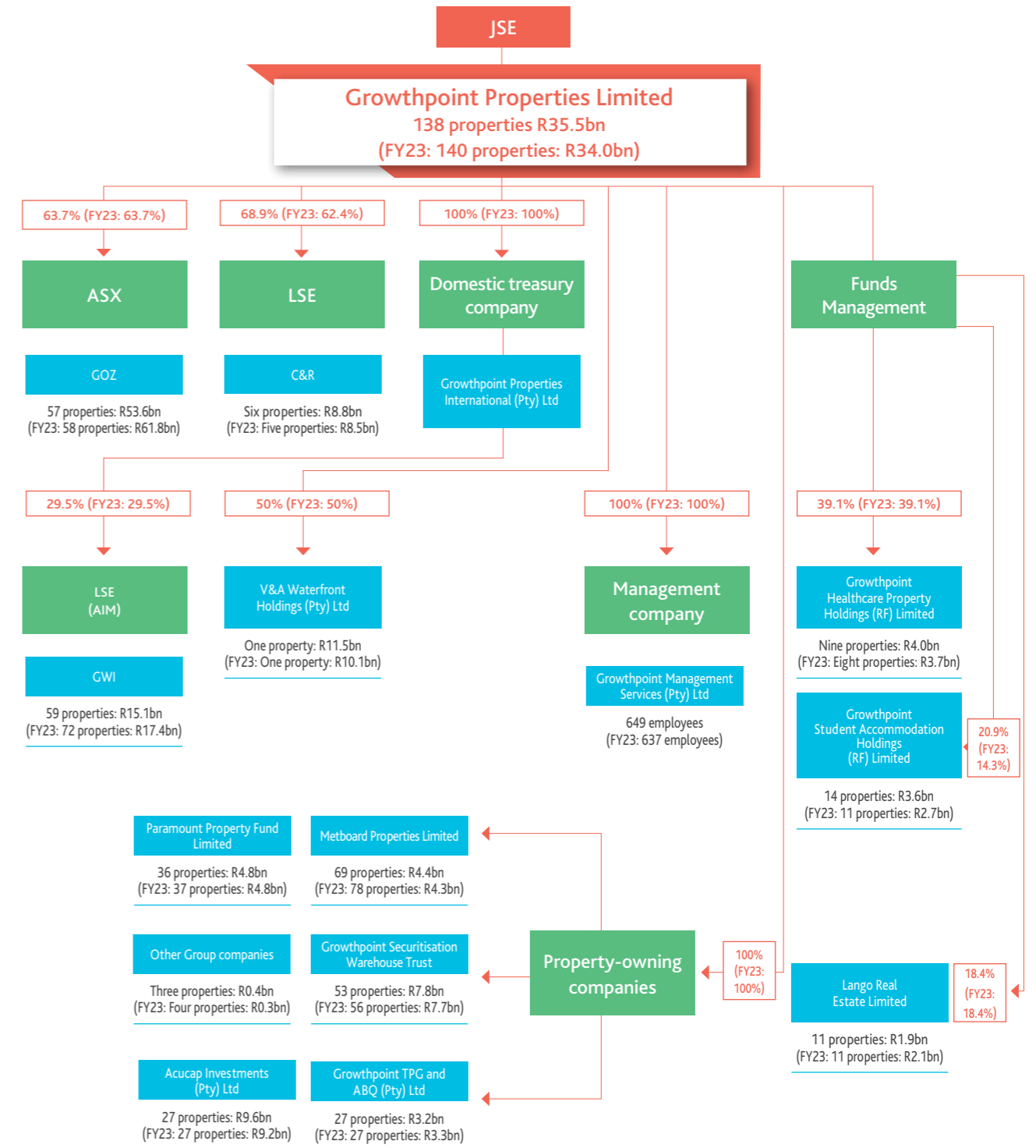
Present at meetings by standing invitation are:

- Group CEO
- CEO: SA

GOVERNANCE AND MANAGEMENT STRUCTURE



SIMPLIFIED OWNERSHIP AND LEGAL STRUCTURE

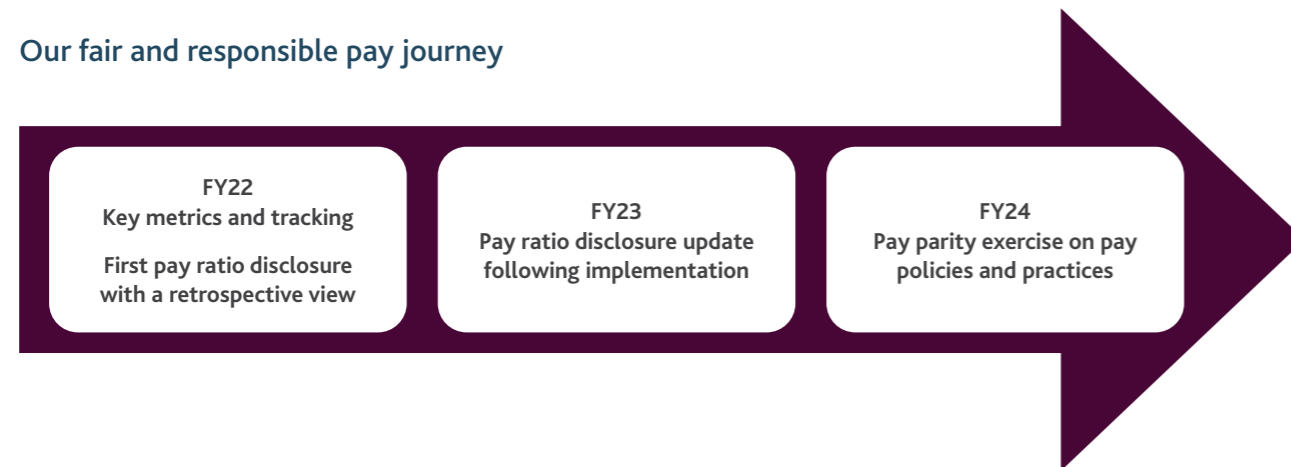


REMUNERATION REPORT

In the current challenging business environment, the Human Resources and Remuneration Committee (the committee) made good progress on our remuneration journey, while the company strives to deliver superior returns to our shareholders and manages the risks of attracting, retaining and motivating key talent in a tough market. We have continued to seek input from our remuneration advisors, shareholders and other stakeholders and, with this input, we reviewed and assessed our pay practices, schemes and executive targets and measures.

As part of our review, the committee re-evaluated the remuneration policy and its implementation extensively. We believe that the company's remuneration policy reinforces its performance culture, which will lead to achievement of the desired strategic outcomes, including the delivery of sustained value for all stakeholders. We have furthermore sought to ensure that it is fair, responsible and aligned with best practice and that its consistent application will ensure the attraction and retention of requisite talent.

Our fair and responsible pay journey



We turned our focus inward to review current pay policies and the implementation thereof, to ensure fair and responsible pay is evidenced across all levels, and that there is pay parity both in terms of race and gender.

To address the pay gap, roles at lower levels continue to be awarded higher percentage increases than roles at senior levels. All employees are paid beyond minimum living wage to afford them a modest, decent standard of living.

Our focus for FY25 is to undertake a comprehensive organisation-wide job grading and position benchmarking exercise to confirm each role is paid at market-related salaries so we remain an employer of choice.

The Growthpoint remuneration report comprises four sections:



Part 1

Background statement and Chairman's message (pages 146 to 151)



Part 2

FY25 Remuneration Policy (pages 152 to 157)



Part 3

Implementation of FY24 remuneration policy (pages 158 to 165)



Part 4

NED's remuneration (pages 166 to 168)

In line with the King IV™ and the JSE Listings Requirements, shareholders will have the opportunity to exercise a non-binding advisory vote on Part 2 and Part 3 of this report at the AGM scheduled for 26 November 2024.

In terms of the Act, shareholders will have the opportunity to approve the NEDs' fees for the year ended 30 June 2025 (FY25), detailed in Part 4, by way of a special resolution at this AGM.

We invite shareholders to engage with us prior to the AGM on any concerns or issues they may have regarding our remuneration policy or its implementation. The company's Chairman and the Chairman of the Remco will be conducting their annual remuneration roadshow to major shareholders before the AGM. Shareholders can also engage with the company's Head of Strategy, ESG and Investor Relations, Lauren Turner, directly: lturner@growthpoint.co.za or +27 (0)11 944 6346.

We are committed to fair and responsible remuneration in line with recent changes to the Act. To ensure our pay structures are competitive, equitable and unbiased, we conduct regular salary benchmarking, job grading and pay equity analysis. In compliance with the Act, we disclose the remuneration and benefits of Directors and Prescribed Officers, along with annual pay gap disclosures between our highest and lowest paid employees.

We engage proactively with shareholders to build consensus on our remuneration policies and practices, ensuring transparency and alignment with shareholder expectations. This approach helps us maintain robust governance and reinforces our dedication to fairness, accountability, and regulatory compliance.

REMUNERATION REPORT continued



Part 1

Background statement and Chairman's message



The Board and the Chairman of the committee have pleasure in presenting the company's remuneration report for FY24. Being the largest South African JSE primary-listed REIT, Growthpoint is regarded as the domestic industry leader, which sets the local remuneration benchmark. This report sets out the company's current remuneration policy and the detailed implementation and disclosure of remuneration for Executives and Non-executive Directors.

The committee was guided by King IV when compiling this report. We also worked with our independent remuneration adviser, Bowman Gilfillan (Bowmans), as well as additional specialist advisers, namely Investec Banking Corporate Finance (Investec) and ShareForce 360 (Pty) Ltd (ShareForce) to perform the independent calculations of the scorecard outcomes and the valuation of the share options, respectively. The committee is satisfied that their advice was independent and objective.

We have emerged from the Covid-19 pandemic with structural changes to the real estate industry and, in particular, the Office sector, which has been adversely affected by the emergence of hybrid working models. This, along with sustained periods of high interest rates and muted economic growth, have obliged us to embark on a journey to re-evaluate our remuneration policy and the implementation thereof, which is a multi-year process, as we re-assess our business strategy to respond to the market environment in which we operate. This necessitates the regular review of the KPIs and targets to ensure that they remain relevant and achievable, and contain sufficient stretch to achieve strong pay-for-performance outcomes. This remains an ongoing consideration for the committee in the discharge of its duties and ensures that our remuneration principles and practices drive performance, fairness, transparency, consistency, and alignment with shareholder returns. Given this change agenda and Growthpoint's strategic thrust of improving the quality of its South African portfolio, KPIs for disposals, with a focus on repositioning the domestic portfolio, have for the first time been introduced to the short-term incentive (STI) scorecard from FY25.

Much work has been done on the further formalisation of policies and processes, while making necessary adjustments to the share-based components of our remuneration model, which were supported by shareholders. We are committed to continuing to refresh and focus on KPIs linked to the successful implementation of company strategy.

As the effects of climate change are felt worldwide, environmental KPIs, under the ESG umbrella, are becoming more important. As such, renewable energy has been the key focus for Growthpoint to date. Our long-term goal is to achieve carbon-neutral status by 2050. To this end, we entered into a milestone PPA with Etana Energy for 195GWh of renewable energy. This represents 32% of the company's FY23 electricity consumption. We are targeting 40% of our FY23 electricity consumption to be supplied by renewable energy by FY28, including 60MWp rooftop solar. We are also targeting 20 net-zero carbon buildings. These targets demonstrate our commitment to mitigating climate change through actionable steps towards a Just Energy Transition as stipulated by the Presidential Climate Commission and South Africa's National Development Plan. In line with this, the weighting for ESG measures has increased from 18% to 20% for the FY25 STI scorecard and 15% to 20% for the FY25 long-term incentive (LTI) scorecard. Renewable energy KPIs were included for both scorecards.

Balancing the dichotomy of extremely high unemployment at the lesser skilled levels in South Africa with the ever-increasing skills scarcity at senior management levels has required the committee to place increased attention on ensuring that the company's employee value proposition (EVP) enables the organisation to attract, retain and motivate top talent, as well as apply its mind in a fair way to obtain the optimal outcomes for the organisation in the short, medium and long term in relation to its reward mechanisms and KPIs.

