

GROWTHPOINT
PROPERTIES



2020

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

AT A GLANCE

440

High quality physical property assets

R72.3 billion

RSA Property Asset Value

5 493 733 million

Square meters of space

REIT

Largest South African primary listed

Diversified

Sector – Retail, Office, Industrial,
Healthcare, Trading and Development

11th Year

Inclusion in the FTSE/JSE Responsible Index



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@growthpoint



<https://www.youtube.com/c/GrowthPointBroadcast>

OUR REPORTING SUITE

GROUP ANNUAL FINANCIAL STATEMENTS (AFS)

The statutory AFS prepared in accordance with International Financial Reporting Standards (IFRS), the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, the Financial Reporting Pronouncements as issued by the Financial Reporting Council, the Johannesburg Stock Exchange (JSE) Listings Requirements and the requirements of the Companies Act 2008, as amended.

INTEGRATED ANNUAL REPORT (IAR)

The IAR incorporates an overview of our organisation and its key strategic matters, performance and governance. The IAR should be read in conjunction with the AFS, which together provide a comprehensive overview of our organisation.



ANNUAL GENERAL MEETING (AGM) NOTICE

The booklet containing the AGM notice also includes the summarised audited AFS for FY20, relevant extracts from the IAR supporting the notice and the report to shareholders by the Social, Ethics and Transformation Committee.

ESG REPORT

The booklet containing additional information relating to environmental, social and governance elements.

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REPORT SCOPE AND BOUNDARY

This report covers the period from 1 July 2019 to 30 June 2020 (FY20) for the financial reporting entity – Growthpoint Properties Limited.

The report provides an overview of the operations and performance of all businesses, which encompass the South African businesses, excluding its share in the V&A Waterfront (V&A).

In preparing these reports we have endeavoured to present a holistic and integrated representation of Growthpoint South Africa's

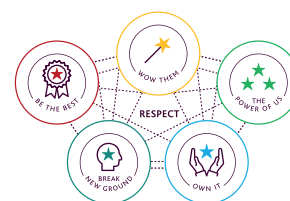
performance in terms of both its profitability and its long-term sustainability.

This report aims to inform our stakeholders about the objectives and strategies of the Group, as well as its performance with regard to financial, human and environmental issues.

HOW TO NAVIGATE OUR REPORT

The following icons are used throughout our ESG report to show connectivity between sections:

OUR VALUES



CAPITALS



FINANCIAL



HUMAN



INTELLECTUAL



MANUFACTURED



SOCIAL



NATURAL



This icon denotes cross-referencing and further reading between sections

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Registered as a public company and listed on the JSE Limited since 1987, Growthpoint has been proactive about disclosure, particularly in relation to environmental, social and governance (ESG) indicators.

Growthpoint owns and manages a diversified portfolio of properties including 440 properties in South Africa and 57 properties in Australia through its 62.2% holding of Growthpoint Properties Australia (GOZ). It also has a 50% interest, in the properties of the V&A Waterfront (V&A), Cape Town, and owns 62 standing properties in Poland and Romania through its 29.4% stake in Globalworth Real Estate Investments (GWI), which is listed on the London Stock Exchange (AIM). In FY20, Growthpoint acquired a 52.1% investment in Capital & Regional (C&R) that has seven properties. The Group's combined property assets are valued at R166.7bn of which 30.3% by book value are located offshore.

Growthpoint has operated as a Real Estate Investment Trust (REIT) since 1 July 2013. The REIT structure is a tax regime that provides the "flow through", on a pre-tax basis, of the net property income to investors, in the form of a taxable dividend. Growthpoint is the biggest primary listed SA REIT. Through

our business model we create value for our stakeholders by providing sustainable distribution growth. This is the first time in 16 years that Growthpoint has been unable to deliver a growing dividend to its shareholders, in a period where results were negatively impacted by the Covid-19 lockdown restrictions under the national state of emergency in response to the global pandemic. The lockdown severely impacted the SA economy, which was already in recession due to low growth.

This report covers the period from 1 July 2019 to 30 June 2020 (FY20) for the financial reporting entity, Growthpoint Properties Limited. The report provides an overview of the operations and performance of all the SA businesses excluding the V&A Waterfront and Funds Management.

Registered as a public company and listed on the JSE Limited since 1987, Growthpoint has been proactive about disclosure, particularly in relation to environmental, social and governance (ESG) indicators. Growthpoint is a

committed and responsible corporate citizen and has incorporated best practices wherever possible for both operational and reporting elements of the business. Our role as one of the founding members and our continued engagement with the Green Building Council of South Africa (GBCSA) is an example of our efforts to apply best practice and demonstrate leadership.

Within the social segment, we are working to have a positive impact in areas relating to labour relations and transformation. In terms of governance, we adhere to the King IV™* Code of Corporate Governance while applying best practice wherever possible. ESG-related issues are being put under the microscope by a variety of stakeholders, particularly our international stakeholders and research institutions. To enhance our disclosure, we publish an online document to address some of the commonly queried indicators and provide an additional platform for our shareholders and stakeholders to engage on ESG issues.

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HOW WE PERFORMED IN 2020

FINANCIAL HIGHLIGHTS

RSA TOTAL GLA

5 493 733
2020

2019: 5 437 316

RSA RENEWAL SUCCESS RATE

66.4%
2020

2019: 70.1%

RSA PROPERTIES

440
2020

2019: 454

RSA LTV

39.8%
2020

2019: 32.0%

Investment proposition

- ◆ Growing international footprint
- ◆ Diversified across international geographies and sectors
- ◆ Quality of earnings, underpinned by high-quality physical property assets
- ◆ Dynamic and proven management track record
- ◆ Best practice corporate governance
- ◆ Transparent reporting
- ◆ Level 2 B-BBEE contributor
- ◆ Attractive ESG investment

RSA PROPERTY ASSETS

R72.3 billion
2020

2019: R78.6 billion

RSA PROPERTY ASSETS

52.5%
2020

2019: 62.1%

AVERAGE MONTHLY VALUE OF TRADED SHARES

R3.9 billion
2020

2019: R4.9 billion



FINANCIAL

CSR IMPACT

COLLECTIVE INVESTMENT IN CSR

R44.1 million
2020



HUMAN

CSR IMPACT

VALUE OF SCHOLARSHIPS TO EMPLOYEES' CHILDREN

R4.8 million
2020



SOCIAL

CSR IMPACT

TOTAL NUMBER OF BENEFICIARIES

13 308
2020

RSA EBIT

65.1%
2020

2019: 69.6%

INCLUSION IN FTSE/JSE RESPONSIBLE INDEX

11th year

MARKET CAPITALISATION

R40.4 billion
2020

2019: R72.1 billion

RSA INTEREST COVER

3.4x
2020

2019: 3.8x

VISION, MISSION AND VALUES

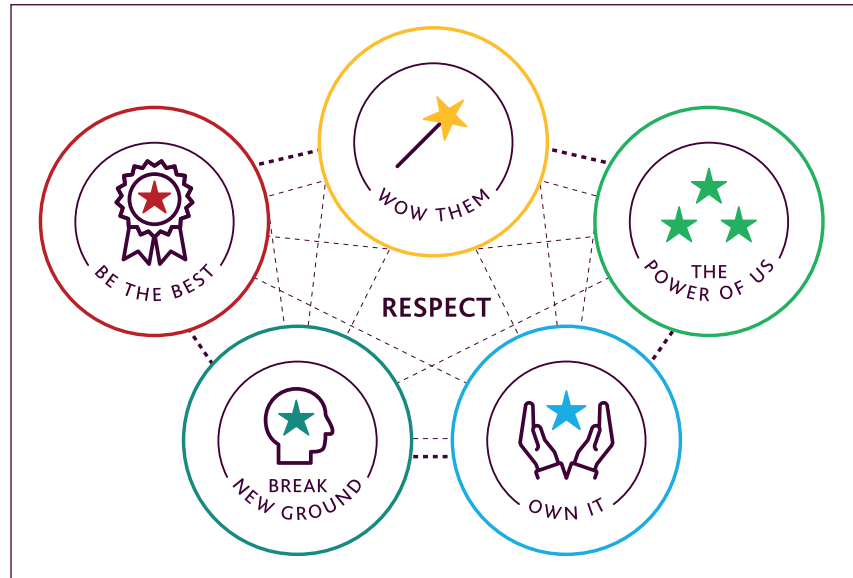
Our vision

To be a leading international property company, providing space to thrive.

