

ASSURANCE STATEMENTS



Verification Opinion Declaration: Greenhouse Gas Emissions

The Intended Users and Stakeholders of Growthpoint Properties Limited

- Organization: Growthpoint Properties Limited
- Address: The Place, 1 Sandton Drive, Sandton, 2196, Gauteng
- Verification Standard: ISO 14064-3:2019 'Specification with guidance for the verification and validation of greenhouse gas statements'
- Verification Criteria: WRI/WBCSD Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, 2004, and subsequent Amendments.
- GHG Consolidation Approach: Operational Control
- Level of Assurance: Limited
- GHG Inventory Period: 01 July 2022 to 31 June 2023 (FY2023)
- GHG Statement: Refer to: GPT_GHG Inventory_FY23_v6_VERIFIED.xlsx

Growthpoint Properties Ltd. ("Growthpoint") is the largest South African primary JSE-listed real estate investment trust (REIT), with a significant and diversified property portfolio both in South Africa and offshore. Growthpoint exercises operational control over its South African assets (excluding the V&A Waterfront in Cape Town), whereas all offshore assets are independently managed. As of 30 June 2023, Growthpoint's direct investment portfolio in South Africa (SA) comprised 387 properties across a range of sectors.

Growthpoint engaged Verify CO₂ to conduct independent third-party verification of the Group's greenhouse gas (GHG) emissions for its SA property portfolio for the financial reporting period 01 July 2022 to 30 June 2023 (FY2023), as calculated and presented in the GCX Analytics online dashboard.

This Verification Opinion Declaration is issued following an in-depth review of the GHG Inventory calculations and supporting information for the stated inventory period, based on the scope of work detailed below.

Responsible Parties

Growthpoint nominated a third party¹ to prepare the GHG Statement set out below but retains sole responsibility for its preparation and fair presentation in accordance with the stated criteria.

Verify CO₂'s responsibility is to express an independent assurance opinion on Growthpoint's FY2023 GHG Statement based on the evidence obtained regarding:

1. Conformance with the principles and reporting requirements of the GHG Protocol Corporate Standard.
2. Completeness and accuracy of the activity data and GHG emissions quantification.

The ISO 14064-3 Standard requires that ethical standards are upheld in planning and performing a verification engagement to obtain the agreed level of assurance that the GHG Statement is free from material misstatement.

Level of Assurance

The verification activities provided a limited level of assurance on the final GHG Statement below. A materiality threshold of 5% per emission source was applied.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with the ISO 14064-3 Standard will always detect a material misstatement when it exists.

Misstatements are considered material if, individually or taken together, they could reasonably be expected to influence the intended user's decisions. Verification activities performed to achieve a limited level of assurance are less extensive in nature, timing, and extent than those for reasonable assurance. Furthermore, there is an inherent limitation in verifying GHG data, which is subject to greater inaccuracy than financial data, as the methods used to estimate GHG emissions rest upon incomplete scientific knowledge.

GHG Verification Activities

Evidence-gathering procedures to achieve a limited level of assurance included but were not limited to:

- Risk assessment based on high-level review of the initial FY2023 GHG data and historical GHG reporting.
- Communication with Growthpoint and GCX to clarify anomalies and deviations, and to provide supporting evidence as required.
- Evaluation of the completeness of the reporting boundaries, considering structural/other significant changes since the previous reporting period.
- Analytical procedures to assess completeness and accuracy of the GHG data, including year-on-year variance checks, recalculation, and tracing of primary data to GHG information.
- Evaluation of the appropriateness of emission factors, estimation methodologies and assumptions.
- Evaluation of the accuracy and consistency of the GHG emissions calculations.
- Liaison with Growthpoint and GCX regarding the verification findings and recommended corrective action.
- Evaluation of conformity of the GHG Statement with the verification criteria referenced above.
- Since Growthpoint is a REIT with no complex GHG emitting activities, site visits were not necessary.
- Owing to the maturity of Growthpoint's GHG reporting, an independent review was not performed.

¹ Collation of activity data and GHG quantification were carried out by GCX on behalf of Growthpoint.