Enhancing the company's performance and ethical culture remains another key focus area and, this year, an ethics barometer was done by GIBS. Although our results are in line with the Corporate SA benchmark at 73%, our score has declined from the 76% achieved in 2021. While we performed well in certain areas, there are areas of development and the committee, together with the Social, Ethics and Transformation Committee that oversees the company's ethics, have noted these and management has a plan to address them in FY25.

We regularly assess our culture and analyse leading indicators to determine how we can improve our employee experience. This year, an employee engagement survey was conducted by Deloitte and, while we earned a gold seal of achievement, our score decreased from 72.1%, with a platinum seal of achievement in 2021, to 69.4%. The areas of development identified in the surveys are being addressed and outcomes have been shared with all employees.

Additional focus on fair and ethical pay commenced in FY24 and the work will be matured starting in FY25, in line with the Companies Amendment Act, which requires us to disclose pay gaps in future.

Our employees' stress levels are of particular concern, which is evidenced by persistent high numbers of sick leave days. Our employees continue to face personal challenges with the cost-of-living pressures driven by, *inter alia*, high interest rates, unemployment within family structures, and relationships. More focus was placed on our employee wellness support programme, which is administered through our service provider, Maureen Kark and Associates, to support our employees.

The Board is paying particular attention to executive management succession and transition, given the retirement of the Group FD and Group CEO in the next two years. Succession plans for senior management are in place and are regularly reviewed. Certain Executive Directors' and Executive Committee members' (jointly referred to as Executives) role descriptions have been re-aligned to ensure the more effective execution of the company's strategy. Succession criteria have been identified for each role and a skills gap analysis and psychometric assessments have been conducted to assist with the implementation of appropriate development plans, where warranted. For those roles where the skills are unavailable internally, the position has been earmarked for external recruitment as required. A key objective is to improve diversity in executive and senior management positions.

Shareholder alignment remains a key consideration for the committee when assessing the outcomes of the scorecards. The company's DIPS declined 10.0% from 157.6 cents per share (cps) in FY23 to 141.9cps in FY24. DPS similarly declined from 130.0cps to 117.1cps, delivering a yield of around 8.0%. The share price grew 4.5% to deliver an annual total shareholders' return (TSR) of 14.5%. The declining DIPS had a negative impact on Executive Directors' total remuneration; they received a total STI, which was on average 20% lower than FY23. Only 52.7% of LTI awards will vest for FY24. Total ED remuneration declined 10% on average.

To further align our executive remuneration with shareholders' outcomes, we have changed the targets for DIPS growth in the STI scorecard to an absolute growth measure, on prior year, and have included an absolute total shareholder return measure in the LTI scorecard targeted at a premium to the risk-free rate.

The committee endeavoured to ensure the consistent application of the company's remuneration policy, which was approved by our shareholders at the 2023 AGM.

SHAREHOLDER ENGAGEMENT AND FEEDBACK

During November 2023, the Chairman of the Board and the committee Chairman conducted the annual remuneration roadshow to major shareholders. Shareholders' concerns around targets, and specifically rewards for negative growth in DIPS, were reflected in the less than 75% vote on the implementation of the remuneration policy. As such, we invited all dissenting shareholders, via SENS and specifically addressed correspondence, to engage with us.

AGM voting outcomes over the last three years

AGM	Remuneration policy	Implementation of the remuneration policy
29 November 2023	84.7% for (15.3% against)	70.3% for (29.7% against)
29 November 2022	85.3% for (14.7% against)	84.3% for (15.7% against)
16 November 2021	83.1% for (16.9% against)	84.2% for (15.8% against)

REMUNERATION REPORT continued

The committee has considered shareholder concerns and suggestions in relation to our remuneration policy and the implementation thereof, as reflected in the voting outcome for the implementation of the remuneration policy vote at our November 2023 AGM. As a result, further changes have been made to the FY25 STI and LTI scorecards as reflected on pages 154 and 155. The committee will continue to ensure that where changes have been made, these are properly implemented and reviewed regularly. Feedback received from shareholders during the remuneration roadshow and our response thereto are set out below:

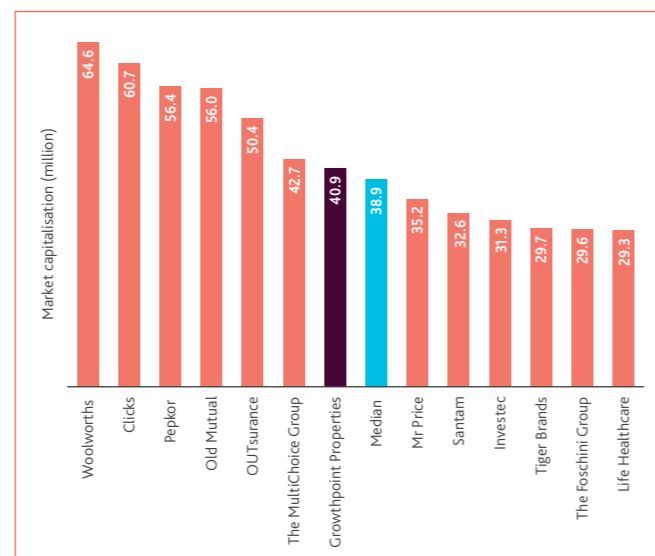
Key themes from the November 2023 remuneration roadshow

Investor feedback received	Our response
Performance targets are generally too soft and are not aligned with creating shareholder value.	The committee has recalibrated the STI and LTI performance targets as well as the ranges for threshold, target and stretch performance. Refer to the STI and LTI scorecards on pages 154 and 155.
For the absolute DIPS measure, shareholders do not want the budget to be the target. The preference is DIPS guidance to ensure transparency.	The committee annually reviews all targets and KPIs.
Paying bonuses between a target and a stretch performance in a negative DIPS environment is not palatable.	The committee recalibrated the absolute DIPS KPI for the FY25 STI scorecard with the achievement of FY24 DIPS set as threshold performance. Prior year DIPS plus 1% is required to achieve target and prior year DIPS plus 2% to achieve stretch.
Concerns were raised about executive management succession.	The committee is satisfied that this change better aligns with shareholder expectations.
The market capitalisation benchmark is not comparable given the size and complexity of the peers; shareholders would like more property companies included, both local and international.	The committee recalibrated the FY25 scorecards accordingly, as set out in this report.
	Succession is a key focus area for the Board and the committee, including the commitment to improve diversity.
	The STI performance measurement for relative DIPS growth is benchmarked with the FTSE/JSE SA REIT Index.
	For total remuneration, the committee, in line with advice from our remuneration adviser, has concluded that the market capitalisation benchmark remains appropriate.
	The committee has considered introducing international companies to the property comparator group and will continue to do so, in line with the company's objective of increasing its international footprint in the medium to long term.

Market capitalisation benchmark

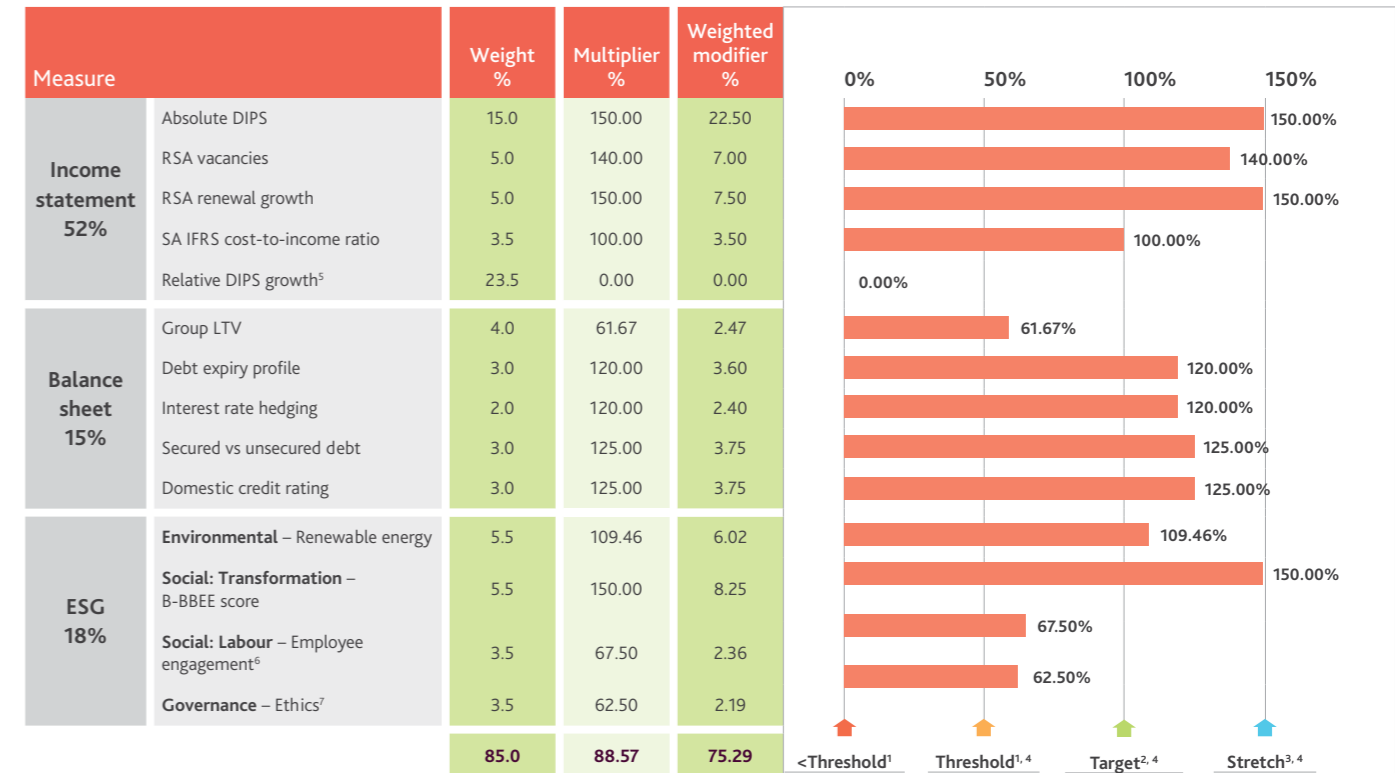
A comparator group of JSE-listed companies with similar market capitalisation is used for benchmarking the Executive Directors' total remuneration and NEDs' fees. This comparator group is reviewed every three years, unless there are corporate events that require sooner review. The market capitalisation as at 30 June 2023 was based on a 30-day volume-weighted average price (VWAP). The six higher and six lower companies were selected, excluding mining and other clearly non-comparable companies.

The comparator group to the right was selected based on the companies' 30 June 2023 market capitalisation and will be used for the FY24, FY25 and FY26 benchmarking:



Cash STI and deferred STI (DSTI) outcomes

The cash STI and DSTI performance modifier based on the actual FY24 company performance is shown below. The Group performance score of 88.57% (compared to a maximum of 150%) weighted by 85%, giving 75.29%, will be used to determine the Executive Directors' STIs together with the individual scores for their personal performance with a 15% weighting.



¹ 0% is scored for any measure where the performance is less than threshold.
² 100% is scored for any measure where the performance is at target.
³ 150% is scored for any measure where the performance is at or above stretch.
⁴ Linear interpolation is applied for performance between threshold and target, and between target and stretch.
⁵ Measured against the constituents of the FTSE/JSE SA REIT index, including Growthpoint, weighted by market capitalisation, capped at 15%.
⁶ Relative to the last employee engagement survey by Deloitte in July 2021, with a platinum seal of achievement and a score of 72.1%. A survey was conducted in FY24.
⁷ Relative to the last ethic barometer done by GIBS in July 2021, with a 76.0% score achieved. A survey was conducted in FY24.

The FY24 income statement targets for absolute DIPS growth, SA vacancies and SA renewal growth were exceeded, indicating performance in excess of budget and continuous improvement in the SA property portfolio as all three sectors improved in the context of the challenges for the year. The relative DIPS growth to our comparators was not met, indicating weak performance relative to our peer group, while the cost-to-income ratio was at target. Except for the Group LTV ratio, which remains under pressure mainly as a result of valuation write-downs in GOZ, the balance sheet measures were generally met or exceeded, confirming our prudent funding approach.

We were pleased with our ESG performance, particularly our attainment and retention of a level 1 B-BBEE rating and the increased capacity in renewable energy for our portfolio.