Our mission

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

Our values



Growthpoint has operated as a Real Estate Investment Trust (REIT) from 1 July 2013. The REIT structure is a tax regime that provides "flow through" on a pre-tax basis of the net property income to investors in the form of a taxable dividend.

It is the most prevalent structure for investment in property in international jurisdictions. As investment in listed property continues to globalise, the REIT structure has become a recognised international standard.

REIT distribution

In terms of the dividend and dividend withholding tax provisions of the Income Tax Act, read in conjunction with section 25BB of the Income Tax Act, distributions received from a REIT will be taxed in the hands of the shareholder as follows:

RESIDENT SHAREHOLDERS

Dividends received by resident shareholders are taxed as income in the hands of the recipient, but are exempt from dividend withholding tax.

NON-RESIDENT SHAREHOLDERS

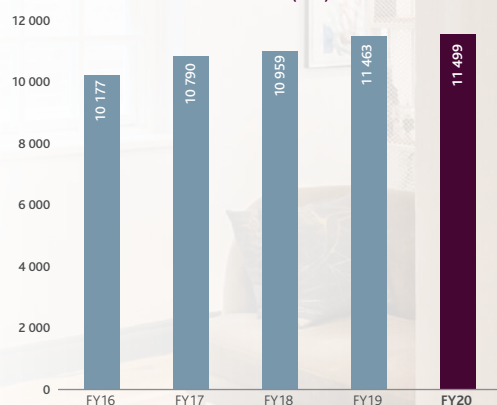
Dividends received by non-resident shareholders are not taxed as a dividend for income tax purposes as the dividends are exempt in terms of the usual dividend exemptions, but are, however, subject to dividend withholding tax.

Shareholders are encouraged to consult their professional tax advisers if they are in any doubt about the tax implications for distributions received from Growthpoint.

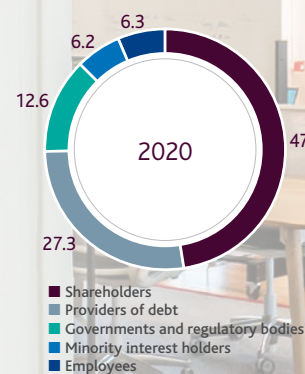
VALUE ADDED STATEMENT

	FY20 Rm	FY19 Rm	FY18 Rm	FY17 Rm	FY16 Rm
Revenue	12 935	12 313	11 817	11 565	10 570
Property and other expenses	(2 124)	(1 554)	(1 426)	(1 340)	(1 170)
Value added	10 811	10 759	10 391	10 225	9 400
Finance and other investment income	688	703	568	565	777
Wealth created	11 499	11 462	10 959	10 790	10 177
Shareholders	5 478	6 430	6 108	5 548	5 033
Providers of debt	3 138	2 627	2 597	2 922	2 710
Government and regulatory bodies	1 447	1 042	1 176	1 016	941
Employees	707	643	623	669	625
Minority interest holders	729	720	455	471	450
Reinvested in the Group (GOZ)	—	—	—	164	418
Wealth distribution allocation	11 499	11 462	10 959	10 790	10 177

Wealth created and allocated (Rm)



Wealth created and allocated (%)



CEO: RSA OVERVIEW



Our South African business is focused on investment, property funds management, development and property administration services. It is dedicated to the asset management and operation of our retail, office and industrial property portfolios.

In a year that has tested us in ways we could not have imagined, there is no doubt the values and culture that make Growthpoint the business it is today have stood us in good stead. Having these pillars in place has helped us navigate unprecedented turbulence, fortified our core business, and allowed for agile responses that have had benefits for Growthpoint, our tenants, supply chain, employees and the greater community of South Africa. Our robust responsiveness is an assurance that the economic, environmental, social and governance philosophies and policies in our business are relevant and appropriate. We have experienced a year of action and application in the arena of Environmental, Social and Governance (ESG).

The global pandemic of Covid-19 has made corporates review every aspect of their business. Our key objectives were to keep businesses open, and people healthy and employed, and to do so in the safest

possible way. At Growthpoint we not only applied this within our company but also worked rigorously with many partners and industry representative bodies. Our Covid-19 response in South Africa was multifaceted. Still, our efforts were largely directed towards making a significant contribution to the national and industry response, as well as taking action to reinforce the sustainability of our business.

The range of stakeholder engagement was elevated and, in many instances, Growthpoint representatives took up leadership positions on various key issues. Our work with the SA REIT Association, SA Property Owners Association and the Property Industry Group was fundamental in navigating our way through a challenging time. Our staff stepped up on the various platforms, which is indicative of the calibre of our employees, their skill and commitment to ensuring Growthpoint and South Africa succeed. This collaboration was under the veil of continued economic uncertainty, policy adjustments and social concern.

As a key stakeholder group, our tenants are a priority. We worked to ease the burden of Covid-19 by providing rental relief and

deferments. The initiative has allowed us to become more engaged with our tenants to ensure that we are offering a product that serves their business needs. In addition to financial relief, we also provided alternative spaces appropriate for tenants' evolving needs and delivered space to thrive. If nothing else, we were provided with an opportunity to get to know our tenants and their businesses better.

In FY20 our engagement with financiers and investors reinforced the importance of ESG considerations. The expectation for organisations to have an understanding of, and a plan to address ESG issues is impacting the overall view of potential investors. Growthpoint welcomes this trend, as we believe that our focus on ESG provides us with a significant competitive advantage.

Growthpoint enjoyed a strong liquidity position at the onset of the Covid-19 pandemic in South Africa, and sustaining our liquidity became an immediate priority. Our focus turned to capital and liquidity management, securing additional facilities from domestic and international banks, refinancing bonds and managing expiries in the bond market. Growthpoint is one of only a few companies that successfully

refinanced a bond amid the Covid-19 crisis, and we were able to increase the size of the refinance significantly. This is a remarkable achievement. Focusing on containing expenses, we scaled back on capital and development commitments, except for those that had commenced and were advanced or nearing completion. New investment and development activity will remain suspended for the immediate future.

REITs are, from a regulatory perspective, obliged to pay out dividends equal to at least 75% of their distributable income to qualify for the REIT tax dispensation. However, with the financial shock of the Covid-19 pandemic, the sector asked for regulatory and tax lenience. Notwithstanding the industry-wide discussions with the JSE and the National Treasury for temporary concessions for REITs with regard to dividend payment ratios, Growthpoint's FY20 dividend payment will be sufficient to comply with the requirements necessary to maintain REIT status.

Carbon tax does not apply to Growthpoint currently, but we are mindful of its introduction and our approach is covered in the environmental section of this report on page 21.



Environmental concerns remain ever prevalent in a world with finite resources. For years we have done what we believed to be appropriate to limit our impact on the natural environment. Our methods need to be reviewed and possibly refreshed in the context of a changing world. In the next year, our team is looking to produce an approach which is not only relevant but provides appropriate targets for specific environmental issues such as water, waste, energy and carbon emission reduction with clear timelines. This will be done in line with the current strategy of 20-20-20-2, which we announced last year to achieve 20 net-zero buildings, 20MW of solar energy, R20m worth of green lease recoveries, and two commercially implemented Greenovate Award innovations in FY20.

A significant advancement this year is the environmental dashboard that is now used in the business. This has aided data integrity and accuracy and will help inform our way forward. The introduction of the dashboard revealed that not all data was collected in our previous manual process. The impact has been an increase in Scope 2 carbon emissions, for example. Due to the movement in the data, we believe it will be necessary to restate our targets and objectives using FY20 as the base year.

An initial step in the process has been taken as we have engaged consultants to assist in an extensive review of our environmental and social-related processes, procedures, policies, risks, and opportunities. This is being done across our entire portfolio. The process will also include a review of available systems and data. We believe this review will inform the development of a clear climate strategy and help confirm the United Nations Sustainable Goals (SDGs) to which we should apply our focus.



CEO: RSA OVERVIEW continued

Although a formal process is still to be undertaken, we believe the SDGs that resonate with Growthpoint are those listed below. We have been operating for positive impacts in these spheres for some time and believe they will remain aligned with our business and values.

GROWTHPOINT UN SDG FOCUS	
	A CSR objective
	A CSR objective
	A sustainability strategy of 20:20:20:2
	Property Point
	CSR, Property Point and GBCSA
	Various associations memberships and participation such as SA REIT, SAPOA, NBI

ETHICS

The Growthpoint Code of Ethics has been approved by the Board of Directors (the Board) and is binding on every employee, officer, director, contractor and supplier and on all officers and directors of any entity which is owned or controlled by Growthpoint.