Verification Scope and Exclusions

GHG Boundaries:²

- FY2023 structural changes relevant to the reporting boundary included 1 acquisition and 28 disposals.
- The organisational boundary was defined based on operational control with South Africa as the geographical boundary, consistent with previous GHG reporting.
- The reporting boundary included all scope 1 and scope 2 GHG emissions sources, as well as the 6 scope 3 categories that are currently measured.
- As of 30 June 2023, Growthpoint's property portfolio comprised 387 wholly- or part-owned properties. Of these, 325 fell into the reporting boundary. The 62 properties below were specifically excluded for the reasons noted:
 - 21 – Land; land-under-development; Trade and Development sites – No GLA and/or emissions data
 - 29 Sites – No operational control as 3rd-party managed or triple net lease sites (includes 6 hospitals)
 - 11 Student Residences – No GLA assigned.
 - 1 Helicopter – Not relevant

Added to this were the 24 in-boundary disposals during FY2023, as well as 1 managed property.

Growthpoint's FY2023 GHG reporting boundary therefore included a total of 350 properties.³

Reporting Exclusions

- Out of the 350 properties in Growthpoint's FY2023 GHG reporting boundary, 6 properties were omitted due to data availability.
- These 6 sites (combined) accounted for only 1.2% of Growthpoint's total GLA, so the omissions were deemed not relevant.

Verification Exclusions

- This Verification Opinion Declaration provides assurance specifically for Growthpoint's FY2023 GHG Statement below, which only includes properties that were operationally controlled by Growthpoint during FY2023.
- GHG intensity ratios were not included in the verification scope as they were calculated using data for all properties in the FY2023 Property Portfolio, rather than only those in the reporting boundary.

GHG statement

After correction of misstatements, the FY2023 GHG Statement below, consolidated based on operational control, was finalised on 12 September 2023:

FY2023: GHG Emissions	Tonnes CO ₂ e
Scope 1	18 487
Scope 2 (location-based) ⁴	42 802 ⁵
Total scopes 1 and 2 (location-based)	61 289
Category 1 – Purchased municipal water and paper ⁶	2 845
Category 5 – Waste	8 582
Category 13 – Downstream lease assets ⁷	523 844
Other categories ⁸	1 412
Total scope 3	536 682
Total scopes 1, 2 and 3 (location-based)	597 971
Outside of scopes (Product use emissions: HCFC-22) ⁹	1 136

100% of Growthpoint's reported scope 1 and scope 2 GHG emissions were verified.

² Note: Growthpoint has no operational control over the V&A Waterfront JV or any offshore subsidiaries.

³ Pick 'n Pay Plumstead (4801) is a managed-only property and as such is not included in the Property Portfolio. The 24 disposals are not included in the FY2023 Property Portfolio as they were disposed of prior to 30 June 2023.

⁴ Scope 2 includes Growthpoint own consumption and all unrecovered COS consumption (including that of vacant space). FY2023 and historical scope 2 emissions were calculated using the location-based method only, as no contractual instruments were used (for all 24 solar arrays RE is supplied directly to tenants without PPAs).

⁵ Due to delayed release of Eskom's annual financial statements, a one-year lag in the electricity emission factor is applied.

⁶ Municipal water consumption (3,055,023 kl equivalent to 2,826 tCO₂e) and office paper (19.2 tCO₂e).

⁷ Tenant electricity consumption: 513,973 MWh (503,696 MWh purchased and 10,277 MWh on-site renewable generation). Unrecovered tenant consumption was reported in Scope 3 to align with the recovered COS (as per the FY2020 base year). FY2021 to be restated as this change resulted in a notable decrease in scope 2 emissions.

⁸ Includes Cat4. Courier transport (8.77 tCO₂e); Cat6. Business Travel (792 tCO₂e); Cat7. Employee Commute (611 tCO₂e).

⁹ Fugitive GHG emissions from refrigerant gases not listed under the Kyoto Protocol were included as over time HCFC-22 may be replaced by gases that are covered by the Kyoto Protocol (i.e., scope 1).

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Additional data points verified:	Growthpoint	Tenants
Purchased/acquired electricity (non-renewable)	45 455MWh	559 673MWh
On-site generation (Renewable – solar PV at 24 sites) ¹⁰	685MWh	9 797MWh
	46 140MWh	569 470MWh
Total electricity consumed	615 610MWh	
Total municipal water consumption	2 923 977kl	

	Landfilled	Recycled	Composted
Waste generated in operations ¹¹	6 701t	4 746t	50t

¹⁰ Excludes on-site solar generation for 5 third-party managed properties that fell outside the reporting boundary (3559 MWh) and one installation that was not operating during FY2023. Since the split of renewable energy (RE) consumed by Growthpoint vs. tenants is not measured, it was allocated in proportion to each party's grid consumption. Consequently, most RE was allocated to tenants (Note: For FY2021 a different approach was used).