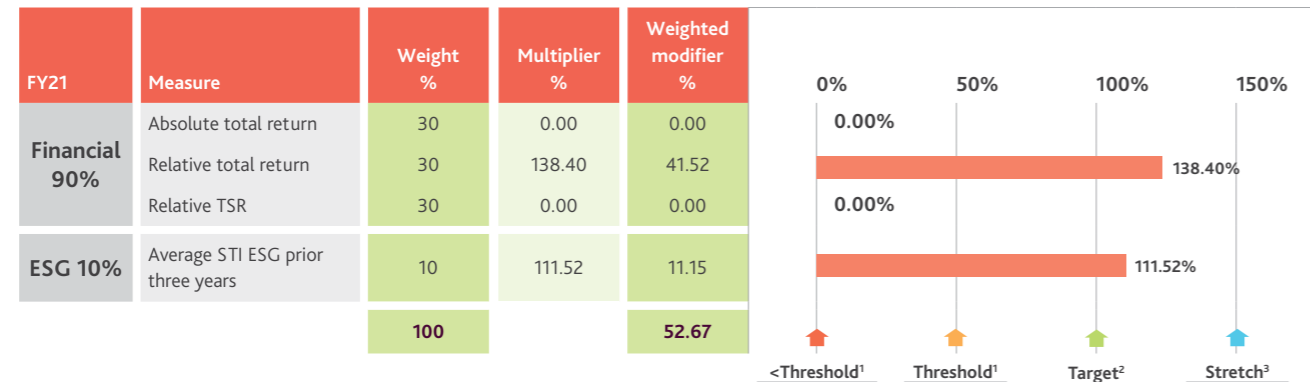
This performance, in the context of DIPS declining by 10.0% from FY23, with an outcome of 88.57%, is applied to 85.0% of the on-target incentive percentage for the Executive Directors. The remaining 15.0% of the performance modifier is based on the Executive Directors' personal performance.

Details of the threshold, target and stretch targets and the actual performance for FY24, as well as the cash STI and deferred STI (DSTI) awarded to the Executive Directors for FY24, are disclosed in the implementation report on page 160.

REMUNERATION REPORT continued

LTI outcomes

The performance outcome for the share awards issued on 1 October 2021, vesting in October 2024, based on FY22, FY23 and FY24's performance, is shown below:



¹ 0% is scored for any measure where the performance is less than or at threshold.

² 100% is scored for any measure where the performance is at target.

³ 150% is scored for any measure where the performance is at or above stretch.

The performance outcome for absolute TR compared to weighted average cost of capital (WACC) and the relative TSR to our peers in the comparator group were below threshold. Relative TR to our peers in the comparator group was in the third quartile and above the target of the median of our comparators. The performance for our ESG measures was above target.

The outcome of 52.67% is applied to the awards granted on 1 October 2021 to determine the number of awards that will vest. Details of the threshold, target and stretch targets and the actual performance over the three-year performance period from FY22 to FY24, as well as the number of awards vesting to the Executive Directors, are disclosed in the implementation report on page 161.

Use of the executive retention scheme (ERS)

No ERS awards were granted in FY24, and the scheme will reach its end of life in 2027 when the last of the 2019 awards vest.

Annual fixed remuneration increases

In July 2024, increases were awarded to all performing employees (refer page 158).



Nu Leaf, Saligna, Boksborg

Areas of future focus

The committee will focus on the following areas:



- Continued review of executive KPIs and scorecards to ensure alignment between shareholders' interests and fair and responsible remuneration
- Vertical and horizontal pay equity analysis with a focus on addressing potential pay gaps, in line with the amendments to the Act, focusing on the lowest paid earners
- Employee development plans that support our succession, transformation and retention plans
- Review of our people policies and practices to be able to attract, retain and motivate high-performing employees whose values align with those of Growthpoint
- Water, waste and electricity intensity targets for the ESG elements of the scorecards
- Organisation-wide job grading and benchmarking exercise, and the development of pay scales, to ensure internal parity and fair and ethical pay practices across all levels
- Addressing employee feedback from our engagement and ethics surveys to enhance our EVP proposition and remain an employer of choice and to ensure that we attract and retain high performance and diverse talent

Conclusion

We believe that the FY24 remuneration of Executive Directors is aligned with the results delivered in a challenging environment. The company's conservative financial risk management and business practices have proved their worth.

The committee is satisfied that the remuneration policy fulfilled its FY24 objectives, that the outcomes are aligned with what shareholders experienced over the period, and confirms that there was no deviation from the policy that was approved by shareholders at last year's AGM. The policy amendments with effect from FY25 shall further refine and improve this alignment. As such, the committee requests that shareholders support the remuneration-related resolutions at the AGM on 26 November 2024.

Signed on behalf of the Board

Eileen Wilton

Human Resources and Remuneration Committee Chairman

REMUNERATION REPORT continued

Part 2 FY25 Remuneration Policy

Fair and reasonable pay

Growthpoint is committed to ensuring that its remuneration philosophy and policy are fair, responsible and aligned to all South African legislation as well as the "Equal Pay for Work of Equal Value" code of good practice.

Central to this philosophy is the principle that overall compensation at Growthpoint is linked to performance at individual, business unit and company levels. At the beginning of each financial year, managers and employees identify and mutually agree on key performance objectives, which in terms of the cascade approach are aligned to executive scorecards to ensure the achievement of the company's strategic objectives. Delivery against these objectives is assessed twice a year and the employee's total fixed remuneration (TFR) is reviewed annually. The key performance objectives are appropriately adjusted, if necessary, at half year to ensure alignment to the business strategy. Based on the company and the employee's individual performance outcome, the result may lead to an increase in the employee's TFR and the award of a cash performance bonus.



Employee remuneration

Growthpoint continues to make strides in ensuring that our total rewards contribute to making a significant improvement in the quality of life of our employees, especially those at lower-earning levels. Our goal is to ensure that all our employees are paid a living wage, which is to provide a level of income that enables our lowest-paid employees to afford a modest but decent standard of living. This generally means that our employees should be able to afford food, shelter, clothing, utilities, transport, healthcare and childcare. In addition to fixed and variable pay, and awards made under the Growthpoint staff incentive scheme (GSIS), there are benefits enjoyed by employees, which are solely paid for by the employer.

Employee remuneration		
Fixed	Variable	
Total fixed remuneration (TFR)	Cash bonus	Zero-cost options under the GSIS
Fixed salary and benefits		

Total fixed remuneration
TFR is paid monthly and in cash.

Benefits

Competitive benefits for all employees include a defined contribution provident fund, medical aid schemes, and life cover. Company-paid benefits include personal accident, dread disease, approved medical gap cover, disability and death benefit cover.

These benefits include:

- Hybrid operating model
- Employee share scheme
- Admed Insurance gap cover, which covers employees' medical expense shortfalls
- Personal accident cover
- Risk benefits (Life cover, dreaded disease, funeral and accidental cover)
- Educational assistance for qualifying employees' dependants through our GEMS programme/ Children's educational assistance (refer to the ESG report)
- Wellness programme benefits

Growthpoint values all its employees and strives to ensure that remuneration is structured fairly. Superior performance is encouraged and rewarded. We recognise that remuneration forms an integral part of our EVP, which enables us to attract, reward and retain the talent we need to meet the company's objectives. We are particularly proud of our GSIS and believe that the participation of all employees (excluding Executives) in the scheme, through the granting of zero-cost share options, helps us to create a culture of ownership in which employees are satisfied, engaged and motivated to perform to the best of their ability.

As a designated employer (an employer with 50 or more employees), Growthpoint is required by law, as regulated in the Employment Equity Act, to analyse all employees' remuneration. This annual analysis is conducted to ensure that there are no disparities based on race, gender or arbitrary grounds and that differences are based on justifiable grounds as allowed for in law, for example scarce skills, experience and tenure. Growthpoint also assesses if gaps exist and how these are being or will be addressed. In terms of section 27(1) of the Employment Equity Act, No 55 of 1998, as amended,

Growthpoint submits to the Department of Employment and Labour the income differential statement annually.

Variable remuneration

Based on the company and the employees' individual performance outcome, employees are awarded cash performance bonuses annually.

To realise our objective of being an employer of choice and to ensure that all our employees are continuously engaged, motivated and share in the company's success, we continue to make awards of zero-cost share options to all staff, excluding Executives, under the GSIS, which are awarded annually and vest over a five-year period. The quantum is based on a target percentage of their TFR, which is linked to market benchmarks and can be increased by approval of the committee for critical skills and individual retention.

The vesting profile allows for a 25% vesting in each successive year from year two, with the final vesting taking place after five years.

Executive remuneration		
Fixed	Variable	
Total fixed remuneration (TFR)	Cash short-term incentive (STI)	Long-term incentives (LTI):
Fixed salary and benefits	Deferred short-term incentive in shares (DSTI)	1. Annual LTI with performance indicators 2. ERS (Legacy scheme with no further awards)

Total fixed remuneration

TFR is paid monthly and in cash.

Executive Directors' TFR is targeted at the market median of the comparator group (see page 148), while remuneration for key employees may be set at the upper quartile to ensure attraction and retention of high-performing talent.

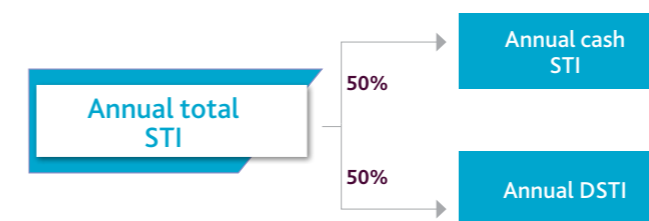
Benefits

Same as employees above.

Variable remuneration

Total annual STI comprising annual cash STI and deferred STI

$$\text{TFR} \times \text{On-target incentive (150\%)} \times \text{STI performance modifier (0\% to 150\%)} = \text{Annual total STI}$$



LTI

$$\text{TFR} \times \text{On-target incentive (75\%)} = \text{Annual LTI awards (100\% assessed for performance after three years with 70\% vesting at year three and 30\% deferred to year four). The number of awards is determined by dividing the total award value by the per award value at grant date.}$$

REMUNERATION REPORT continued

Executives and a limited number of key senior managers participated in the ERS as part of the GSIS. The ERS is a notional share purchase scheme, which simulates a share purchase scheme that is half-funded with debt. The initial options granted on 1 April 2014 have now vested and the scheme will reach its end of life in 2027 when the last of the 2019 awards vest.

The last ERS awards were made in 2019, and retention has been catered for via the DSTI and LTI schemes.

FY25 performance conditions

STI performance conditions

Measure	Weight	Threshold ¹	Target ²	Stretch ³		
Modifier ⁴		50%	100%	150%		
Group 85% (FY24: 85%) for the Group CEO, CEO: SA and Group FD	Income statement 40% (FY24: 52%)	Absolute DIPS growth	10% (FY24: 15%)	Prior year DIPS (FY24: Budget -2%)	Prior year DIPS +1% (FY24: Budget)	Prior year DIPS +2% (FY24: Budget +2%)
		Relative DIPS growth ⁵	20% (FY24: 23.5%)	35% (FY24: 35%)	55% (FY24: 55%)	75% (FY24: 75%)
		SA IFRS cost-to-income (excluding GIP and T&D)	5% (FY24: 3.5%)	FY24 = 36.7% (FY24: Budget 36.7% +0.6%)	36.2% (FY24: Budget 36.7%)	35.7% (FY24: Budget 36.7% -0.6%)
		SA ICR	5% (FY24: n/a)	2.52x	FY25 Budget = 2.57x	2.62x
	Balance sheet 25% (FY24: 15%)	Group LTV	5% (FY24: 4%)	FY25 Budget = 44.2% (FY24: 43%)	43.2% (FY24: 40%)	42.2% (FY24: 37%)
		RSA LTV (excluding GIP)	10% (FY24: n/a)	FY25 Budget = 37.0%	36.0%	35.50%
		Reducing RSA debt below FY24 (excluding GIP)	5% (FY24: n/a)	FY24 = R40.7bn	R39.7bn	R38.7bn
	ESG 20% (FY24: 18%)	Disposal of RSA assets (including T&D)	5% (FY24: n/a)	R1.80bn	R2.70bn	R3.60bn
		Environment Renewable energy (MWp)	7.5% (FY24: 5.5%)	46.3 (FY24: 36.3)	50.0 (FY24: 40.0)	53.7 (FY24: 43.7)
		Social: Community Transformation B-BBEE score (points)	7.5% (FY24: 5.5%)	100 (FY24: 100)	101 (FY24: 101)	102 (FY24: 102)
Strategy for water and waste intensity		5.0% (FY24: n/a)	Qualitative assessment based on SET and Remco committee review			
Personal 15% (FY24: 15%) for the Group CEO, CEO: SA and Group FD		Various strategic and executive-specific targets that are market-sensitive but disclosed in more detail on assessment				

¹ 0% is scored for any measure where the performance is less than or at threshold.