The core values articulated in this code provide a firm and unshakeable foundation on which our organisational culture is built. Nonetheless, the code is a dynamic document which is constantly evolving, as we strive for even higher standards. We are committed to upholding and enforcing the standards articulated in this code and we will reconsider our dealings with individuals or entities not demonstrating the same level of commitment to organisational integrity.

Every employee, director and officer of Growthpoint accepts that any breach of the code of ethics exposes them to the possibility of disciplinary action, which could result in the termination of employment or office on the basis set out in the disciplinary codes.

Our unwavering approach to good governance is fundamental to the ethical way in which we conduct our business. Our policies, such as the corporate social responsibility policy prohibiting company donations to political parties and politicians, have served us well in ensuring that the organisation conducts itself as a responsible corporate citizen.

Policy enhancement and development is ongoing. This year, we developed a remuneration policy which was submitted for Board approval. The grievance policy is under review, and we prioritised our human rights policy. Communication and staff training on new and updated policies will be offered on an e-platform.

Health and safety issues remain key, particularly in light of the prevailing pandemic. To ensure employee wellbeing, we made employees aware of the services offered by our employee assistance programme. It is simple; our people are important to us.

Efforts relating to our transformation objectives remain pertinent to the business. In 2017 we disclosed a clear strategy to achieve our transformation objectives. Our progress on this can be seen on page 10 of this report. The strategy, however, was applicable until the end of 2020. It is time for the development of a new strategy and targets for the business in this regard. We achieved a level 2 B-BBEE rating measured by the Property Sector Charter scorecard for FY20 because of our efforts.

Our diversity and inclusion forum is active and manned by volunteer employees. The representatives on this forum went through an electoral process early in FY21. We have 380 black employees out of a total of 623 permanent and temporary employees. We have 52% female and 48% male employees. Additional information on the various demographics splits is available in the Our People section of this report.

We found innovative ways to continue our contribution to society through our CSI initiatives, both externally for communities and internally for staff, in ways that are relevant for those on these programmes. Through our enterprise development platform of Property Point, growing small and medium businesses benefited from the information and guidance provided through numerous online sessions.

There were still expectations of us to fulfil our ESG disclosure commitments on various local and international platforms. If anything, this has intensified, and we find ourselves sharing our knowledge and experiences on the issues with an increasing number of investors, institutions and interested parties looking to attain a better understanding of this space and how Growthpoint operates in it. We are happy to engage and share the reality of applying the theory of ESG to the challenges of implementation. Our honesty in this regard has been well received. We are proud of the efforts of the various departments and individuals

who have worked to ensure that Growthpoint remains a viable and relevant investment when assessed against ESG criteria.

We remain willing to engage on ESG issues, but the growing need for disclosure must always be considered in the context of the nature, size and location of the business. An understanding of the relevance and impact of the way we manage ESG within our organisation will result in a more apt assessment of our business and add value to the review of the assessors.

Affirmation of the success of our ESG efforts is evident in our inclusion in various ESG indexes such as FTSE4Good Index and the FTSE/JSE SRI, requests for our participation in the Global Real Estate Sustainability Benchmark, our invitation and inclusion as a constituent of the Dow Jones Sustainability Index and our winning of the Best Reporting and Communication Awards – for all JSE listed companies and for the Property Sector – from the Investment Analysts Society of South Africa (IAS). We continue to submit carbon emissions data to the CDP where we have performed well.

This year for the first time, our ESG Report has been reviewed by the Board and the Audit Committee, illustrating the increased importance Growthpoint gives these issues. We currently do not prescribe to a reporting framework but have reported on issues material to our business. This too will be re-evaluated in the new year. Our goal for the FY21 report is its external verification.

CEO: RSA OVERVIEW continued

2020 Transformation progress

OBJECTIVES	TARGET SET	TIMELINE AT 2017	FY20	FY19	FY18
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OWNERSHIP

B-BBEE ownership	<ul style="list-style-type: none"> Broad-based black economic empowerment (B-BBEE) deal with 10% of Growthpoint shares 	June 2018	No B-BBEE deals have been concluded at this stage. We have a slight decline in ownership with 29.02% voting rights in the hands of black people and 17.53% economic interests of black people in Growthpoint	No B-BBEE deals have been concluded at this stage. We have, however, achieved 33.84% voting rights in the hands of black people and 21.06% economic interests of black people in Growthpoint	Growthpoint is exploring opportunities to set up a broad-based structure which can include a staff scheme, current corporate social investment (CSI) initiatives and strategic partners
Structure net equity value	<ul style="list-style-type: none"> Realise a minimum of 40% of the annual targets 	June 2020	19.36%	20.59%	18.41%
Disposal of assets to black-owned entities	<ul style="list-style-type: none"> 35% disposal to: <ul style="list-style-type: none"> – 50% black-owned entities over a five-year period – A minimum of 20% of the 35% must be achieved in each year 	June 2018	Not achieved during the period there has been no disposal to >50% black-owned entities	Not achieved during the period there has been no disposal to >50% black-owned entities	11% disposals to >50% black-owned entities

OBJECTIVES	TARGET SET	TIMELINE AT 2017	FY20	FY19	FY18
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MANAGEMENT CONTROL

Diversify the Growthpoint Properties Board	<ul style="list-style-type: none"> 40% black Board members At least 25% black female appointees 	June 2019	Achieved 42.86% black Board members 14.28% black female Board members	45% black Board members 21% black female Board members	43% black Board members 21% black female Board appointees
Diversify Executive Directors	<ul style="list-style-type: none"> 25% black Executive Directors 	June 2019	25% black Executive Directors	25% black Executive Directors	25% black Executive Directors
Diversify executive management	<ul style="list-style-type: none"> 27% black executive management with at least 50% being black female 	June 2019	Achieved 25% black executive management, 10% black female executives	25% black executive managers, 10% black female executives	20% black executive management 10% being black female executive management

OBJECTIVES	TARGET SET	TIMELINE AT 2017	FY20	FY19	FY18
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EMPLOYMENT EQUITY

Diversify senior management	◆ Increase black senior management from 15% to 28%	June 2020	35%	34%	32%
Diversify middle management	◆ Increase black middle management from 32% to 45%	June 2020	67%	67%	67%
Diversify junior management	◆ Increase black junior management from 69% to 77%	June 2020	91%	90%	86%

OBJECTIVES	TARGET SET	TIMELINE AT 2017	FY20	FY19	FY18
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SKILLS DEVELOPMENT

Alignment of skills programmes with business needs	◆ 80% of training offerings within category B, C, D of the skills matrix	June 2018	Achieved 47% of training on B, C, D category	Achieved	A training committee has been established to align our skills development programmes to our business needs
Training plan aligned to succession plan	◆ 5% of leviabale amount spent on black people (targets based on employee assistance programme (EAP) stats) ◆ 40% minimum to be achieved	June 2018	Achieved 3.08%	Achieved	Achieved
Implement a disability learnership programme	◆ 0.3% of leviabale amount is spent on disabled people ◆ A minimum of 40% must be achieved	June 2018	Achieved 0.51%	Achieved	Disability learnership implemented with Sparrow FET College

CEO: RSA OVERVIEW continued

OBJECTIVES	TARGET SET	TIMELINE AT 2017	FY20	FY19	FY18
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PREFERENTIAL PROCUREMENT

Segmentation of procurement spend	◆ 40% procurement spent with companies who are at least 51% black-owned	Ongoing	37.82%	22.61%	25%
	◆ 100% of all suppliers must be B-BBEE rated with 80% of suppliers on a minimum of a level 4	Ongoing	66.75% with 45.38% of suppliers on a minimum of level 4 B-BBEE rating	48.47%	96%
	◆ 12% procurement spend on companies who are at least 30% black women-owned	Ongoing	11.93	10.34%	9.7%
Continued support and funding of Property Point	◆ 1% net profit after tax (NPAT) towards enterprise development	Ongoing	1.89%	5.62%	1.8%
	◆ 2% NPAT towards supplier development	Ongoing	3.79%	11.5%	3.3%

OBJECTIVES	TARGET SET	TIMELINE AT 2017	FY20	FY19	FY18
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SOCIO-ECONOMIC DEVELOPMENT

Annual value of all SED contributions of Growthpoint	◆ 1% NPAT towards beneficiaries that are black	Ongoing	4.69%	9.63%	3.3%
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HEALTHCARE FUND AND ESG

Growthpoint Properties identified new opportunities. Growthpoint Healthcare Property Holdings (GHPH) is a manifestation of one such opportunity. GHPH demonstrates pleasing growth and demand, based on the defensive nature of the healthcare sector. The Fund's property portfolio continued to be curated to include a diversity of both healthcare properties and operators.