¹¹ Under-reported as data only available for +/-80% of the 176 sites with Growthpoint-controlled waste management.

¹² The dashboard operates by integrating with service provider internal data systems. The raw data is reformatted and imported directly into the dashboard, thereby reducing the risk of transcription error.

GHG Verification Findings and Qualifications

Findings:

GHG Boundary:

- The GHG boundary was updated to reflect changes to lease agreements and operational control. For FY2023 65 properties (including 3 disposals) fell outside the reporting boundary, either because the tenant has a triple net lease, or it is 3rd-party managed.

GHG Quantification:

- IPCC AR4 100-year GWPs were applied to all GHG conversions.
- The GHGs applicable to Growthpoint's business activities are CO₂, CH₄, N₂O, HFCs and HCFCs.
- GHGs were reported in tonnes of CO₂e only, and not also in tonnes CO₂, CH₄, N₂O and HFC.
- Growthpoint's GHG information is managed, quantified, and reported using the GCX Analytics online dashboard.¹² The verifier concluded that this tool provides a well-structured data management system supported by robust processes that significantly reduce both inherent and control risk. The only limitation remains reporting completeness, which relies on manual monitoring.
- Scope 1:**
 - Generator diesel: A significant increase in FY2023 usage was anticipated due to increased loadshedding incidents. Although initial reporting was more than 2.5 times higher than in FY2022, the FY2023 diesel spend indicated that consumption was 100% under-reported. Diesel purchases were thus used a proxy for FY2023 consumption.
 - Refrigerants: Initially data was only submitted for 10 multi-tenanted properties. Following further checks, data was received for a total of 29 sites. However, several duplicates were found in the revised data as refills were uploaded from both service provider reports and

Growthpoint's internal gas register. After removal of duplicates, GHG emissions increased almost 6-fold compared to those initially reported.

Reporting may still be incomplete however, as some Facilities Managers understood from the Worktrainer instructions that only gas refill data for chiller units was required, rather than for all air conditioning units.

- Scope 2/3 Electricity:**

- The notable decrease in electricity consumption and GHG emissions was attributed to property disposals, increased loadshedding, and a 2% drop in the Eskom emission factor. This decrease was offset in part by higher scope 1 emissions due to the use of generators during loadshedding, although the combustion of diesel is less GHG-intensive than coal (the predominant fuel used for electricity generation in SA).
- No RECS were generated, and Growthpoint was the sole beneficiary of the environmental attributes for the energy generated by the solar PV arrays installed at 24 sites. However, these zero carbon attributes were allocated between Growthpoint (scope 2) and tenants (scope 3) in proportion to their respective grid consumption.

- Scope 3:**

- Waste: GHG emissions were under-reported as Growthpoint only records waste at +/- 55% of the overall property portfolio (176 sites). Initial waste data was materially under-reported as several sites and data points were omitted. After investigation further data was included but remained incomplete (143 sites reported landfilled waste and 125 sites recycled waste).
- Business Travel: Emissions almost doubled but remained well below pre-Covid emissions (FY2019).
- Scope 3 Employee Commute: GHG emissions may be under-reported as they were estimated based on a FY2021 survey during which time most employees worked remotely.

Conclusion and final verifier opinion

Based on the evidence obtained in conducting the limited assurance procedures in accordance with ISO 14064-3:2019 and applying the stated criteria, misstatements were identified and duly rectified.

Notwithstanding the above qualifications, it is our opinion that Growthpoint has established appropriate systems for the collection, aggregation, and analysis of data for quantifying the GHG emissions for the stated period and boundaries. There is no evidence that the GHG Statement set out above:

1. has not been prepared in accordance with the principles and requirements of the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard; and
2. does not provide a true and fair representation of Growthpoint's GHG emissions data and information for

the stated inventory period and boundaries.

This Verification Opinion Declaration provides assurance only for Growthpoint's FY2023 GHG Statement above. The information presented in the GCX Analytics dashboard cannot be verified, as the verifier has no control over changes that may be made on this platform after completion of the verification.