² 100% is scored for any measure where the performance is at target.

³ 150% is scored for any measure where the performance is at or above stretch.

⁴ Linear interpolation is applied for performance between threshold and target, and between target and stretch.

⁵ Measured against the constituents of the FTSE/JSE SA REIT index, including Growthpoint, weighted by market capitalisation, capped at 15%.

LTI scheme awards under the GSIS

Executives are granted conditional rights to receive shares subject to employment and performance conditions measured over a prospective three-year period. All awards issued on and prior to 1 October 2022 vested 100%, subject to performance, at the end of year three. From FY23, the vesting of all new awards is based on the company's three-year performance after year three with a 70% vesting in year three and a 30% vesting in year four.

The FY25 LTI awards will be issued on 1 October 2024 based on an expected Rand value of 75% (FY24: 75%) of TFR for the Group CEO and CEO: SA. The target percentiles for threshold and target have remained the same as the previous years' awards to reflect our objective to achieve financial performance in excess of the market. In line with the FY24 awards, the absolute TR performance measure was removed in favour of a higher weighting of relative TR and TSR performance because this provides a more controllable measure of performance, in line with the King IV remuneration principles. In addition, ESG measures have been increased from 15% for the FY24 awards to 20%, with three company-specific measures introduced to replace the prior year averages of the ESG measures in the STI scorecards.

LTI performance conditions

FY25/1 October 2024 awards	Measure	Weight	Threshold	Target	Stretch
Modifier			50%	100%	150%
Financial 80%	Relative TR ^{2,3}	20.0%	35th percentile	55th percentile	75th percentile
	Relative TSR ^{3,4}	40.0%	35th percentile	55th percentile	75th percentile
	Absolute TSR ⁴	20.0%	10-year risk-free rate	10-year risk-free +3%	10-year risk-free +5%

ESG 20%	Renewable energy (% of FY23 total consumption)	10.0%	16.5%	20.0%	23.5%
	Number of net-zero carbon buildings by FY27	5.0%	10	15	20
	Average B-BBEE score	5.0%	Per the STI scorecards for FY25, FY26 and FY27		

FY24/1 October 2023 awards	Measure	Weight	Threshold	Target	Stretch
Modifier			50%	100%	150%

Financial 85%	Relative TR ^{2,3}	42.5%	35th percentile	55th percentile	75th percentile
	Relative TSR ^{3,4}	42.5%	35th percentile	55th percentile	75th percentile

ESG 15%	Average STI modifier of the ESG measures for FY24, FY25 and FY26	15.0%	Per the STI scorecards for FY24, FY25 and FY26		
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FY23/1 October 2022 awards	Measure	Weight	Threshold	Target	Stretch
Modifier			50%	100%	150%

Financial 85%	Absolute TR ^{1,2}	5.0%	WACC -1%	WACC	WACC +1%
	Relative TR ^{2,3}	40.0%	25th percentile	50th percentile	75th percentile
	Relative TSR ^{3,4}	40.0%	25th percentile	50th percentile	75th percentile

ESG 15%	Average STI modifier of the ESG measures for FY23, FY24 and FY25	15.0%	Per the STI scorecards for FY23, FY24 and FY25		
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FY22/1 October 2021 awards	Measure	Weight	Threshold	Target	Stretch
Modifier			50%	100%	150%

Financial 90%	Absolute TR ^{1,2}	30.0%	WACC -1%	WACC	WACC +1%
	Relative TR ^{2,3}	30.0%	25th percentile	50th percentile	75th percentile
	Relative TSR ^{3,4}	30.0%	25th percentile	50th percentile	75th percentile

ESG 10%	Average STI modifier of the ESG measures for FY22, FY23 and FY24	10.0%	Per the STI scorecards for FY22, FY23 and FY24		
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¹ Absolute TR is measured against Growthpoint's WACC calculated as the average risk-free rate over three years plus 3%.

² TR = (closing tangible net asset value per share (TNAVPS) – opening TNAVPS) + dividend per share (DPS) for the period/opening TNAVPS. TNAVPS is calculated by subtracting intangible assets and adding deferred tax liabilities to ordinary shareholders' equity.

³ Relative TR and TSR are measured against peers in the FTSE/JSE SA REIT index.

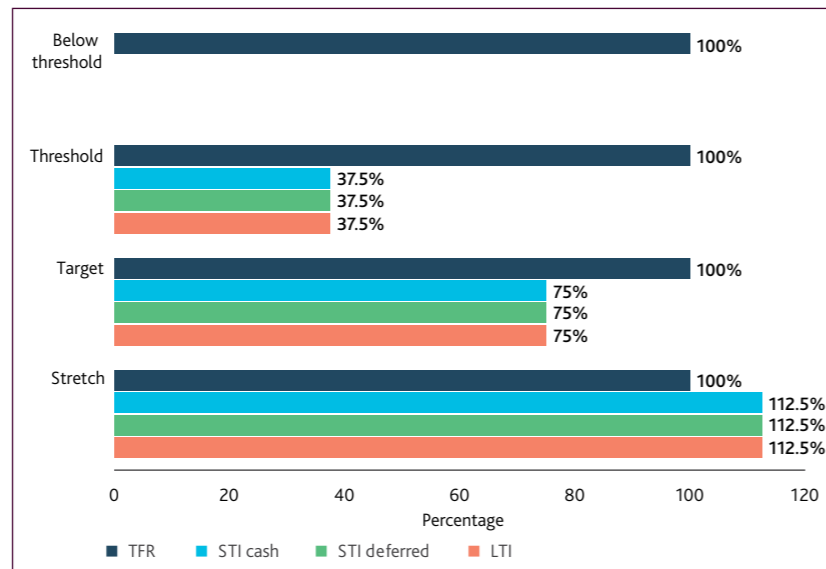
⁴ TSR = (closing 90-day VWAP – opening 90-day VWAP) + DPS for the period/opening 90-day VWAP. The VWAP is calculated with reference to the relevant company's latest reporting date (whether interims or finals) and is calculated ex-dividend.

The details of the FY22 LTI performance conditions, the actual outcomes and the vesting percentage are provided in the implementation report on page 161.

REMUNERATION REPORT continued

FY25 remuneration scenarios

The STI, DSTI and LTI award values as a percentage of TFR for the Group CEO and CEO: SA at below threshold, threshold, target, and stretch (and above) are shown on the right. Please note that the LTI percentages are shown at grant date and will differ on final vesting outcome.



The actual total single figure of remuneration for the Executive Directors compared to the remuneration scenarios for FY24 is shown in the implementation report on page 163.

Earnings from independent subsidiary and associated company appointments

Executive and NEDs of Growthpoint may be, and are from time to time, appointed to serve on Boards of independent companies in which Growthpoint has acquired strategic shareholdings. Such appointments are made with the approval of Growthpoint's Board. NEDs of Growthpoint who hold such Board positions are permitted to receive and retain Directors' fees paid to them by such subsidiaries or associated companies. Executives of Growthpoint so appointed shall fulfil their roles on the Boards of such subsidiaries or associated companies as part of their executive responsibilities towards Growthpoint, and any Directors' fees earned by them from such companies shall be payable to Growthpoint, except to the extent that the committee may from time to time decide otherwise (as is the case in respect of such fees earned from GOZ Board appointments). Fees earned from GOZ Board appointments are not included in this report. Details of the remuneration earned and/or received by Executive Directors, NEDs and other Executives for services rendered to independent subsidiaries and associated companies are reflected in note 24.4 of the FY24 AFS on pages 72 and 73.

Executives are not permitted to hold external directorships in other publicly traded entities without the approval of Growthpoint's Board and no such approval has been granted.



Minimum shareholding requirements

In line with shareholder feedback and to align our Executive Directors' interests with those of our shareholders and demonstrate their commitment to long-term growth, minimum shareholding requirements are in place as follows:

Executive Directors	Number of shares as at 30 June 2024	Value of shareholding*	% of FY24 TFR (excluding fees from GOZ)	Minimum shareholding requirement FY24
LN Sasse	3 644 810	R44 393 786	522	200% of TFR
EK de Klerk	3 964 372	R48 286 051	732	150% of TFR
G Völkel	625 263	R7 615 703	158	100% of TFR

* Share price as at 30 June 2024 of R12.18.



Century City, Cape Town

GSIS

The first awards under the GSIS were made in 2008. The aggregate number of shares that may be awarded to participants over the duration of the GSIS is currently 170 million, representing around 5.0% of the issued shares of the company. As of 30 June 2024, 104.3 million shares had been awarded and 14.1 million forfeited by participants, leaving 79.8 million shares available for issue.

In the case of termination of employment, the GSIS provides for forfeiture of all unvested options. In certain instances, at the discretion of the committee, *pro rata* future vesting may be allowed (for instance in the case of retirement and death in service).

Service contracts

The Group CEO and CEO: SA have contracts with Growthpoint, which provide for the following:

- For the Group CEO – fixed-term contract to 31 December 2026
- For the CEO: SA – service contract with an indefinite period of service, subject to the normal retirement age of 65 years as per company policy, with a reciprocal six-month notice of termination provision
- Paid "garden leave" for Executives at the company's discretion
- Unpaid restraints in relation to the company's clients, staff and corporate opportunities
- The KPIs against which the Executives are measured

The Group FD has an employment contract, which provides for paid "garden leave", restraint and reciprocal six-month notice of termination provisions.