Through its unique strategic focus, GHPH's assets dedicated to the health and wellbeing of people in South Africa. The Fund's clients include leading hospital operators such as Busamed and JSE-listed Netcare and Mediclinic.

The current portfolio of healthcare facilities is largely single tenanted and managed. Due to the specialised nature of the service offered, Growthpoint has very little influence on the operations of these buildings. To mitigate against look through risk to GHPH we intend amending existing lease agreements to ensure that GHPH is indemnified against potential non-compliance of the relevant regulations by the hospital operators. Further, we have developed an ESG questionnaire that we are looking to have our tenants complete annually to ensure that operations are managed ethically and responsibly.

Although these properties fall outside of Growthpoint's carbon footprint boundary of "owned and controlled" we still do have data on the environmental impact of these buildings relating to water and electricity and the carbon emissions from these. Waste management is very specialised for this sector and managed by the tenants.

	Total GLA m ²	Energy used kWh	Water used kl	Carbon emissions tCO ₂ e
Number of buildings				
2	17 658	2 829 700	107 000	2 953
Intensity per m ²		194.72	0.91	0.167

The other properties in GHPH are single tenanted and are not managed by Growthpoint fall outside the scope of operational control and management. We therefore do not have data on these buildings.

As a fund invested in SA, B-BBEE is integral to its business. In this regard Growthpoint has agreed to sell a 15% interest in GHPH's Manco to Kagiso Trust to become our BEE partner.

The investment mandate is to acquire and develop acute, day and specialist hospitals as well as laboratories and manufacturing and warehousing facilities. GHPH provides established hospital operators with a credible platform for the sale and leaseback of their property assets in order

to manage their balance sheets more efficiently, which promotes the sustainability of the healthcare sector. In addition, by developing new assets hand-in-hand with strong operators, GHPH can assist in filling the gaps that exist in the provision of healthcare and medical care in South Africa.

GHPH plays a critical role of funding new players to the healthcare sector. Often these opportunities are for developments in underserved areas, thus providing access to healthcare for communities.

In terms of the governance, GHPH currently relies on Growthpoint's governance infrastructure and guidance. Currently GHPH have a Board of Directors and an Audit and Risk Committee in place.



ENVIRONMENTAL APPROACH

Growthpoint remains committed to protecting the natural environment, and we continuously seek to find ways to do better in this regard for our tenants, our employees, society and our business.

Growthpoint remains committed to protecting the natural environment, and we continuously seek to find ways to do better in this regard for our tenants, our employees, society and our business. Our environmental approach is one way that we are providing exceptional service as a means of differentiating ourselves. Over

the years, we have developed a plan that has stood the business in good stead. We also endeavour to be creative in our dealings with clients and challenge ourselves to find better ways to do things.

Last year we announced the 20:20:20:1 strategy, which represented our aim of

achieving 20 net-zero buildings, 20MW of solar energy, R20m worth of green lease recoveries for Growthpoint and one commercially implemented Greenovate Award innovation in FY20. We then increased the application of the Greenovate innovation from one project to two, making the strategy 20:20:20:2.

STRATEGY 20-20-20-2



We have experienced some challenges in the execution of this strategy, with the Covid-19 pandemic having been the biggest obstacle to progress. However, we will not allow this to deter us and will be going ahead with our plans to have greater operational impact.

Meanwhile, the pause in implementation has allowed us to reflect and ensure that the processes and initiatives we have focused on are still applicable to our business and our stakeholders. In recent years, we have taken a leadership role in environmental issues in South Africa's property sector and have, for example, invested in increasing the number of Green Star rated buildings nationally. The work we do will continue, but we will spend the next financial year reviewing all elements of our environmental sustainability objectives and processes. They will be tested for their relevance in the evolving business environment in which we find ourselves. We have struggled to set targets for some elements, but hope to be able to communicate our aspirations with more clearly defined objectives after the review process.

As part of this process, we will be commissioning an assessment of Growthpoint's environmental position to identify opportunities, risks and gaps. This evaluation will extend to policy, process and disclosure, considering best practices and anticipated changes in the short, medium and long term.

We have a dedicated utility and sustainability team, which has been enhanced by the appointment of new management. Our recently implemented environmental dashboard optimised our data accuracy and helped us to identify areas of improvement. Our environmental policy guides our actions with regard to critical areas of climate change, carbon emissions, biodiversity and the energy, water and waste nexus. We believe there is scope to enhance our policy within the next year as part of the planned review.

Utility management remains an area of strong focus. Price escalations have placed added strain on our tenants in an already difficult time. We strive to mitigate the impact of ever-increasing administered costs by staying abreast of changes and

ensuring the business incorporates these changes appropriately in collaboration with our clients. Tenant engagement and relationships are fundamental to our operations.

This year saw the enforcement of the carbon tax legislation in South Africa. This will not have an immediate impact on Growthpoint, but it is an issue of which we remain cognizant. Our engagement with the Science-Based Target Institute (SBTI) continues, and after much correspondence we are working to submit a revised plan based on their newly published financial model. We are optimistic that we will be able to settle on a commitment soon and remain mindful that our commitments must be appropriate for our business.

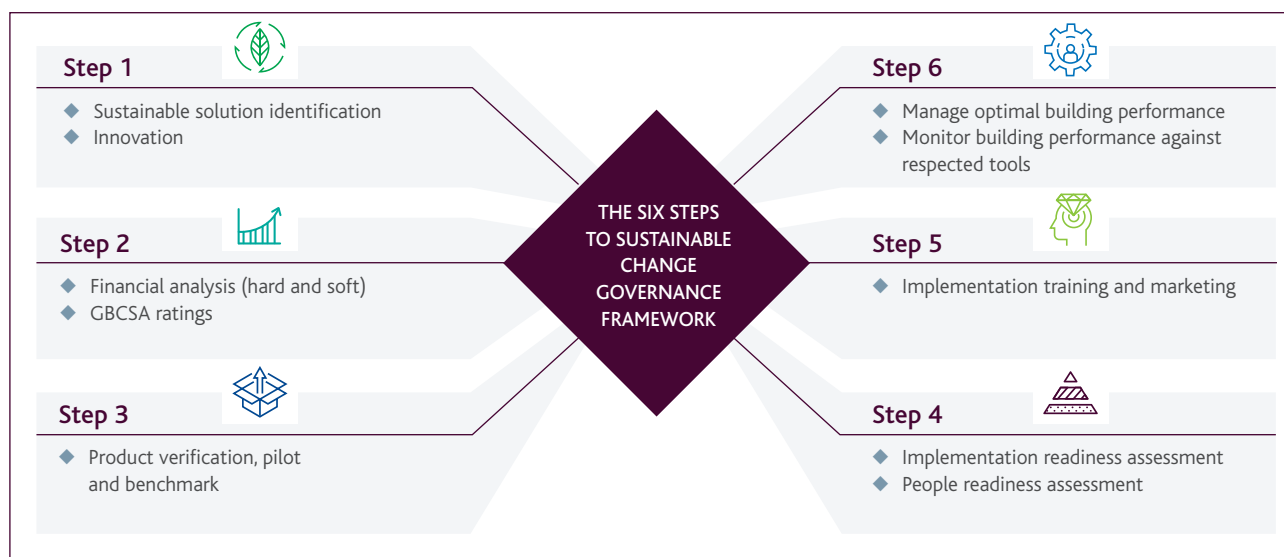
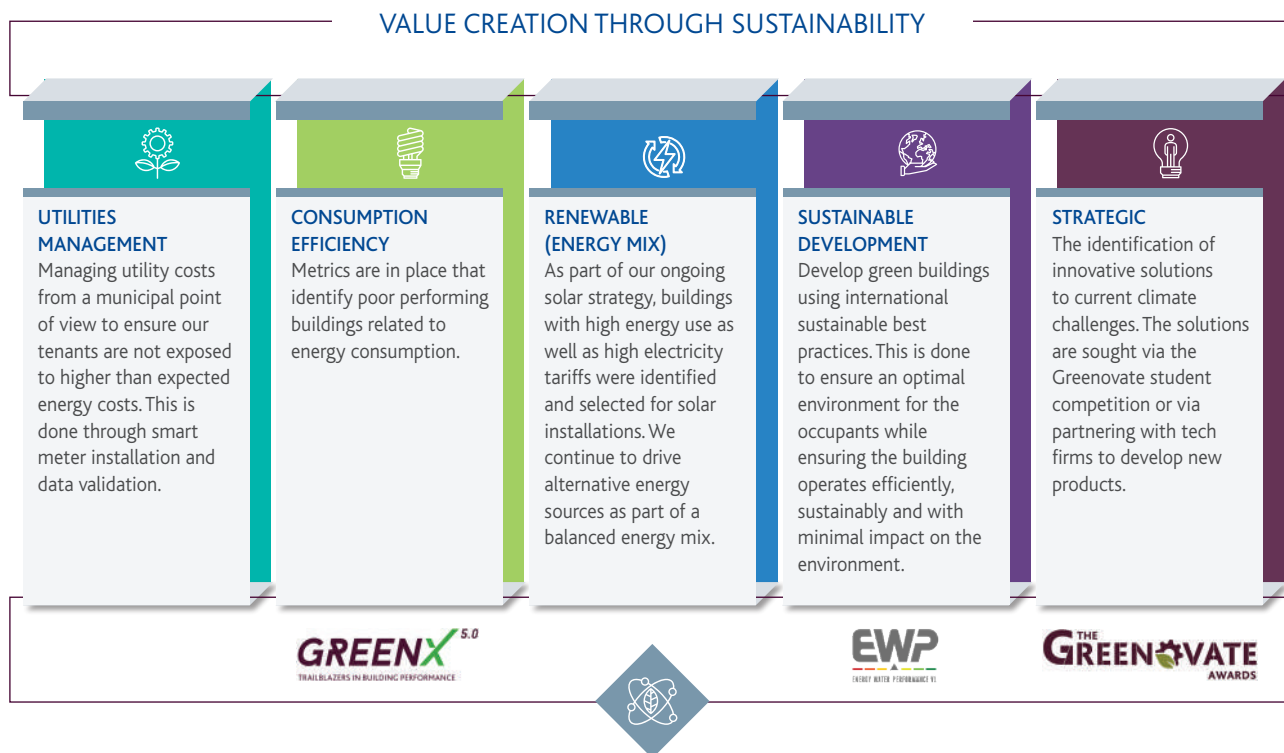
The company's environmental performance and other related sustainability information is provided quarterly to the Board and the Social, Ethics and Transformation (SET) Committee. Environmental issues and their business and social impacts form part of the SET committee's responsibility.