Verify CO₂ did not conduct any work outside of the agreed scope, and our opinion is therefore restricted to the agreed subject matter.

Statement of Competence, Independence, and Impartiality

With over 10 years' experience in performing corporate GHG verification projects, Verify CO₂ has the competence and proficiency required to lead verification engagements.

Verify CO₂ conducted this verification independently and, to our knowledge, there has been no conflict of interest. No member of the verification team has a business relationship with Growthpoint beyond that required of this assignment.



Signed: Kerry Evans

Lead GHG Verifier, Verify CO₂

Cape Town

13 September 2023

ASSURANCE STATEMENTS (CONTINUED)

Independent Assurance Statement to the management and stakeholders of Growthpoint Properties Limited

Introduction

IBIS Environmental Social Governance Consulting Africa (Pty) Ltd (IBIS) was commissioned by Growthpoint Properties Limited (Growthpoint) to conduct an independent third-party assurance engagement in relation to the sustainability information in its Environmental, Social, and Governance (ESG) Report (the ESG Report) for the financial year ended 30 June 2023.

IBIS is an independent licensed provider of sustainability assurance services. The assurance team was led by Petrus Gildenhuys with support from Ibrahim Akoon, Mathapelo Matlakala, and Megan Nair from IBIS. Petrus is a Lead Certified Sustainability Assurance Practitioner (LCSAP) with more than 25 years' experience in sustainability performance measurement involving both advisory and assurance work. This assurance engagement is the third consecutive sustainability assurance engagement conducted for Growthpoint by IBIS.

