



GROWTHPOINT PROPERTIES LIMITED

(Registration Number 1987/004988/07)

DECLARATION AND CONFLICTS OF INTEREST POLICY

## **INTRODUCTION**

- 1 Growthpoint Properties Limited (the "**Company**") is a public company listed on the Johannesburg Stock Exchange ("**JSE**") on the equity and debt listings boards.
- 2 The purpose of this Conflicts of Interest Policy (the "**Policy**") is to supplement the provisions of the Company's Board Charter as they relate to conflicts of interest in respect of the Directors, to provide guidelines for the management of any conflicts of interest arising in respect of any Directors and/or Executive Management, and to thereby ensure that the Company conducts its business in line with the highest ethical standards. This Policy does not supersede the Board Charter or the Act.

## **SCOPE OF THE POLICY**

- 3 This Policy applies to all Directors, members of a Board committee, and Executive Management of the Company (collectively referred to as the "**Members**") in respect to how conflicting interests can be identified and managed or avoided.

## **DEFINING CONFLICTS OF INTEREST**

- 4 A conflict of interest, in relation to the respective Members, occurs when there is a direct or indirect conflict, in fact or in appearance, between the interests of such member and that of the Company. It applies to financial, economic, and other interests in any opportunity from which the Company may benefit, as well as the use of the property of the Company, including information. It also applies to the Members' Associates and/or Related Persons holding such interests. The conflict of interest is to be material in that there is a substantial likelihood that a reasonable person in the position concerned would attach importance to the conflict in evaluating the party to which it relates, and the transaction contemplated.

- 5 For the purposes of identifying the types of conflict of interest that may arise, some examples of potential conflicts of interest are set out below (which are not intended to be exhaustive) and include where the respective Member/s and/or any Associate/s and/or Related Person/s -
- 5.1 is likely to make a financial gain, or avoid a financial loss, at the expense of the Company, or any member of the Group;
  - 5.2 has an interest in the outcome of a service provided to the Company or any member of the Group or of a transaction carried out on behalf of the Company or any member of the Group;
  - 5.3 has a financial or other incentive to favour his or her own interests or the interests of an Associate and/or Related Person over the interests of the Company and/or any member of the Group; or
  - 5.4 receives or will receive an inducement in relation to a service provided to the Company and/or any member of the Group, in the form of monies, goods or services.

#### Management of Executive Management's Conflicts of Interest

- 6 Executive Management must manage and declare any conflicts of interest in accordance with the guidelines set out in 7. In addition, the general nature of the conflict of interest must be disclosed, as well as any material information relating to the matter which is known to the member of the Executive Management.
- 7 Prior to or in accompaniment of a declaration, a member of Executive Management who has a conflict of interest in respect of any business transaction of the Company, or any member of the Group, must limit or remove their involvement or influence in such transaction, which shall include but is not limited to –

- 7.1 abstaining from deciding on (agreeing to), making or influencing decisions on the potential conclusion of contracts;
  - 7.2 withdrawing from discussions, appointments or business proposals regarding involved parties, such as Associates and Related Person/s; and
  - 7.3 restricting or removing their access to information and documentation which relates to such conflict of interest.
- 8 Members of Executive Management must recuse themselves from deliberations and/or decisions in connection to a conflict of interest.
- 9 Any conflicts of interest, whether actual or potential, by members of the Executive Management must be disclosed either verbally or in writing to the Company Secretary, and they shall be recorded in a register and published on the Company's website in accordance with 15.
- 10 The management of conflicts of interest (other than Personal Financial Interests which is separately dealt with) as set out under this heading shall also apply to Directors, who shall be required to comply with these provisions in addition to the provisions of section 75 of the Act.

#### Management of Directors' Personal Financial Interests

- 11 Section 75 of the Act requires Directors<sup>1</sup> to disclose:

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<sup>1</sup> For purposes of section 75 of the Act "Director" includes an alternate director, and a prescribed officer; or a person who is a member of a committee of a board of a company, or of the audit committee of a company, irrespective of whether the person is also a member of the company's board or of another company on whose board the director sits.

- 11.1 any Personal Financial Interests they may have in respect of a matter to be considered at a meeting of the Board or a Board committee, or in respect of which they know a Related Person has a Personal Financial Interest; and
  - 11.2 any Personal Financial Interests acquired by them in an agreement or other matter in which the Company and/or Group has an interest, or in respect of which they know a Related Person has an interest.
- 12 If a Director has a Personal Financial Interest in respect of a matter to be considered at a meeting of the Board or a Board committee, or in respect of which the Director knows a Related Person has a Personal Financial Interest, the Director:
- 12.1 must disclose the interest and its general nature to the meeting before the matter is considered at the meeting, as well as any material information relating to the matter, and known to the Director;
  - 12.2 must not take part in the consideration of the matter except to disclose any observations or pertinent insights relating to the matter if requested to do so by the other Directors;
  - 12.3 if present at the meeting, must leave the meeting immediately after making any disclosure required;
  - 12.4 while absent from the meeting, is to be regarded as being present at the meeting for the purpose of determining a quorum for the meeting, however, is not regarded as being present at the meeting for the purpose of determining whether a resolution has sufficient support to be adopted; and
  - 12.5 must not execute any document on behalf of the Company in relation to the matter unless specifically requested or directed to do so by the Board.