ENVIRONMENTAL APPROACH continued

Our campaign to achieve “value creation through sustainability” is reflected in our COP21 commitment, our engagement with the SBTi on setting science-based

targets for our emissions, our drive for zero organic waste to landfill by 2022 and our additional investment in renewable solar power plants as well as our focus on

green building certification. These are just a few examples of initiatives put into action through our six-step sustainable change governance framework.



Priorities and targets

Growthpoint has been active in its efforts to make a difference to the global environmental agenda with projects relating to energy, water, waste and carbon emission reduction. Using our considerable business footprint in the South African built environment, we have tried to make an impact by collaborating with our tenants and other partners, investing in renewable energy, continually improving efficiencies and bringing about behaviour changes.

20	20	20	2
20 net-zero buildings	R20m worth of green lease recoveries for Growthpoint	20MW of solar energy	2 commercially implemented Greenovate Award innovations in FY20
Our net-zero building certification efforts were ongoing and we gained a greater understanding of what this certification entails. We had two net-zero certified buildings at the end of the reporting period.	Collections from the Green Addendum have resulted in a R13.4m combined saving for Growthpoint and our tenants this year.	We were on track to achieve this goal in FY20. However, all capital expenditure was placed on hold in the second half of the year, including that earmarked for solar installations.	One solution from a previous year's Greenovate Awards was successfully implemented at the new Exxaro head office, which was completed this year.
Growthpoint is committed to enhancing our management of this objective in the coming year. Carbon-zero buildings have become our big drive, but we underestimated the complexity of our ambitious target, especially when balancing it with commercially viable costs.	We are reviewing ways to refresh this aspect of the business.	8.3MW of solar potential has been approved and will be installed as soon as the lockdown restrictions are lifted. If we get back to business as usual soon, we are optimistic that our overall target will be achieved in FY21. There are an additional eight solar projects currently under consideration.	Our goal has increased to two projects in FY21 and while this number is still small, the target is ambitious in the context of a very limited number of development projects. Integrating these innovations is however expected to be more achievable in future because a new category for buildability is being introduced to the Greenovate Awards in 2020.

We are aware that the timelines set for these targets were ambitious. The goals remain, but the business is reviewing realistic execution for each element. A review of all our environmental sustainability objectives is planned for FY21, and we believe this will provide a base for revision of the current targets and facilitate the determination of additional targets for the business where deemed necessary.

ENVIRONMENTAL APPROACH continued

Energy

Energy security and management is still an essential concern for Growthpoint. There had been a steady decline in energy procured in recent years, but in FY20 there was an increase in fuels and

Growthpoint purchased electricity. This, we believe, reflects an improvement in data collection. The energy intensity ratio of kWh/m² was 137.06kWh/m²/pa in FY20 (FY19: 145kWh/m²/pa). We need to review our energy consumption targets

in light of minor changes in our portfolio as well as the need to use generators during periods of "load shedding" by South Africa's national energy provider Eskom.

Energy used	FY20	FY19	FY18	FY17	FY16
GLA assessed (m ²)	5 218 181	4 772 477	4 592 583	4 771 572	4 844 719
Number of buildings	391	366	373	386	390
Total energy (MWh)	657 108	688 930	736 757	793 293	824 606
Energy from fuels (MWh)	3 233	151	129	129	207
Purchased electricity for Growthpoint (MWh)	41 065*	34 895*	1 644	1 951	2 037
Purchased electricity for tenant occupied space (MWh)	616 043	653 884	734 984	791 213	822 362

* FY20 and FY19 includes vacant space.

The target set for energy was to use less than 200kWh/m²/pa in our office buildings by 2020. This objective was based on best practice at the time it was set. We have now gone below this target and are currently at an average of

128.85kWh/m²/pa (2019:145kWh/m²/pa) for our office sector. The baseline for retail in FY20 is 244.36kWh/m² and for industrial 77.45kWh/m². New energy targets are due to be set in FY21. With the implementation of the environmental

dashboard, we now have the baselines for our retail and industrial sectors which we will use to assist in the possibility of setting targets for those sectors as well

Solar power produced	FY20	FY19	FY18	FY17	FY16
Energy produced by solar (MWh)	10 947	11 057	11 944	7 037	2 559
Emissions saved (tCO ₂ e)	11 384	11 494	11 346	7 037	2 559
Annual saving (R)	16 323 695	17 044 852	13 806 735	8 029 105	1 928 607

The investment in solar renewable energy is perceived as necessary for the business as it provides energy continuity, financial and environmental benefits. The annual cost of maintenance of our current solar plants is R1.4m. In recent years we have seen the prices for solar technology reduce and improve our return on investment. The payback for solar plants is four to five years.

Driven by the risk of persistent "load shedding", we continue to explore battery back-up options to couple with our solar PV systems, but these are still expensive to purchase and maintain.

Solar installations with an 8.3MW total energy production were scheduled on six retail properties and one industrial site in the latter part of FY20, but had to be placed on hold because of the national lockdown. We had planned an additional 1MW worth of solar projects which were also delayed. Retail is currently the most viable sector for solar investment because these buildings provide ample roof space, are significant electricity users and experience peak consumption during sunlight hours. There is an ongoing exploration of the feasibility of solar in all sectors.

Tenants are increasingly asking us to install solar plants on the sites they occupy, which is encouraging while not always viable. The availability of solar power has the potential to impact lease terms and we are conducting a rigorous review of leases in properties which have a solar installation to ensure that the benefit extends to the tenants as well as Growthpoint.