Malus and clawback

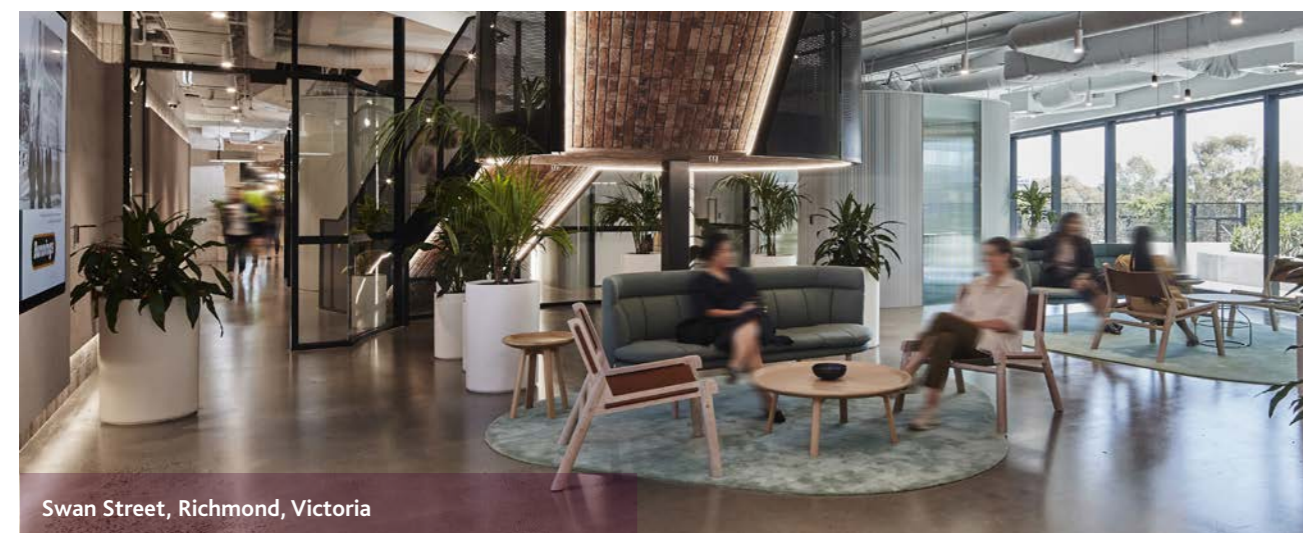
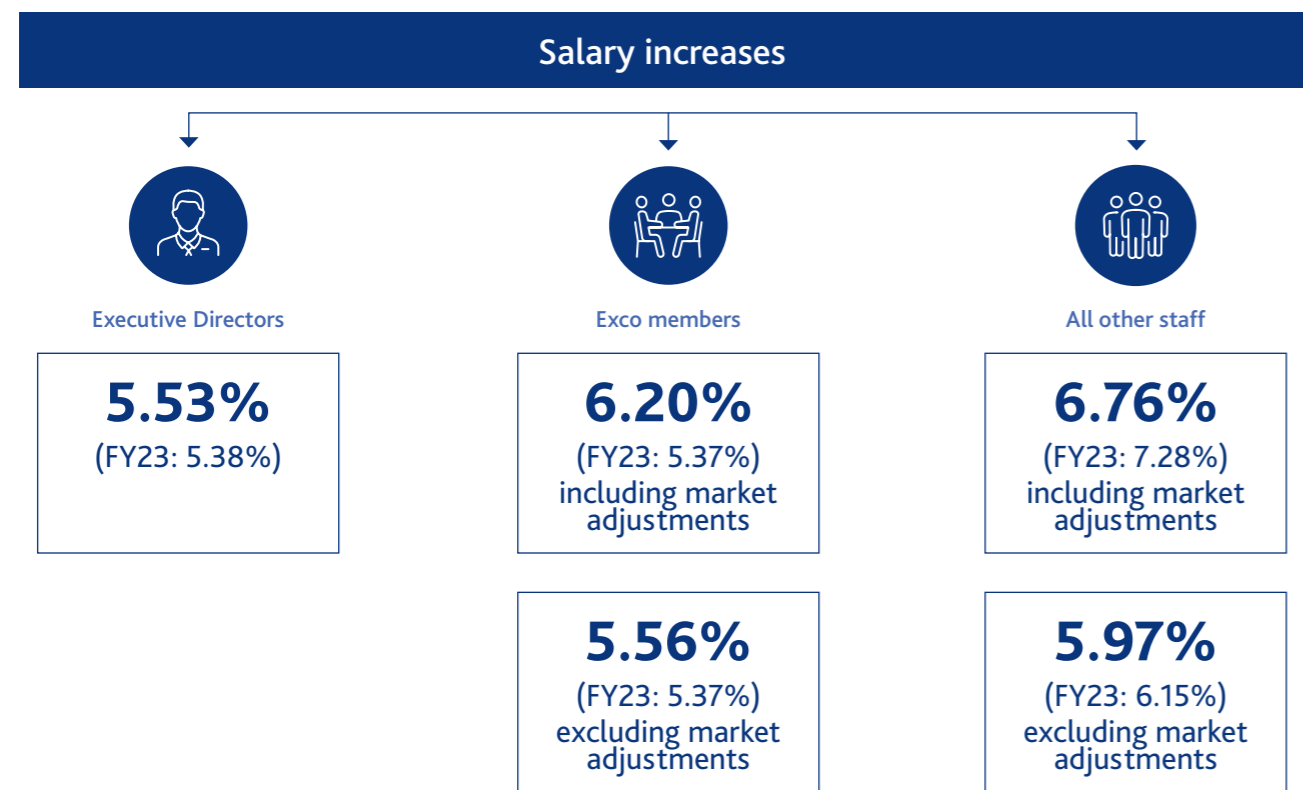
DSTI shares awarded to Executives, as well as shares awarded to Executives under the LTI scheme, are subject to malus and clawback provisions, which are at the discretion of the committee. Malus will be applied to unvested or unpaid incentives and clawback will be applied to vested and settled incentives. Reasons for malus and clawback include:

- Gross misconduct of an Executive
- Material misstatement of the company's audited financial results

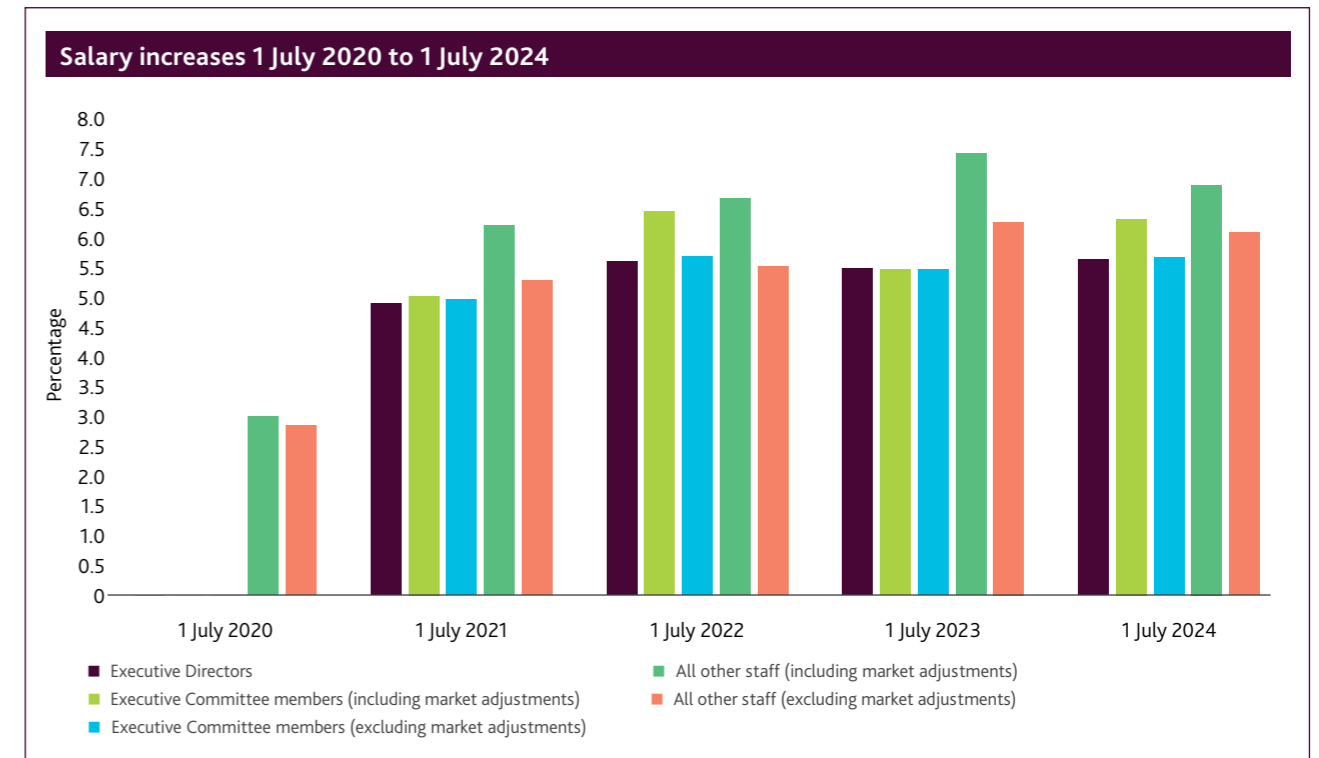
REMUNERATION REPORT continued

Part 3 Implementation of FY24 remuneration policy

Salary increases were awarded with effect from 1 July 2024 and are applicable for the year ending 30 June 2025.



Swan Street, Richmond, Victoria



Given there are no appropriate comparator companies in the property sector with the size and complexity of Growthpoint, benchmarking is challenging. Accordingly, in addition to the annual market capitalisation comparator group benchmarking, Bowmans prepares an annual regression analysis considering both TFR and total remuneration (TRem) earned by CEOs and CFOs of appropriate property companies included in the FTSE/JSE SA REIT index. The analysis was done on an on-target remuneration basis, excluding fees earned from GOZ, by applying the FY24 policy disclosed in the FY23 remuneration report.

Based on the assessment of various regression factors, which consider the size of the organisation and include aspects such as market capitalisation, distributable income, total debt and GLA, a comparative ratio of a maximum of 150% was considered reasonable for TFR and TRem in the context of the complexity and international scope of Growthpoint's operations. Since Growthpoint's size is an outlier in the comparator group, the regression results also have a naturally higher error margin, which provides a further justification for the 150% tolerance range.

The results of the analysis are outlined below. Based on these results, the committee considered the compa-ratios in the table below to be acceptable:

Compa-ratio (on-target remuneration)	GROUP CEO		CEO: SA		GROUP FD	
	TFR	TRem	TFR	TRem	TFR	TRem
FY24	127%	107%	128%	105%	100%	77%
FY23	97%	137%	Not included in analysis			

FY24 STI outcomes (cash STI and DSTI)

Issued at 75% for on-target performance and in line with market practice, the issue price for the FY24 DSTI awards was adjusted to account for expected future dividends using ShareForce's option pricing model, resulting in a larger number of nil cost options being awarded than if the spot share price was used.

REMUNERATION REPORT continued

STI scorecards

Group CEO, CEO: SA and Group FD

KPI	Weight (%)	Threshold 50%	Target 100%	Stretch 150%	Score	Quartile ranking	Multiplier (%)	Weighted modifier (%)
Group measure	85.00						88.57	75.29
Income statement	52.00							40.50
(1) Absolute DIPS growth (cents)	15.00	136.00	138.70	141.40	141.90	n/a	150.00	22.50
(2) SA vacancies (%)	5.00	10.20	9.20	8.20	8.40	n/a	140.00	7.00
(3) SA renewal growth (%)	5.00	(14.50)	(12.50)	(10.50)	(6.20)	n/a	150.00	7.50
(4) SA IFRS total cost-to-income ratio (%)	3.50	37.30	36.70	36.10	36.70	n/a	100.00	3.50
(5) Relative DIPS growth (%)	23.50	35.00	55.00	75.00	15.30	1st	0.00	0.00
Balance sheet	15.00							15.97
(1) Group LTV (%)	4.00	43.00	40.00	37.00	42.30	n/a	61.67	2.47
(2) Debt expiry profile	3.00	2.5 years	3.5 years	4.5 years	3.9 years	n/a	120.00	3.60
(3) Interest rate hedging (%)	2.00	65.00	75.00	85.00	79.00	n/a	120.00	2.40
(4) Secured vs unsecured debt	3.00	70:30	60:40	50:50	55:45	n/a	125.00	3.75
(5) Domestic credit rating	3.00	AA	AA+	AAA	Fitch AAA Moody's Aa1	n/a	125.00	3.75
ESG	18.00							18.82
(1) Environmental								
Renewable energy (MWp)	5.50	36.30	40.00	43.70	40.70	n/a	109.46	6.02
(2) Social: community								
Transformation B-BBEE score	5.50	100.00	101.00	102.00	102.70	n/a	150.00	8.25
(3) Social: labour								
Employee engagement (%)	3.50	68.00	72.00	76.00	69.40	n/a	67.50	2.36
(4) Governance								
Ethics	3.50	72.00	76.00	80.00	73.00	n/a	62.50	2.19

The total scores based on a 75.0% participation ratio for Group CEO and CEO: SA and a 56.25% participation ratio for Group FD are reflected in the table below:

	Participation ratio (%)	Weighting of Group measures (%)	Multiplier (%)	Actual weighted score (%)	Weighting of personal measures (%)	Actual score (%)	Actual weighted score (%)	Total score (%)
Group CEO	75.00	85.00	88.57	75.29	15.00	62.00	9.30	84.59
CEO: SA	75.00	85.00	88.57	75.29	15.00	64.50	9.68	84.96
Group FD	56.25	85.00	88.57	75.29	15.00	90.00	13.50	88.79

FY24 LTI outcomes for the 1 October 2021 awards that vested based on FY22, FY23 and FY24's performance

KPI	Weight (%)	Threshold 50%	Target 100%	Stretch 150%	Score (%)	Quartile ranking	Multiplier (%)	Weighted modifier (%)
Total measure	100.00							52.67
Financial	90.00							41.52
Absolute total return	30.00	13.20	14.20	15.20	5.40	n/a	0.00	0.00
Relative total return	30.00	25.00	50.00	75.00	69.20	3rd	138.40	41.52
Relative total shareholder return	30.00	25.00	50.00	75.00	23.00	1st	0.00	0.00
ESG	10.00							11.15
Sustainability 10%	10.00	Average of non-financial measures per STI scorecard for FY22: 16.85% out of 15%, FY23: 21.18% out of 18% and FY24: 18.82% out of 18%				n/a	111.5	11.15

Vesting outcome

	Number of LTI awards issued on 1 October 2021	Number of awards vested
Group CEO	526 734	277 431
CEO: SA	409 123	215 485
Group FD	222 502	117 192

FY24 LTI awards

These awards were granted on 1 October 2023, based on the FY24 TFR, which was the TFR at the time of the award. 100% of the awards will be assessed for performance at FY26. 70% of the awards will vest on 1 October 2026, based on the actual performance as at 30 June 2026, and the remaining 30% will be deferred until 1 October 2027 with no further performance conditions.