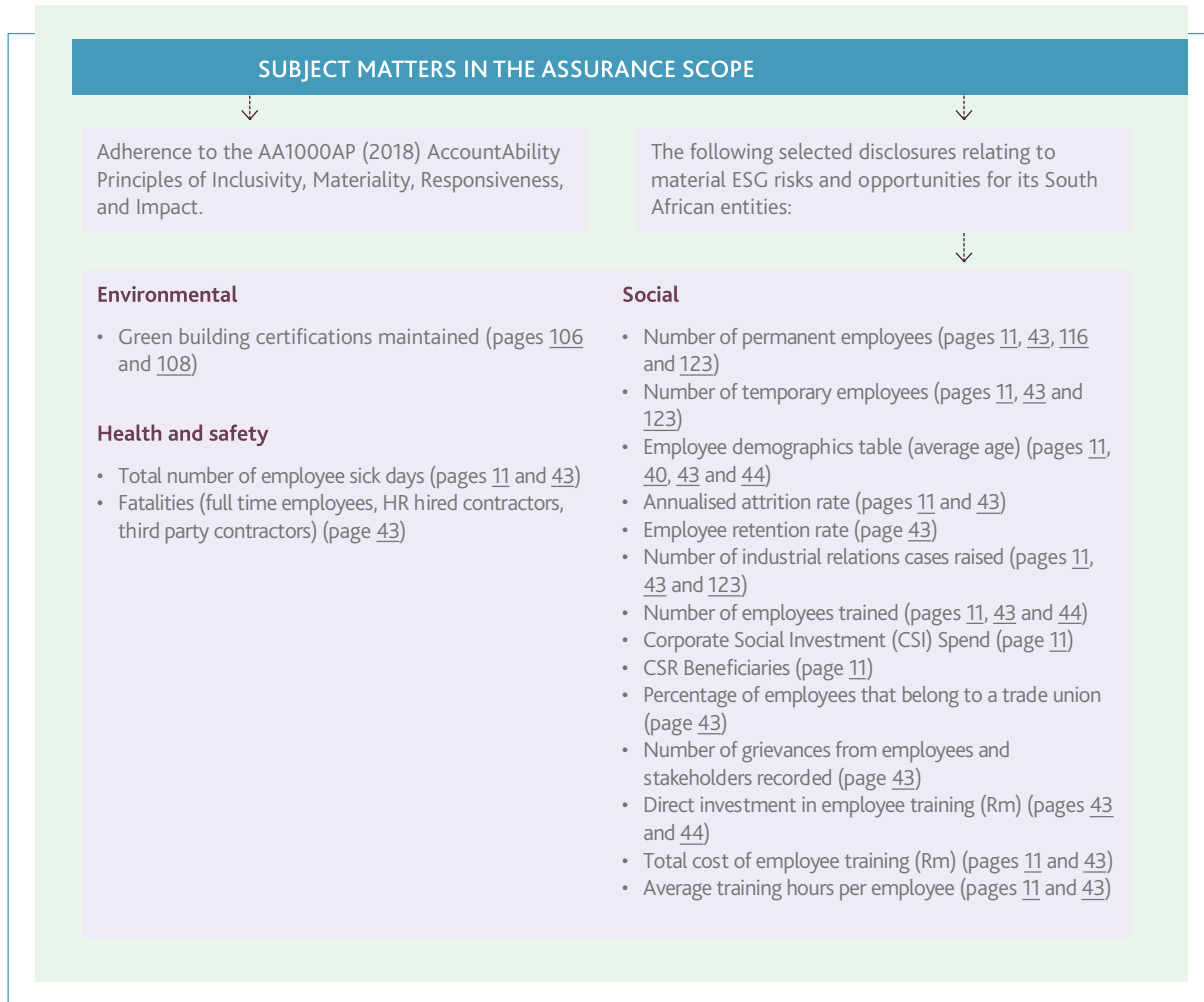
Assurance standard applied

This assurance engagement was conducted in accordance with AccountAbility's AA1000 Assurance Standard v3 (2020) ("AA1000AS") and the AA1000 Accountability Principles Standard (2018) ("AA1000AP") and was performed to meet the AA1000AS Type II Moderate level requirements.

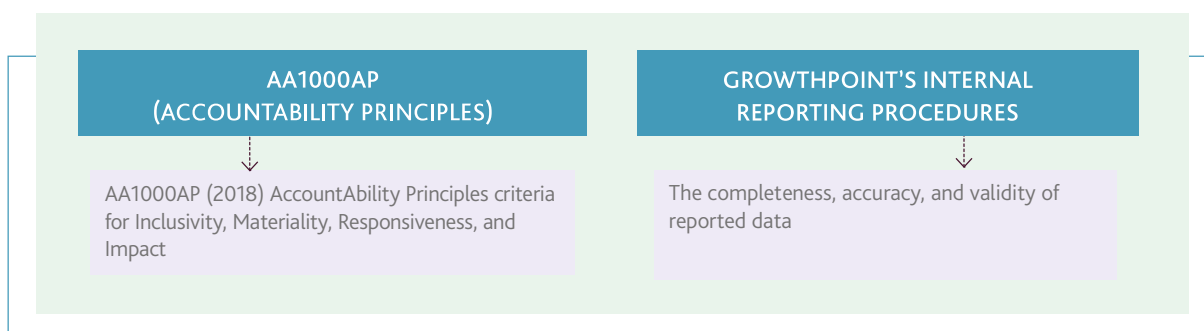
Respective responsibilities and IBIS' independence	
GROWTHPOINT	IBIS
<p>Growthpoint is responsible for preparing their ESG Report and for the collection and presentation of sustainability information within the report.</p> <p>Growthpoint is also responsible for maintaining adequate records and internal controls that support the reporting processes.</p>	<p>IBIS' responsibility is to the management of Growthpoint alone and in accordance with the scope of work and terms of reference agreed with Growthpoint.</p> <p>IBIS applies a strict independence policy and confirms its impartiality to Growthpoint in delivering the assurance engagement.</p>

Assurance scope

The scope of the subject matter for moderate assurance in accordance with the AA1000AS assurance standard, as detailed in the agreement with Growthpoint is set out below:



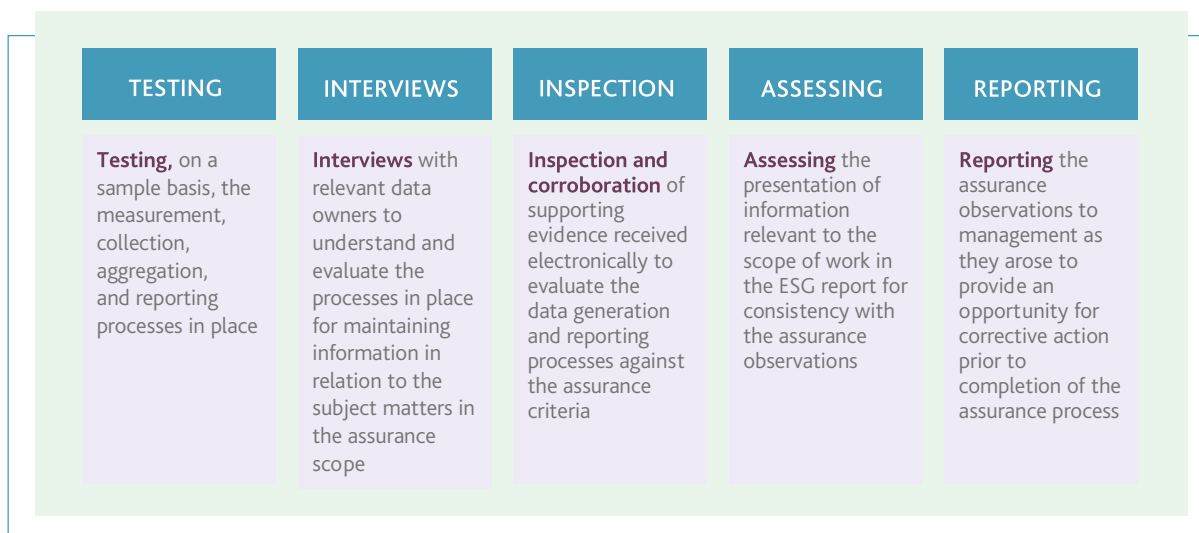
The following assessment criteria were used in undertaking the work:



ASSURANCE STATEMENTS (CONTINUED)

Assurance procedures performed

Our assurance methodology included:



Engagement limitations

IBIS planned and performed the work to obtain all the information and explanations believed necessary to provide a basis for the assurance conclusions for a moderate level of assurance in accordance with AA1000AS.

The procedures performed in a moderate assurance engagement vary in nature from, and are less in extent, than for a high assurance engagement. As a result, the level of assurance obtained for a moderate assurance engagement is lower than for high assurance as per AA1000AS.

Assurance conclusion

In our opinion, based on the work undertaken for moderate assurance as described, we conclude that the subject matters in the scope of this assurance engagement have been prepared in accordance with the defined criteria and are free from material misstatements.

Key observations and recommendations for improvement

Based on the work set out above, and without affecting the assurance conclusion, the key observations and recommendations for improvement are set out below.

In relation to AA1000AP (2018)

Inclusivity: Across a range of policy and procedure documents, Growthpoint has articulated its commitment to stakeholder engagement and accountability. Growthpoint has teams and structures in place across organizational levels and stakeholder groups to ensure effective and responsive stakeholder engagement. It is recommended that Growthpoint continue to set metrics to measure engagement effectiveness, outcomes, and impact, as well as enhance its monitoring of stakeholder engagement effectiveness.

Materiality: Growthpoint has implemented an organisation-wide and systematic materiality determination process under the governance of senior management, including key cross-functional involvement. The assessment draws on a wide range of business and sustainability topics, from a wide range of sources to determine the key material topics relevant to the business. Independent external facilitators are employed to enhance the quality of materiality discussions.

Responsiveness: Growthpoint continues to employ and enhance its process of developing and providing responses to stakeholders in a timely and appropriate manner. Its policies and procedures assign responsibilities to specific staff and functions across the Group to achieve this objective.

Impact: Growthpoint continues to employ and enhance its process of developing and providing responses to stakeholders in a timely and appropriate manner. Its policies and procedures assign responsibilities to specific staff and functions across the Group to achieve

this objective.

In relation to the selected disclosures

It was observed that, although systems and processes are in place to provide source data related to the selected disclosures assessed, internal data quality controls need to be enhanced to improve the consistency of reported data. Formula and data entry inconsistencies identified during the final consolidation of the sustainability information, were subsequently adjusted and IBIS is satisfied with the accuracy of the final data in the assurance scope as presented. Growthpoint is commended for initiating the development of a Sustainability Reporting Procedure to govern and improve its internal control environment.

A comprehensive management report detailing the findings and recommendations for continued sustainability reporting improvement has been submitted to Growthpoint management for consideration.

Petrus Gildenhuys

Director

IBIS Environmental Social Governance Consulting Africa (Pty) Ltd

Johannesburg

26 September 2023



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000-156/V3-7CTS0

The assurance statement provides no assurance on the maintenance and integrity of sustainability information on the website, including controls used to maintain this. These matters are the responsibility of Growthpoint.