SOLAR AND BATTERY PROJECTS UNDER CONSIDERATION FOR FY21

Capacity	Region	Estimated investment	Heading	ROI – years
24kWp pa	Gauteng	R720k	Carports	4
800 Mwpa	Gauteng	R4m	Rooftop	7
130kWp pa	Gauteng	R1.5m	Rooftop	4
2MWp pa	Gauteng	R45m	Rooftop and battery back-up	4
200kwp – with battery backup of 800kwp	Gauteng	R12m	Rooftop and battery back-up	4
200kWp pa	Gauteng	R2m	Rooftop	4
400kWp pa	Gauteng	R4.7m	Rooftop	4
330kWp pa	Gauteng	R4.6m	Rooftop	4

The approximate value of these projects exceeds R74m.

Nersa, the national energy regulator, and Eskom, which owns South Africa's electricity grid, have decided to allow municipalities to purchase power from Independent Power Producers (IPPs). The challenges with this, however, are that the grid infrastructure needs improvements to work in some areas, and that municipalities do not have the necessary meters to monitor the solar power being fed into the grid. Gauteng has the most extensive solar footprint in South Africa, but the tariffs offered by some municipalities in this region are significantly less than in areas such as the Western and Eastern Cape. Although we have solar plants at some Western Cape buildings, they have insufficient capacity to service the building and to feed excess energy into the grid. There is, however, the potential to expand these plants.

The 1MWp restriction for solar power plants remains in place. Coupled with the still lengthy processing time and the cost to attain the necessary licensing, this makes these types of projects arduous.

We invested in various energy efficiency initiatives during FY20, including lighting upgrades (in excess of R200K), smart meter installation (R919K) and power factor correction maintenance (R30K). We anticipate making further investments in energy savings in FY21. With advances in technology, we are keeping a keen eye on opportunities with various power factor companies.

Growthpoint has partnered with the National Cleaner Production Centre (NCPC) and provided our buildings as test sites in return for energy management training. Participants will be qualified to review all elements of energy consumption and draw up cleaner power production strategies for buildings that will benefit our clients and increase the attraction and value of our assets.

Water

As a semi-arid region, South Africa needs to make water issues a priority. We believe that influencing behavioural change remains the key to having a positive impact. Water-related issues are more challenging to deal with than energy-related issues largely because of pricing, with an average ROI period of between 15 and 20 years on water supply projects that we have investigated. That said, when engaging with clients on energy-related issues, they are also asking us to work with them on water supply stability and water efficiency solutions. This is a welcome advance, and we are responding by embarking on some assessments of supply management, catchment areas and water use.

As mentioned in last year's report, we started a water audit focused on buildings around Johannesburg. Thirty buildings have been audited so far, and we plan on auditing our entire portfolio over the next two years. There are some simple

solutions to help with water efficiency. However, the buildings that most need water interventions are, unfortunately, also those that are least able to incorporate new equipment and technology, due to limitations imposed by older infrastructure and incompatibilities with existing facilities. Older buildings were erected with only municipal water supply in mind, and no alternative water harvesting options. These factors bring into question the viability of solutions that could otherwise be quick fixes. Even so, we are not deterred from exploring the feasibility of options such as SOG filtration plants, waterless urinals, urinal bricks, reverse osmosis and extending the application of the Internet of Things (IoT) within our portfolio. Reverse osmosis is going to be pivotal to our net-zero water objectives.

Ensuring that all boreholes are registered and have appropriate licenses with the relevant municipality was a sizeable project for us in FY20 and we have spent more than R1,3m on various borehole related activities. Our 47 boreholes are mainly in our retail and office portfolios and have an estimated registration cost of R1,5m. Our office portfolio alone has a water yield potential of 223 916L.

We have water data for 374 (FY19: 381) of the 440 (FY19: 461) buildings in our portfolio. In FY20, a total of 3 329 092kl of water was used (FY19: 3 379 981kl) with a water intensity of 0.69kl/m² for the portfolio.

ENVIRONMENTAL APPROACH continued

Region	Estimated investment	Heading	ROI
Gauteng	R280k	Water back-up	10 years
National	R1,5m	Borehole registration	

We are pleased to report that we have outperformed our target to ensure that our office buildings use no more than 0,88kl/sqm/pa by 2020. This year, they

used an average of 0.81kl/sqm/pa. As part of the sustainability targets review, we have set a benchmark for each sector in FY21, and this will assist us in our

target setting. The diverse nature of our buildings means this is certainly not a one-size-fits-all approach.

Sector	Kl per sqm	Number of buildings	GLA
Retail	1 028 772	40	1 376 929
Office	1 699 825	155	1 699 825
Industrial	1 192 725	199	222 451
Healthcare	10 700	2	17 658

Waste

In FY20, the sustainability and procurement divisions worked together to ensure that waste sustainability considerations were included as part of a major waste contract. Service providers submitted proposals to assist Growthpoint in achieving this goal and in attaining net-zero waste in the process. We look forward to the positive results of this soon.

The strategic intention of zero organic waste to landfills by 2022 is ambitious. We will strive to meet this, but as we progressed our effort this year and our understanding of the required volume of work to implement the strategy unfolded, we realised that we might need to review the timelines.

An environmental dashboard implemented this year allowed us to enhance our data collection process and improve the integrity of the data. For the year under review this has not meant an increase in coverage. It was a time-consuming exercise and, as a result, we collected less information on waste than we had hoped.

In FY20, 10 154 tonnes of waste (FY19: 12 550 tonnes) was recorded from 119 of our 440 buildings, which equates to 27% of our buildings (FY19: 50,4%), with a total GLA of

2 302 969m² (FY19: 2 732 944m²). Some 61.4% of waste (FY19: 65.6%) still goes to landfill.

We appreciate that we need to focus on implementing waste management projects, and are reviewing proposals in this regard.

Carbon emissions

Growthpoint continuously tries to reduce its carbon emissions, which occur as a result of many of the elements we focus on in our environmental protection journey. We believe it is time we consolidated these efforts into a clear and concise strategy and aim to develop a zero-carbon strategy for the business in the next year. The primary objective will be carbon reduction to generate economic, environmental and social benefits in line with national and international emission reduction objectives. We will not speculate now as to what this strategy will look like or what it will mean for the business, but will be reviewing all contributing factors.

We do know that limited economic activity in 2020 as a result of the Covid-19 pandemic has reduced emissions. This has not had as great an impact as we would have expected as we believe our data collection and integrity is now of a high quality with the application of our environmental dashboard. We are attaining

information on a granular basis which is accounting for many emissions previously omitted because of the limitation of the information management applied. The percentage of the portfolio reviewed is 95.6% of GLA this year, at 4 784 068m². We have ensured that the exclusions are relevant and consistently applied and have therefore adjusted FY19 carbon data. Growthpoint's boundary is operational control management. This excludes triple-net leases and single-tenant buildings such as hospitals. The footprint does not include buildings sold in FY19. It is important to note that the conversion factor for electricity from Eskom has changed from 0.95 to 1.04 which in turn has impacted the emissions for electricity. This year our environmental dashboard enabled us to limit manual data inputs and to calculate our internal price of carbon. For FY20, one tonne of carbon cost us an average of R1 954.

The review of our annual carbon footprint is externally verified by a third party, under the international standard ISO 14064-3 (2006) specification with guidance for validation and verification of greenhouse gas assertions. For all buildings reviewed in FY20, electricity was purchased from Eskom or local municipalities, diesel was purchased for generators and solar power was provided from one of our solar plants dedicated to the property on which it was placed.

As we entered historic data into the system, we also saw a restatement of some figures as indicated in the table below.

GHG Emissions for 1 July 2019 – 30 June 2020

Source	FY20 total metric tCO ₂ e	FY19 total metric tCO ₂ e
Scope 1	3 869	767
Mobile Fuels (Company Cars)	19	34
Stationary Fuels (Generators)	869	412
Product Use: Refrigerant gas (Kyoto Protocol)	2 981	321
Scope 2	42 708	37 059
Purchased Electricity (location based)	42 708	37 059
Scope 1 and 2 total	46 577	37 826
Scope 3	653 579	734 052
Category 1 – Purchased Goods and Services: Water	3 079	3 436
Category 1 – Purchased Goods and Services: Paper	43	46
Category 4 – Upstream Transportation and Distribution: Courier	10	6
Category 5 – Waste Generated in Operations	7 987	10 769
Category 6 – Business Travel	742	1 443
Category 7 – Employee Commuting	1 033	1 333
Category 13 – Downstream Leased Assets: Purchased Electricity	640 685	717 019
Total Scope 1, 2 and 3	700 156	771 878
Out of scope – non-Kyoto refrigerants (R-22)	1 869	1 358

In 2015, we set a target of a 5% reduction in our intensity per square metre (0.16tCO₂e/m²) over the next five years as it relates to our Scope 1 and 2 emissions. We achieved 0.11tCO₂e/m² in FY20. This target will be reset in line with the zero-carbon strategy under development. A fundamental consideration for this target will be our science-based targets (SBTs) developed with the SBTi in line with their newly developed financial model. We will submit our revised model and targets in FY21.