	TFR FY24 R	LTI award R	Number of LTI shares allocated*	LTI as a % of FY24 TFR
Group CEO	8 512 606	6 384 455	982 224	75.00%
CEO: SA	6 599 349	4 949 512	761 463	75.00%
Group FD	4 812 689	2 707 138	416 483	56.25%

* Based on the 90-day VWAP at 30 September 2023 of R11.81, which was then adjusted to R6.50 to account for dividends, which will not accrue, and the probability of the performance outcomes over the vesting period.

REMUNERATION REPORT continued

Executive Directors' FY24 total remuneration

In the table below, the cash STI and DSTI awards for FY24 are disclosed. The FY24 DSTI awards will vest equally in three tranches in FY26, FY27 and FY28, with no further performance measures. ERS awards, which vested in FY24, are also disclosed as well as the vesting of the LTI awards, awarded on 1 October 2021, based on FY22, FY23 and FY24's performance.

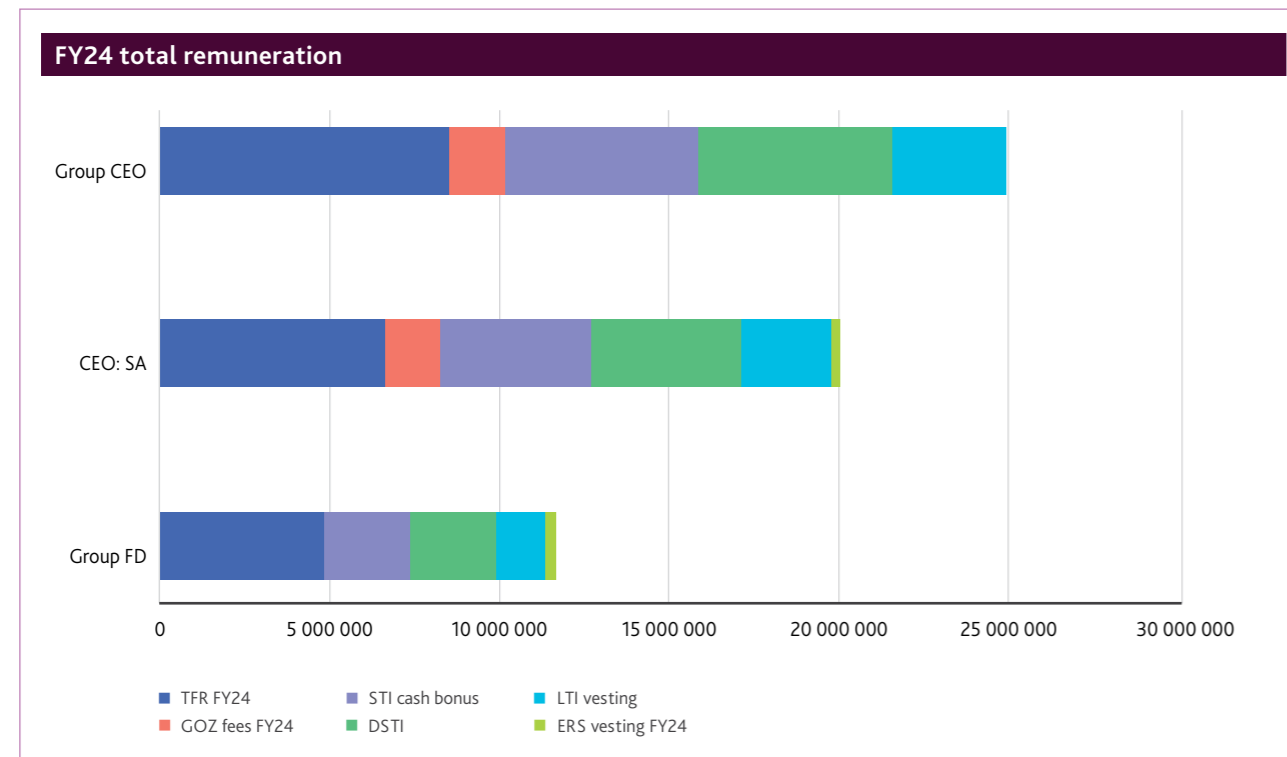
	TFR FY24 ¹ R	GOZ directors' fees FY24 R	TFR FY25 ¹ R	STI cash bonus ² R	DSTI ³ R	LTI vesting ⁴ R	ERS vesting FY24 R	Cash STI and DSTI as % of TFR ⁴ R	Total remuneration FY24 R	Total remuneration FY23 R	% change
Group CEO	8 512 606	1 636 355	8 980 799	5 697 600	5 697 600	3 379 107	–	134%	24 923 268	27 618 151	(9.76)
CEO: SA	6 599 349	1 642 426	6 962 313	4 436 600	4 436 600	2 624 608	291 004	134%	20 030 587	22 013 931	(9.01)
Group FD	4 812 689	–	5 082 200	2 538 300	2 538 300	1 427 396	338 101	105%	11 654 787	12 937 285	(9.91)

¹ Excludes fringe benefits for dread disease, Admed gap cover and personal accident.

² Participation ratio of 75% of TFR at the time of the award for Group CEO and CEO: SA, 56.25% for Group FD with the ratio of Group to personal measures at 85%:15% for all Executive Directors. Based on FY24 performance and the TFR at the time of the award and paid in cash in FY25.

³ Participation ratio of 75% of TFR at the time of the award for Group CEO and CEO: SA, 56.25% for Group FD with the ratio of Group to personal measures at 85%:15% for all Executive Directors. Based on FY24 performance and the TFR at the time of the award, awarded in shares in FY24 vesting equally over three years in FY26, FY27 and FY28.

⁴ 1 October 2021 LTI awards that vest at 52.67% on 1 October 2024 based on FY22, FY23 and FY24's performance valued at the closing price of R12.18 on 30 June 2024.



Executive Directors' single-figure remuneration

The single-figure remuneration is intended to enhance the transparency of Executive Director remuneration disclosure by consolidating all relevant information relating to current performance into a single table. This table provides a summary of all remuneration that was received or receivable for the FY24 reporting period, with no further performance criteria, and all the remuneration elements that it comprises, where applicable, disclosed at fair value.

	TFR ³ R	STI R	DSTI one-third ¹ R	DSTI two-thirds ² R	Total remuneration R
FY24					
Group CEO	8 512 606	5 697 600	1 899 200	3 798 400	19 907 806
CEO: SA	6 599 349	4 436 600	1 478 867	2 957 733	15 472 549
Group FD	4 812 689	2 538 300	846 100	1 692 200	9 889 289
FY23					
Group CEO	8 076 476	7 183 182	2 394 394	4 788 788	22 442 840
CEO: SA	6 267 188	5 590 994	1 863 665	3 727 329	17 449 176
Group FD	4 557 471	3 106 725	1 035 575	2 071 150	10 770 921

¹ The DSTI comprises one-third of DSTI awarded in respect of FY24 that will vest a year after the award date, with no further performance conditions.

² The DSTI comprises the remaining two-thirds of the DSTI awarded in respect of FY24 that will vest more than one year after the award date, with no further performance conditions.

³ TFR excludes GOZ Directors' fees.

Executive Directors' table of invested awards and cash settlement

This table details all unvested and outstanding awards under the DSTI, LTI and ERS at FY24. It also details the cash value of all awards made under variable remuneration, DSTI and ERS awards that vested in FY24.

Award date	Grant share price R	Opening number of shares on 1 July 2023	Granted in FY24	Vested in FY24	Forfeited in FY24	Closing number of shares at 30 June 2024	Cash value of settlements in FY24 R	Estimated closing value at 30 June 2024 ³ R	
Group CEO									
Norbert Sasse									
LTI									
FY21 LTI ¹	13.32	411 309	–	(293 428)	(117 881)	–	3 063 387	–	
FY22 LTI ²	14.52	526 734	–	–	–	526 734	–	3 371 408	
FY23 LTI	7.00	865 337	–	–	–	865 337	–	6 971 350	
FY24 LTI	6.50	–	982 224	–	–	982 224	–	8 059 258	
DSTI									
FY21	12.26	168 589	–	(168 589)	–	–	1 697 691	–	
FY22	13.98	203 726	–	(101 863)	–	101 863	1 025 760	1 240 691	
FY23	9.81	939 424	–	(313 141)	–	626 283	3 153 333	7 628 123	
FY24	8.89	–	808 007	–	–	808 007	–	9 841 525	
Total			3 115 119	1 790 231	(877 021)	(117 881)	3 910 448	8 940 172	37 112 356

¹ These awards vested on 1 October 2023 based on the FY23 LTI scorecard.

² These awards vested post-FY24 based on FY22, FY23 and FY24's performance, and as such are included in the Executive Directors' FY24 total remuneration table on page 162. and valued at the closing share price as of 30 June 2024 at R12.18.

³ Estimated closing values calculates as follows: DSTI closing number of shares multiplied by the share price as of 30 June 2024 of R12.18. FY22 LTI is calculated based on the scorecard outcome of 52.67% multiplied by the share price as of 30 June 2024 of R12.18. FY23 and FY24 LTI is the value as determined by the external actuaries.

REMUNERATION REPORT continued



CEO: SA Estienne de Klerk

	Award date	Grant share price R	Opening number of shares on 1 July 2023	Granted in FY24	Vested in FY24	Forfeited in FY24	Closing number of shares at 30 June 2024	Cash value of settlements in FY24 R	Estimated closing value at 30 June 2024 ³ R
ERS									
FY16 ERS	1 September 2015	27.12	60 000	–	(26 099)	(33 901)	–	291 004	–
LTI									
FY21 LTI ¹	1 October 2020	13.32	319 470	–	(227 910)	(91 560)	–	2 379 379	–
FY22 LTI ²	1 October 2021	14.52	409 123	–	–	–	409 123	–	2 618 629
FY23 LTI	1 October 2022	7.00	671 484	–	–	–	671 484	–	5 409 627
FY24 LTI	1 October 2023	6.50	–	761 463	–	–	761 463	–	6 247 889
DSTI									
FY21	1 October 2020	12.26	129 778	–	(129 778)	–	–	1 369 158	–
FY22	1 October 2021	13.98	158 237	–	(79 119)	–	79 119	834 700	963 663
FY23	1 October 2022	9.81	731 071	–	(243 690)	–	487 381	2 570 933	5 936 297
FY24	1 October 2023	8.89	–	628 908	–	–	628 908	–	7 660 099
Total			2 479 163	1 390 371	(706 596)	(125 461)	3 037 477	7 445 174	28 836 204

¹ These awards vested on 1 October 2023 based on the FY23 LTI scorecard.

² These awards vested post-FY24 based on FY22, FY23 and FY24's performance, and as such are included in the Executive Directors' FY24 total remuneration table on page 162 and valued at the closing share price as of 30 June 2024 at R12.18.

³ Estimated closing values calculated as follows: DSTI closing number of shares multiplied by the share price as of 30 June 2024 of R12.18. FY22 LTI is calculated based on the scorecard outcome of 52.67% multiplied by the share price as of 30 June 2024 of R12.18. FY23 and FY24 LTI is the value as determined by the external actuaries.