## **DISCLOSURE OF CONFLICTS OF INTEREST**

13 Directors are required to disclose any Personal Financial Interest or other interest held by them or their Related Persons –

13.1 on being appointed to the Board;

13.2 before all Board and Board Committee meetings; and

13.3 whenever there have been any changes that are likely to result in or create a potential conflict of interest.

14 Disclosures must be addressed either verbally or in writing to the Company Secretary who shall maintain and manage the registers of conflicts of interest.

15 Registers of Conflicts of Interest

15.1 Current registers recording any conflicts of interest and/or Personal Financial Interests of any Directors and Executive Management respectively must be maintained and are available on the Company's website when the Company's annual financial statements are published.

15.2 In the event that there are no recorded conflicts of interest, a negative statement to this effect must be made.

**APPROVED BY THE BOARD ON 14 SEPTEMBER 2021**

**SCHEDULE 1**

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**DEFINITIONS AS PER THE JSE DEBT LISTINGS REQUIREMENTS AND THE ACT**

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## **SCHEDULE 1 - DEFINITIONS AS PER THE JSE DEBT LISTINGS REQUIREMENTS AND THE ACT**

- 1        "**Act**" means the Companies Act, No. 71 of 2008, as amended, re-enacted or replaced from time to time, and includes all schedules and the Regulations to such Act;
  
- 2        "**Associate**", as defined in the JSE Debt Listings Requirements, means –
  - 2.1        in relation to an individual -
    - 2.1.1        that individual's immediate family; and/or
    - 2.1.2        the trustees, acting as such, of any trust of which the individual or any of the individual's immediate family is a beneficiary or discretionary subject, including trustees of a trust without nominated beneficiaries, but who have been provided with a letter of wishes or similar document or other instruction, including a verbal instruction, naming desired beneficiaries (other than a trust that is either an occupational pension scheme, or an employees' share scheme that does not, in either case, have the effect of conferring benefits on the individual or the individual's family); and/or
    - 2.1.3        any trust, in which the individual and/or his family referred to in 2.1.1, individually or taken together have the ability to control 35% (thirty five per cent) of the votes of the trustees or to appoint 35% (thirty five per cent) of the trustees, or to appoint or change 35% (thirty five per cent) of the beneficiaries of the trust. Without derogating from the above, and for the purposes of this definition, the term trust may also be replaced with any other vehicle or arrangement set up for similar purposes to that of a trust; and/or

- 2.1.4 any company in whose equity securities the individual or any person or trust contemplated in 2.1.1 or 2.1.21, taken together, are directly or indirectly beneficially interested, or have a conditional, contingent or future entitlement to become beneficially interested, and that the individual or any person or trust contemplated in 2.1.1 or 2.1.21 are, or would on the fulfilment of the condition or the occurrence of the contingency be, able (a) to exercise or control the exercise of 35% (thirty five per cent) or more of the votes able to be cast at general meetings on all, or substantially all, matters; or (b) to appoint or remove directors holding 35% (thirty five per cent) or more of the voting rights at board of directors' meetings on all, or substantially all, matters; or (c) to exercise or control the exercise of 35% (thirty five per cent) or more of the votes able to be cast at a board of directors' meeting on all, or substantially all, matters; and/or
- 2.1.5 any close corporation in which the individual and/or any member(s), taken together, of the individual's family are beneficially interested in 35% (thirty five per cent) or more of the members' interest and/or are able to exercise or control the exercise of 35% (thirty five per cent) or more of the votes able to be cast at members' meetings on all, or substantially all, matters; and/or
- 2.1.6 any associate, as defined below with reference to a company, of the company referred to in 2.1.4. For the purpose of (a), (b) and (c) in 2.1.4, where more than one director of the same listed company is directly or indirectly beneficially interested in the equity securities of another company, then the interests of those directors and their associates will be aggregated when determining whether such a company is an associate of any one director of such listed company.
- 2.2 in relation to a company -