A target of 20 net-zero buildings is important for our carbon reduction objectives. We already have two buildings with net-zero Green Star building certification. Another two properties have net-zero carbon potential, but certifying them would require the purchase of carbon credits as there is still a dependency on the electrical grid.

We are also exploring an opportunity to sell carbon credits from our solar operations. This project is in its infancy, and our partners for this initiative are engaging local authorities to ensure that we meet the requirements for the sale of credits.

For now, all new development is on hold for FY21. Regardless, we are still dedicated to achieving a minimum 4-Star Green Star SA rating or higher for new office developments. As part of our commitment to reducing carbon emissions and in line with COP21, Growthpoint has committed to having all its long-hold commercial buildings attain a minimum 4-Star Green Star SA rating by 2020. In FY20 three buildings attained new certifications and seven buildings were re-certified.

We also take a responsible approach to the refrigerants used in our HVAC systems. We don't use gasses that are considered illegal or are in contravention of the Montreal Protocol.

Carbon tax

Growthpoint is not liable to pay the new carbon tax as our company falls in the "other" category in the current form of the legislation. We foresee this changing to affect us as early as the next scheduled review of the tax in 2023. In the meantime, the impact will vary for our tenants. The intention is to work to lessen exposure for them and ourselves by improving energy efficiency, extending

our solar offering and increasing efforts to induce behavioural change at our facilities. In this regard, the Green Addendum is a platform which can benefit both Growthpoint and tenants.

In FY20, we once again provided information on our back-up generator capacity to the Department of Environmental Affairs. The undertaking was onerous, but we believe we have improved our data collection and are considering having this information audited before submission in 2021. The finding for the 2019 calendar year review was that we have a generation capacity of 377 megawatt thermal (MWth) from 372 generators nationwide.

Biodiversity

Growthpoint strives to minimise our impact on biodiversity in the areas that we operate. We adhere to the South African National Building Standards relating to environmental issues. With our operations being primarily in urban areas, there is little likelihood that they will affect any species on the International Union for Conservation of Nature (IUCN) Red List of Threatened Species.

ENVIRONMENTAL APPROACH continued

The main area of our business that could influence biodiversity is property development. We conduct environmental impact assessments and consider biodiversity before initiating any project, and this process is integral to any application we make for green building certification. All development projects are also subject to rigorous engagement with local councils, and we adhere to all legislative and regulatory requirements for each project. As part of our standard operating procedure, we contract accredited green building consultants to assist us with the ongoing assessment of our environmental impact throughout the development process. This responsibility also extends to health and safety and other risk elements.

Projects GREEN ADDENDUM

Through our Green Addendum programme, tenants and Growthpoint agree to work together to improve the sustainable performance of a building. We all recognise the need to be proactive in operating sustainably and commit to ongoing efforts to reduce energy and water use within our buildings. The decreased use of energy and water stemming from our efficiency interventions and tenants' behavioural changes results in financial savings that benefit both the tenants and Growthpoint.

In FY20 there were Green Addendum projects that reached the end of their ROI periods and where the agreements required reviewing or, in some cases, deactivating. We also engaged with tenants who were re-examining their Green Addendum leases in the light of unforeseen economic pressures brought about by the pandemic. We strive to ensure benefits for all involved and for the Green Addendum agreements to be relevant to the projects and tenants who commit to them. We are working to standardise these agreements in all our leases and to refine the billing method used for this initiative.

This year, 608 tenants (2019:672 tenants) participated in the Green Addendum, covering 418 352m² (FY19:414 223m²) of GLA. Since its inception in 2014, there has been a collective saving of almost R103m for both Growthpoint and the addendum signatories. Growthpoint's portion for FY20 was R13.4m (FY19: R10m).

	Number of tenants	GLA	Annual savings	Savings since FY16
FY20	608	418 352m ²	R13.4m	R103m
FY19	672	414 223m ²	R10m	R89.6m

BUILDING CERTIFICATION

Green building certification remains a primary objective for Growthpoint. As part of our 20:20:20:2 approach, we have identified 20 buildings that we believe could ultimately be certified as net-zero for carbon/water/waste/ecology. We continually seek to increase the number of our buildings with green certifications and to ensure that any re-certifications that are necessary are timeously done.

Growthpoint has 102 buildings with Green Star SA certifications. Taken together with the V&A, this brings the total to 112 certifications.

Most of our certifications are 4-Star rated existing office buildings. In FY20, we spent R5.5m (FY19:R3.1m) on attaining these certifications.

A milestone for our industrial sector is attaining the first Custom Green Star Existing Building Performance (EBP) rating for the Serra industrial building in Meadowbrook, Gauteng. This 7 400m² facility achieved a 5-Star Green Star certification.

The certification process for an industrial building requires more tenant engagement than in office buildings because industrial tenants oversee all aspects of property management, and Growthpoint also worked closely with consultants to achieve this rating. The Custom Industrial EBP certification is part of a pilot programme that Growthpoint is currently working on to develop an Industrial Rating Tool in collaboration with the GBCSA and Solid Green. As at the end of FY20, we have invested just under R200 000 in this programme.

The implementation of energy, water and waste resource efficiencies has become standard practice in our shopping centres and applies to new builds as well as major refurbishments. Where appropriate, Green Star certification is considered and as at the V&A Waterfront, for example, we may even take a precinct level approach towards green building certification.

All our new developments must achieve our updated target of a Design and As-Built GBCSA rating of 5-Star or higher.

GREENOVATE AWARDS

In FY20, there was once again stellar participation in our Greenovate Awards programme, which seeks to promote sustainability innovation in the built environment.

We had a total of 18 entries for the 2019 awards. The winner of the Greenovate Award came from the University of Pretoria while the winner of the Engineering award was from North West University. A new award category was the "buildability award" sponsored by WSP for innovations that can be simply incorporated into buildings and are easily feasible, which was also won by an engineering student from North West University. A total of R110 000 in prize money was paid in 2019.

Our awards programme is understandably going to be executed differently in 2020 due to the Covid-19 pandemic. We are exploring online options for the participants, and the two-day review process is likely to be adjusted to just one

day online. We are working closely with the GBCSA to find solutions for this year and make sure that participants have connectivity to access the platform. The objective is to have a fun, interactive platform retaining the opportunity for entrants to engage with mentors and judges and to network. We believe that this platform is something that will resonate with participants and offer them space to be recognised for the hard work of their research.

Before the pandemic, we presented the programme to six of the nine participating universities. The other three universities received the presentation and engaged with our team about the programme on behalf of their students.

Taking this youthful inspiration further, we have committed to implementing at least two projects from the programme at our properties as part of our 20:20:20 strategy. To date, one has been implemented.

LIGHTING PROJECTS

Lighting remains one of the most feasible ways to achieve energy savings. For the year under review, R243 000 was invested in various projects that were implemented, which achieved a saving of 37 900kWh. Several more were assessed for action in FY21.

Lighting projects planned for FY21:

kWh saving	Region	Estimated investment	ROI – years
115 524kWh pa	Gauteng	R1.3m	6
309 994 kWh pa	Gauteng	R1.6m	7

SMART METERS

In FY20 our efforts to install smart meters continued. A total of R919 000 was invested in smart electricity meter installation and R3.9m in the installation of smart water meters. These were primarily bulk smart meters. This excludes the work undertaken with tenants who have chosen to install smart meters for their rented space. The electrical meters have mostly been installed in our office and retail sectors while the meters for water have been installed in retail, office and industrial sectors.

HVAC

We identified a need to review our HVAC systems and intend to do a portfolio-wide measurement and verification of these systems starting in FY21. The goal is to improve the efficiency of our HVAC systems by increasing the effectiveness and efficiency of the heating and cooling systems in our buildings. By undertaking this as a project across all buildings, we will achieve economies of scale that ensure cost savings.

ELECTRIC VEHICLE CHARGING STATION

Looking ahead we will need to future-proof our buildings. When electric cars become mainstream, we could be faced with some complex energy demand issues

such as impact on peak demand charges and metering. For now, we need to understand the landscape and how the industry is evolving. New builds should make provision for EV charge stations in infrastructure but not actually install the charge points other than some pilot projects or where specific tenants request the facility.