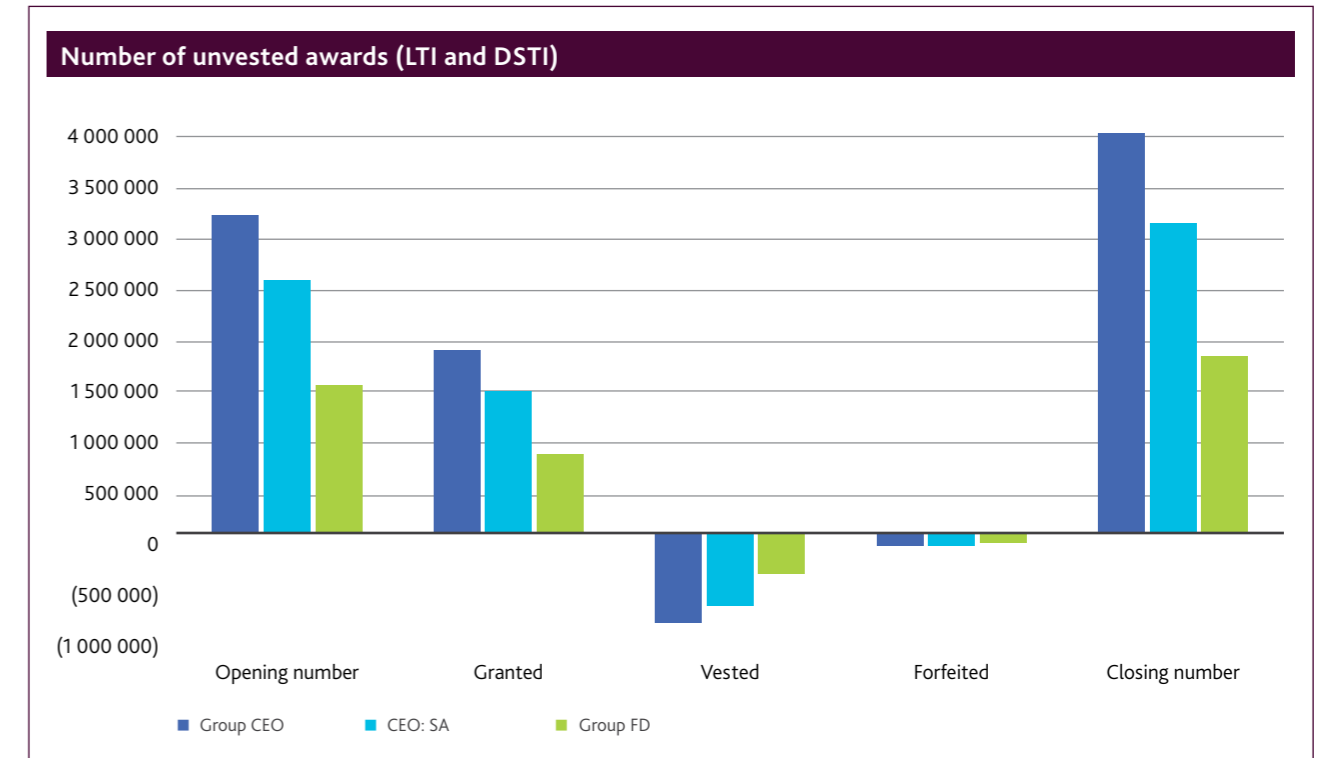
Group FD Gerald Völkel

	Award date	Grant share price R	Opening number of shares on 1 July 2023	Granted in FY24	Vested in FY24	Forfeited in FY24	Closing number of shares at 30 June 2024	Cash value of settlements in FY24 R	Estimated closing value at 30 June 2024 ³ R
ERS									
FY17 ERS	1 September 2016	25.88	140 000	–	(30 323)	(39 677)	70 000	338 101	948 491
LTI									
FY21 LTI ¹	1 October 2020	13.32	173 083	–	(123 477)	(49 606)	–	1 289 104	–
FY22 LTI ²	1 October 2021	14.52	222 502	–	–	–	222 502	–	1 424 144
FY23 LTI	1 October 2022	7.00	366 225	–	–	–	366 225	–	2 950 391
FY24 LTI	1 October 2023	6.50	–	416 483	–	–	416 483	–	3 417 290
DSTI awarded in shares									
FY21	1 October 2020	12.26	62 609	–	(62 609)	–	–	660 525	–
FY22	1 October 2021	13.98	86 058	–	(43 029)	–	43 029	453 956	524 093
FY23	1 October 2022	9.81	399 867	–	(133 289)	–	266 578	1 406 199	3 246 920
FY24	1 October 2023	8.89	–	349 463	–	–	349 463	–	4 256 459
Total			1 450 344	765 946	(392 727)	(89 283)	1 734 280	4 147 885	16 767 788

¹ These awards vested on 1 October 2023 based on the FY23 LTI scorecard.

² These awards vested post-FY24 based on FY22, FY23 and FY24's performance, and as such are included in the Executive Directors' FY24 total remuneration table on page 162 and valued at the closing share price as of 30 June 2024 at R12.18.

³ Estimated closing values calculated as follows: DSTI closing number of shares multiplied by the share price as of 30 June 2024 of R12.18. FY22 LTI is calculated based on the scorecard outcome of 52.67% multiplied by the share price as of 30 June 2024 of R12.18. FY23 and FY24 LTI is the value as determined by the external actuaries.

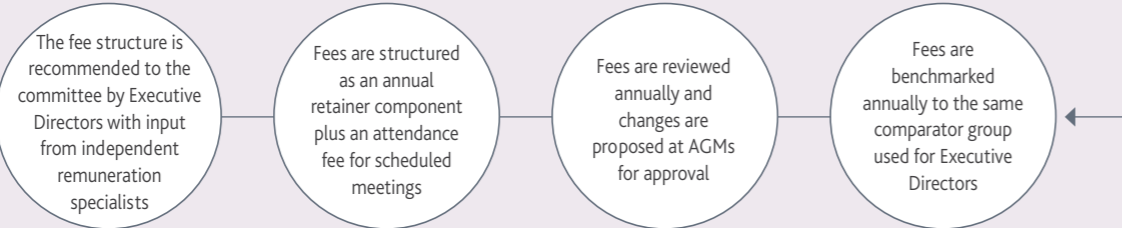


REMUNERATION REPORT continued



Part 4 NEDs' remuneration

The following principles apply to the remuneration of NEDs:



The FY24 comparator group is disclosed on page 148:

- The remuneration of NEDs is targeted between the median and the upper quartile of the comparator group given the level of responsibility, time and competence required, complexity of the business, Growthpoint's growing international footprint, and size
- NEDs do not participate in the company's STI and LTI plans
- None of the NEDs has a contract of employment with the company. Their appointments are made in terms of the company's MOI and are confirmed at the first AGM of shareholders following their appointment, and thereafter at three-yearly intervals when they retire by rotation in terms of the MOI
- Annual assessments of independence and performance are conducted in respect of the NEDs, details of which can be found on page 130.

Policy statements on NED fees



- 1 The attendance fees for scheduled meetings shall be as agreed by shareholders on the Board's recommendation at the annual AGM.
- 2 Each NED will be obliged to attend, without compensation, the first two unscheduled meetings in any financial year, whether these are Board meetings or committee meetings.
- 3 The Board's annual off-site strategy conference, whether spanning one or more days, will be regarded as one Board meeting and will be remunerated on that basis.
- 4 The Audit Committee meeting each year to review and approve the company's IAR shall be regarded as a scheduled meeting and committee members in attendance shall be remunerated accordingly.
- 5 Subject to point 2 hereof, for an unscheduled meeting involving the Board or any meeting that lasts for more than one consecutive day, the respective attendance fees shall be paid for each day.
- 6 Subject to points 2 and 5 above, attendance at meetings of any special-purpose committee appointed by the Board *ad hoc* shall be remunerated on the basis applicable to an existing committee whose purpose most closely relates to that of the special-purpose committee.
- 7 In the case of unscheduled meetings and other services rendered to the company in their capacity as a NED outside of scheduled meetings, which require less preparation and attendance time than a scheduled meeting, the fee payable shall be reduced commensurately.
- 8 Fees for special assignments shall be set to the meeting fee for the first day of the services rendered, and the fee for all subsequent days related to rendering the services shall be determined on the basis of the time requirements as provided for above. Travel time for long-distance travel (flights in excess of four hours duration) may also be included in the aggregate time to be considered. These assignments include any shareholder engagement required or property due diligence inspections. Travel fares and reasonable subsistence shall be in line with Growthpoint's relevant policies as they apply to Executive Directors.

The following fees are proposed for FY25 for NEDs at an average increase of 5.5%:

Schedule of retainer fees and fees payable per meeting

	FY25 R	FY24 R
Basic fee (pa)		
Chairman ¹	896 700	896 700
Lead Independent Director	217 300	206 000
Director	80 700	76 500
Attendance fee (x5)		
Board		
Chairman	282 200	267 500
Director	90 400	85 700
Audit Committee (x5)		
Chairman	92 700	80 300
Members	60 100	57 000
Risk Management Committee (x4)		
Chairman	75 400	71 500
Members	50 600	48 000
Property and Investment Committee (x4)		
Chairman	84 700	80 300
Members	60 100	57 000
Social, Ethics and Transformation Committee (x4)		
Chairman	65 600	62 200
Members	41 600	39 400
Human Resources and Remuneration Committee (x4)		
Chairman	75 100	71 200
Members	50 400	47 800
Governance and Nomination Committee (x4)		
Chairman	65 600	62 200
Members	41 600	39 400

¹ The Chairman elected not to receive an increase in fees for FY25.

REMUNERATION REPORT continued

Fees paid to NEDs for FY24

The fees paid to NEDs for FY24 were on the basis presented in the table on page 73 of the AFS as approved by the committee and by the Board, on authority granted by shareholders at the AGM held on 28 November 2023.

	FY24 R	FY23 R
R Gasant (Board Chairman, Governance and Nomination Committee Chairman, Risk Management Committee, Human Resources and Remuneration Committee) ^{1, 6}	3 267 900	3 277 200
FM Berkeley (Property and Investment Committee Chairman, Audit Committee, Human Resources and Remuneration Committee, Governance and Nomination Committee) ⁶	1 783 700	1 646 500
M Hamman (Audit Committee Chairman, Property and Investment Committee, Human Resources and Remuneration Committee, Governance and Nomination Committee) ^{2, 6}	1 566 700	1 319 300
KP Lebina (Risk Management Committee, Audit Committee and Social, Ethics and Transformation Committee) ³	1 151 600	1 008 600
PS Mngconkola (Social, Ethics and Transformation Committee, Property and Investment Committee) ⁴	–	382 750
NBP Nkabinde (Social, Ethics and Transformation Committee, Human Resources and Remuneration Committee) ⁴	–	365 150
CD Raphiri (Social, Ethics and Transformation Committee, Property and Investment Committee, Audit Committee) ⁵	1 187 600	1 009 600
AH Sangqu (Lead Independent Director, Social, Ethics and Transformation Committee Chairman, Audit Committee, Governance and Nomination Committee)	1 377 300	1 260 700
JA van Wyk (Risk Management Committee Chairman, Property and Investment Committee, Governance and Nomination Committee)	1 228 000	1 173 200
EA Wilton (Human Resources and Remuneration Committee Chairman, Risk Management Committee, Social, Ethics and Transformation Committee, Governance and Nomination Committee) ^{3, 6}	1 391 600	1 165 100
Total	12 954 400	12 608 100

¹ R Gasant received additional Directors' fees of R669 802 (FY23: R622 359) from the V&A Waterfront Holdings (Pty) Ltd.

² Appointed to the Human Resources and Remuneration Committee on 1 December 2022.

³ Appointed to the Social, Ethics and Transformation Committee on 1 December 2022.

⁴ Retired from the Board at the AGM on 29 November 2022.

⁵ Appointed to the Property and Investment Committee on 1 December 2022.

⁶ FM Berkeley, R Gasant, M Hamman and EA Wilton received additional fees of R272 300 (FY23: R258 500), R327 500 (FY23: R508 600), R32 000 (FY23: R0) and R91 200 (FY23: R135 400) respectively for their participation in ad hoc meetings, including property tours and investor roadshows, which are included in the above table.

In addition to the above meetings, NEDs attended one special Human Resources and Remuneration Committee meeting, one special Audit Committee meeting, and one special Property and Investment Committee meeting for which they were not remunerated.