- 2.2.1 any other company that is its Subsidiary, holding company or Subsidiary of its holding company; and/or
  - 2.2.2 any company whose directors are accustomed to act in accordance with the company's directions or instructions; and/or
  - 2.2.3 any company in the capital of which the company, and any other company under 2.2.1 or 2.2.2 taken together, is, or would on the fulfilment of a condition or the occurrence of a contingency be, interested in the manner described in 2.1.4; and/or
  - 2.2.4 any trust that the company and any other company under 2.2.1 or 2.2.2, individually or taken together, have the ability to control 35% (thirty five per cent) of the votes of the trustees or to appoint 35% (thirty five per cent) of the trustees, or to appoint or change 35% (thirty five per cent) of the beneficiaries of the trust. Without derogating from the above, and for the purposes of this definition, the term trust may also be replaced with any other vehicle or arrangement set up for similar purposes to that of a trust;
- 3 **"Board"** means the board of Directors of the Company;
- 4 **"Board Charter"** means the policy document that defines the respective roles, responsibilities, membership and operation of the Board of the Company, in both an individual and collective capacity;
- 5 **"Control"**, as defined in the Act, means a person controls a juristic person, or its business, if—
- 5.1 in the case of a juristic person that is a company—
    - 5.1.1 that juristic person is a Subsidiary of that first person; or

- 5.1.2 that first person together with any related or inter-related person, is—
- 5.1.2.1 directly or indirectly able to exercise or control the exercise of a majority of the voting rights associated with securities of that company, whether pursuant to a shareholder agreement or otherwise;  
or
- 5.1.2.2 has the right to appoint or elect, or control the appointment or election of, directors of that company who control a majority of the votes at a meeting of the board;
- 5.2 in the case of a juristic person that is a close corporation, that first person owns the majority of the members' interest, or controls directly, or has the right to control, the majority of members' votes in the close corporation;
- 5.3 in the case of a juristic person that is a trust, that first person has the ability to control the majority of the votes of the trustees or to appoint the majority of the trustees, or to appoint or change the majority of the beneficiaries of the trust; or
- 5.4 that first person has the ability to materially influence the policy of the juristic person in a manner comparable to a person who, in ordinary commercial practice, would be able to exercise an element of control referred to in 5.1, 5.2 or 5.3,  
  
and "**Controls**" shall bear a corresponding meaning;
- 6 "**Director**" means, as defined in the Act, a member of the board of a company, as contemplated in section 66 of the Act, or an alternate director of a company and includes any person occupying the position of a director or alternate director, by whatever name designated;
- 7 "**Executive Management**" means the members of the extended executive management committee of the Company including executive Directors;

8 **"Group"** means the Company and its direct and indirect Subsidiaries and any entity in which the Company or any of its direct or indirect Subsidiaries hold less than a majority stake, but where either the Company nonetheless -

8.1 is able to exert significant Control over the management of, or activities in respect of, the investment entity and/or any of its governing boards or committees, or to appoint one or more directors or representatives to any such governing boards or committees; or

8.2 retains contractual rights and protections to protect the Company's commercial interests in its minority position in such investment Entity, such as veto rights, mandatory consent rights or other customary protections;

9 **"Personal Financial Interest"** means, as defined in the Act, when used with respect to any person —

9.1 means a direct material interest of that person, of a financial, monetary or economic nature, or to which a monetary value may be attributed; but

9.2 does not include any interest held by a person in a unit trust or collective investment scheme in terms of the Collective Investment Schemes Act No. 45 of 2002, unless that person has direct control over the investment decisions of that fund or investment;

10 **"Related Person"** means, as defined in the Act,-

10.1 an individual is related to another individual if they—

10.1.1 are married, or live together in a relationship similar to a marriage; or

10.1.2 are separated by no more than 2 (two) degrees of natural or adopted consanguinity or affinity;

- 10.2 an individual is related to a juristic person if the individual directly or indirectly Controls the juristic person; and
- 10.3 a juristic person is related to another juristic person if—
  - 10.3.1 either of them directly or indirectly Controls the other, or the business of the other;
  - 10.3.2 either is a Subsidiary of the other; or
  - 10.3.3 a person directly or indirectly Controls each of them, or the business of each of them,

provided that for the purposes of section 75 of the Act, a Related Person includes a second company of which the Director or a Related Person is also a director, or a close corporation of which the director or a Related Person is a member;

11 "**Subsidiary**" means, as defined in the Act, a company is -

- 11.1 a subsidiary of another juristic person if that juristic person, one or more other subsidiaries of that juristic person, or one or more nominees of that juristic person or any of its subsidiaries, alone or in any combination -
  - 11.1.1 is or are directly or indirectly able to exercise, or control the exercise of, a majority of the general voting rights associated with issued securities of that company, whether pursuant to a shareholder agreement or otherwise; or
  - 11.1.2 has or have the right to appoint or elect, or control the appointment or election of, directors of that company who control a majority of the votes at a meeting of the board.