Lascelles, Meadowbrook, Germiston

08

APPENDICES

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The Place, Sandton



ABBREVIATIONS

ACI	African, Coloured and Indian
Acucap	Acucap Properties Limited
Acucap Investments	Acucap Investments (Pty) Ltd
Admed Gap	Hospitalisation gap cover
AFS	Annual financial statements
AGM	Annual general meeting
AIM	Alternative Investment Market of the London Stock Exchange
Alsi 40	JSE/Actuaries All Share Top 40 Companies Index
A-REIT	Australian Real Estate Investment Trust
ASX	Australian Stock Exchange
AUD	Australian Dollar
AUM	Assets under management
B-BBEE	Broad-based black economic empowerment
BPO	Business process outsourcing
c.	circa
CAM	Combined assurance model
CBD	Central business district
CCIRS	Cross-currency interest rate swap
CEE	Central and Eastern Europe
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
CO₂	Carbon dioxide
COO	Chief Operating Officer
CPS	Cents per share
CPI	Consumer price index

CSI	Corporate social investment
CSR	Corporate social responsibility
C&R	Capital & Regional plc
DFI	Development finance institutions
DIA	Debts Issuers Association
DIPS	Distributable income per share
DJSI	Dow Jones Sustainability World Index
DPS	Distribution per share
DSTI	Deferred short-term incentive
EAP	Employee assistance programme
EBIT	Earnings before interest and tax
EBP	Existing building performance
ECB	European Central Bank
e-CO₂	Eco two
ECD	Early childhood development
EPC	Energy Performance Certificate
EPRA	European Public Real Estate Association
ERM	Enterprise risk management
ERS	Executive retention scheme
ESD	Enterprise supplier development
ESG	Environmental, social and governance
Etana Energy	Etana Energy (Pty) Ltd
EUR	Euro
EVP	Employee value proposition
FECs	Forward exchange contracts
FICA	Financial Intelligence Centre Act
FTSE/JSE RI	FTSE/JSE Responsible Investment Index
FFO	Funds from operations

FY	Financial year
FX	Foreign currency
G²	Growthpoint Gives
GAV	Gross asset value
GBCSA	Green Building Council of South Africa
GBP Sterling	Pounds sterling
GDP	Gross domestic product
GEMS	Growthpoint GEMS
GHG	Greenhouse gas
GHPH	Growthpoint Healthcare Property Holdings (RF) Limited
GIBS	Gordon Institute of Business Science
GIP	Growthpoint Investment Partners
GIPF	Government Institutions Pension Fund of Namibia
GLA	Gross lettable area
GNU	Government of National Unity
GOZ	Growthpoint Properties Australia Limited
GRI	Global Reporting Initiative
Group FD	Group Financial Director
GWI	Globalworth Real Estate Investments Limited
Group Exco	Group Executive Management Committee
Growthpoint	Growthpoint Properties Limited
GRESB	Global Real Estate Sustainability Benchmark
GSAH	Growthpoint Student Accommodation Holdings (RF) Limited
GSIS	Growthpoint Staff Incentive Scheme
HR	Human resources
IAR	Integrated annual report
ICR	Interest cover ratio
IFC	International Finance Corporation

IFRS	International Financial Reporting Standards
IoDSA	The Institute of Directors in South Africa NPC
ISO	International Organisation of Standards
ISS	Institutional Shareholder Services (ISS) Corporate Solutions
ITO	IT outsourcing
IT	Information technology
JIBAR	Johannesburg Interbank Average Rate
JSE	Johannesburg Stock Exchange
JSE Listings Requirements	Listings Requirements of the JSE Limited
King IV™	King IV Report on Corporate Governance™ for South Africa, 2016
KPI	Key performance indicator
kWh	Kilowatt hours
LEED	Leadership in Energy and Environmental Design
Lango	Lango Real Estate Limited
Loadshedding	Electrical power outages
LSE	London Stock Exchange
LTI	Long-term incentive
LTV	Loan to value ratio
Manco	Management Committee
MOI	Memorandum of Incorporation
Moody's	Moody's Investor Services
MSCI	Morgan Stanley Capital International
MWp	Megawatt peak
NABERS	National Australian Built Environment Rating System
NAV	Net asset value
NED	Non-executive Director
NGO	Non-governmental organisation

ABBREVIATIONS continued

NPI	Net property income	STI	Short-term incentive
NSFAS	National Student Financial Aid Scheme	tCO₂e	Tonnes of carbon dioxide emissions
NTA	Net tangible assets	The Act	Companies Act, No 71 of 2008, as amended
OCI	Other comprehensive income	TCFD	Task Force on Climate-related Financial Disclosure
OHSA	Occupational Health and Safety Act No 85 of 1993	TFR	Total fixed remuneration
pa	Per annum	TR	Total return
PI	Property Investment Group	TRem	Total remuneration
PIC	Public Investment Corporation (SOC) Limited	The Board	The Board of Directors of Growthpoint Properties Limited
PPA	Power purchase agreement	The company	Growthpoint Properties Limited
PPRA	Property Practitioners Regulatory Authority	The Group	Growthpoint Properties Limited Group
PV	Photovoltaic	T&D	Trading and development
REIT	Real Estate Investment Trust	TSR	Total shareholder return
Remco	Human Resources and Remuneration Committee	UN SDG	United Nations Sustainable Development Goals
SA	South Africa	USD	United States Dollar
SACSC	South African Council of Shopping Centres	US	United States of America
SARB	South African Reserve Bank	V&A	V&A Waterfront
SA REIT	South African Real Estate Investment Trust	VAT	Value added tax
SAPOA	South African Property Owners Association	VWAP	Volume-weighted average price
SBTs	Science-based targets	WACC	Weighted average cost of capital
SENS	Securities Exchange News Service	WALE	Weighted average lease expiry
SLA	Service level agreement	WHO	World Health Organization
SMME	Small, medium and micro enterprise		

DIRECTORATE AND ADMINISTRATION

Directors

R Gasant (Chairman)[^]
 FM Berkeley[^]
 EK de Klerk (CEO: SA)*
 M Hamman[^]
 KP Lebina[^]
 CD Raphiri[^]
 AH Sangqu (Lead Independent Director)[^]
 LN Sasse (Group CEO)*
 JA van Wyk^{^#}
 G Völkel (Group FD)*
 EA Wilton[^]
[^] Independent
^{*} Executive Directors
[#] British

Auditor

Ernst & Young Inc.
 Registered Auditor
 102 Rivonia Road
 Sandton
 2196

Transfer secretaries

JSE Investor Services (Pty) Ltd
 One Exchange Square
 2 Gwen Lane, Sandown, Sandton, 2196
 PO Box 4844, Johannesburg, 2000

Debt and equity sponsor

Investec Bank Limited
 (Registration number: 1969/004763/06)
 100 Grayston Drive, Sandown, Sandton, 2196
 PO Box 785700, Sandton, 2146

Registered office

Growthpoint Properties Limited
 (Registration number: 1987/004988/06)
 The Place, 1 Sandton Drive, Sandown, Sandton, 2196
 PO Box 78949, Sandton, 2146

Company Secretary

WJH de Koker
 The Place, 1 Sandton Drive, Sandown, Sandton, 2196
 PO Box 78949, Sandton, 2146

Investor Relations

L Turner (Head of Strategy, ESG and Investor Relations)
 The Place, 1 Sandton Drive, Sandown, Sandton, 2196
 PO Box 78949, Sandton, 2146

Management company

Growthpoint Management Services (Pty) Ltd
 (Registration number: 2004/015933/07)
 The Place, 1 Sandton Drive, Sandown, Sandton, 2196
 PO Box 78949, Sandton, 2146

Audit Committee

M Hamman (Chairman)
 FM Berkeley
 KP Lebina
 CD Raphiri
 AH Sangqu

Standing attendees

The following parties attend or are represented at meetings:
 EK de Klerk (CEO: SA)
 WJH de Koker (Company Secretary)
 C de Wet (Group Financial Manager)
 Z Dziba (Head of Risk and Compliance)
 N Moolman (Group Reporting and Investor Relations Manager)
 A Patel (Group Treasurer)
 FJ Schindehütte (Chief Financial Officer South Africa)
 C Shezi (Senior Assistant Company Secretary)
 D Swarts (Head of Group Finance and CFO: GIP)
 G Völkel (Group FD)
 C Zulu (Head of Internal Audit)

Risk Management Committee

JA van Wyk (Chairman)
 R Gasant
 KP Lebina
 EA Wilton

Standing attendees

The following parties attend or are represented at meetings:
 AL Davis (Chief Information Officer)
 EK de Klerk (CEO: SA)
 WJH de Koker (Company Secretary)
 Z Dziba (Head of Risk and Compliance)
 N Fakir (Head of Human Resources)
 X Hlatshwayo (Group Legal Counsel)
 N Moolman (Group Reporting and Investor Relations Manager)
 A Patel (Group Treasurer)
 LN Sasse (Group CEO)
 FJ Schindehütte (CFO: SA)
 C Shezi (Senior Assistant Company Secretary)
 D Swarts (Head of Group Finance and CFO: GIP)
 G Völkel (Group FD)
 C Zulu (Head of Internal Audit)

By invitation

The external auditor, Ernst & Young Inc, attend or are represented at all regular meetings and *ad hoc* meetings as required by the Audit Committee, as well as the Risk Management Committee.

DIRECTORATE AND ADMINISTRATION continued

Property and Investment Committee

FM Berkeley (Chairman)
M Hamman
CD Raphiri
JA van Wyk

Standing attendees

The following parties attend or are represented at meetings:

E Binedell (COO)
D Boshoff (Property Market Analyst)
EK de Klerk (CEO: SA)
WJH de Koker (Company Secretary)
C Geldenhuys (Valuations Manager)
X Hlatshwayo (Group Legal Counsel)
G Jones (Head of Asset Management: Retail)
P Kollenberg (Head of Asset Management: Office)
S Mills (Head of Business Intelligence)
G Muchanya (Head of GIP)
LN Sasse (Group CEO)
FJ Schindehütte (CFO: SA)
N Schloss (Head of Asset Management South Africa)
C Shezi (Senior Assistant Company Secretary)
E Taylor (Head of Asset Management: Industrial)
P Theocharides (Head of Investments)
L Turner (Head of Strategy, ESG and Investor Relations)
G Völkel (Group FD)

Social, Ethics and Transformation Committee

AH Sangqu (Chairman)
KP Lebina
CD Raphiri
EA Wilton

Standing attendees

The following parties attend or are represented at meetings:

E Binedell (Chief Operating Officer South Africa)
N Fakir (Head of Human Resources)
EK de Klerk (CEO: SA)
WJH de Koker (Company Secretary)
Z Dziba (Head of Risk and Compliance)
P Engelbrecht (National Development Head)
X Hlatshwayo (Group Legal Counsel and Chairman of Ethics Committee)
C Rennison (Head of Procurement)
C Shezi (Senior Assistant Company Secretary)
SD Theunissen (Head of CSR and Ethics Officer)
L Turner (Head of Strategy, ESG and Investor Relations)
G Völkel (Group FD)
C Zulu (Head of Internal Audit)
D Paul-Diemont (Chair of the Diversity and Inclusion Forum)
V Padayachee (ESG Specialist)

Governance and Nomination Committee

R Gasant (Chairman)
FM Berkeley
M Hamman
AH Sangqu
JA van Wyk
EA Wilton

Standing attendees

The following parties attend or are represented at meetings:

LN Sasse (Group CEO)
EK de Klerk (CEO: SA)
WJH de Koker (Company Secretary)

Human Resources and Remuneration Committee

EA Wilton (Chairman)
FM Berkeley
R Gasant
M Hamman

Standing attendees

The following parties attend or are represented at meetings:

EK de Klerk (CEO: SA)
WJH de Koker (Company Secretary)
N Fakir (Head of Human Resources)
LN Sasse (Group CEO)
C Shezi (Senior Assistant Company Secretary)
L Turner (Head of Strategy, ESG and Investor Relations)
G Völkel (Group FD)
Bowmans (independent adviser to the committee)

Group Executive Management Committee (Group Exco)

LN Sasse (Group CEO) (Chairman)
E Binedell (Chief Operating Officer South Africa)
EK de Klerk (CEO: SA)
WJH de Koker (Company Secretary)
N Fakir (Head of Human Resources)
X Hlatshwayo (Group Legal Counsel)
G Muchanya (Head of GIP)
A Patel (Group Treasurer)
N Schloss (Head of Asset Management South Africa)
P Theocharides (Head of Investments)
L Turner (Head of Strategy, ESG and Investor Relations)
W van Antwerpen (Head of Corporate Advisory)
G Völkel (Group FD)

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Switchboard tel: +27 (0) 21 673 8400