URBAN FARMING

Our small-scale "urban farming" project on the rooftop of Brooklyn Square in Tshwane has experienced some delays. We have had to change the vendor but still believe that the local social benefit will be worth the effort.

Key project objectives:

- ◆ Enhancing the fresh produce supply to restaurant tenants of Brooklyn Mall and Brooklyn Square
- ◆ Creating a unique restaurant and retail experience for the Brooklyn customer with an urban farming and fresh produce concept, as well as technology and masterclasses that enable more urban farming in Tshwane
- ◆ Converting unused parking space into a commercial asset
- ◆ Enabling Sustainable Development Goal 11 – Sustainable City Transformation.

ENERGY MANAGEMENT TRAINING

In FY20, Growthpoint partnered with the NCPC on energy effectiveness and provided four buildings, two retail and two office, as test sites for energy effectiveness. A full energy audit was done at no cost to Growthpoint. As part of this undertaking, a review of all energy-using elements in a building is completed, and a building-specific strategy put in place to reduce energy consumption. This forms part of the energy management training which is aligned with ISO 15000 and for which participants will receive accreditation from the NCPC. Three Growthpoint employees are participating in this training. Participants from other organisations are also taking part in the training at Growthpoint's buildings. We will be able to share the feedback from this initiative in our next report. We envisage that those who qualify through this training will champion our reviews of other buildings going forward, applying the learnings from the pilot project and providing an additional service offering to tenants of our buildings.

ENVIRONMENTAL APPROACH continued

E-BIKES PILOT PROJECT

The e-bike hub consists of charging stations and e-bikes with an on-site manager. GreenCycle supplies and manages the movement of bikes and issues bike helmets and cycle locks to users. The hub focuses on providing transport to employees in our 1 Sandton Drive and 138 West Street buildings in Sandton Central – with the main reasons for use being to get to and from the Gautrain station, to go on lunch breaks and to run general errands in and around Sandton. Growthpoint has invested R252 000 (FY19: R330 100) in this initiative in the past year. Additional information can be found on the following website <http://www.greencycle.co.za/>.

ANAEROBIC DIGESTER

At the N1 City Mall, we had a pilot project running since October 2018 to transform organic waste using a small-scale waste transformer. Organic waste collected daily was shredded and transformed into biogas. The biogas is used to generate clean electricity, which is fed back into the mall to power its operations. The residual heat will be used for hot water in the mall, while the recovered nutrients in the waste are turned into fertiliser for landscaping on the premises. This however did not prove to be viable from a cost and operational perspective with an investment of over R250k a year and minimum organic waste requirements proving to be challenging to attain. The project has thus been cancelled.

The financial impact of environmental events

The value of insurance claims associated with the impact of various weather phenomena is a key financial metric that we use to determine the financial impact of changing weather. This measure has been useful to help determine areas and ways of adaptation to reduce or limit the cost impact going forward. One way is to ensure that repairs or refurbishments in high-impact high-weather-risk nodes are carried out without delay.

The following tables reflect the cost of weather-related damage to our properties. Those relating to FY20 could be restated if there is a case that has not been concluded at the time of reporting. Costs are allocated to the year in which the event took place.

	Sector							
	FY20				FY19			
	Office	Retail	Industrial	Total	Office	Retail	Industrial	Total
Earthquakes/sinkholes	0	0	0	0	0	0	0	0
Rain/flood	0	0	0	0	0	256 968	629 601	886 569
Hail	0	0	349 990	349 990	0	0	425 902	425 902
Wind	124 320	0	0	124 320	548 557	1 015 844	109 192	1 673 593
Lightening	0	0	0	0	36 820	0	0	36 820
	124 320	0	349 990	474 310	585 377	1 272 812	1 164 695	3 022 884

	Region											
	FY20						FY19					
	Gauteng	KZN	Western Cape	Eastern Cape	North West	Total	Gauteng	KZN	Western Cape	Eastern Cape	North West	Total
Earthquakes/sinkholes	0	0	0	0	0	0	0	0	0	0	0	0
Rain/flood	0	0	0	0	0	0	284 568	602 001	0	0	0	886 569
Hail	349 990	0	0	0	0	349 990	425 902	0	0	0	0	425 902
Wind	124 320	0	0	0	0	124 320	1 608 593	0	0	0	65 000	1 673 593
Lightening	0	0	0	0	0	0	36 820	0	0	0	0	36 820
	474 310	0	0	0	0	474 310	2 355 883	602 001	0	0	65 000	3 022 884

MAJOR PROJECTS AND ACHIEVEMENTS FOR THE YEAR UNDER REVIEW

- ◆ Enhancing the team capacity with new appointments
- ◆ Implementing an environmental dashboard
- ◆ Commercialising one winning Greenovate concept
- ◆ Embarking on energy management training with NCPC
- ◆ Re-certifying 8 buildings by the GBCSA in the green building categories pilot project or phase 1, 2 and 3 of existing building performance.
- ◆ 2 new certifications for buildings

MAJOR PROJECTS PLANNED FOR FY21

- ◆ R20m in green lease recoveries for Growthpoint
- ◆ 20MW of installed solar PV capacity
- ◆ Work toward 20 certified net-zero buildings (waste/water/carbon/ecology)
- ◆ An environmental gap analysis
- ◆ Refining a carbon zero strategy
- ◆ Reviewing sustainability processes and procedures
- ◆ Continuation of re-certification of buildings by the GBCSA in the green building categories pilot project or phase 1, 2 and 3 of existing building performance.
- ◆ Continued engagement with the GBCSA and industry partners to develop an industrial building rating tool
- ◆ Zero organic waste to landfill by 2022.
- ◆ Installing smart water and electricity meters in the properties of all three sectors and having them in all buildings by 2022

ENVIRONMENTAL APPROACH continued

Below is a list of the building that have a green building certification with an indication of the certification attained by each asset. A total GLA of, 1 231 310m² have been certified. This accounts for 22.4% of our portfolio.

Green building certifications

Buildings	GLA m ²	Design	As built	Customised rating Custom	EBP – pilot EBP	EBP	EWP points – received	Net zero	Region
1 Sixty Jan Smuts	16 507					4 Star			GAUTENG
10 Riviera Road	1 293					4 Star			GAUTENG
100 West Street	3850					4 Star			GAUTENG
103 Central Street	2 338					4 Star			GAUTENG
12 Alice Lane	8 772					4 Star			GAUTENG
138 West Street	10 612					4 Star			GAUTENG
144 Oxford	37447	5 Star							GAUTENG
19 Impala Road	2 725					4 Star			GAUTENG
23 Impala Road	1 827					3 Star			GAUTENG
25 Rudd Road	3 129					4 Star	6		GAUTENG
257 Oxford Road	3 132					4 Star			GAUTENG
28 Fricker Road	6 141					4 Star			GAUTENG
3021 William Nicol	6 606					4 Star			GAUTENG
33 Fricker Road	6 419					4 Star			GAUTENG
34 & 36 Fricker Road	4 844					4 Star			GAUTENG
4 Fricker Road	4 790					4 Star			GAUTENG
44 on Grand Central	7450	4 Star				4 Star			GAUTENG
50 Wierda Road	2 362					4 Star			GAUTENG
8 Rivonia Road	5 329					4 Star			GAUTENG
82 Grayston	7 255					4 Star			GAUTENG
Advocates Chambers	7 445					4 Star			GAUTENG
Anslow Park Phase 2	10 713	4 Star				4 Star			GAUTENG
Boundary Place	3 658					4 Star			GAUTENG
Brookfield Office Park	7 600					4 Star			GAUTENG
Central Park Midrand	34 008				4 Star				GAUTENG
Chislehurst	2 169					3 Star			GAUTENG
Cintocare (Pretoria Head & Neck Hospital)	7 419			5 Star					GAUTENG
Country Club Estate	33 142					4 Star	6		GAUTENG
Discovery 1 & 2 (55%)	64 127	5 Star	6 Star						GAUTENG
Ditsela Place	2 987				4 Star				GAUTENG
Eastgate 20	4 556	4 Star	4 Star						GAUTENG
Equity House	1 620					4 Star			GAUTENG
Eton Office Park	8 897					4 Star			GAUTENG
Fredman Towers	14 695				3 Star	4 Star			GAUTENG
Freestone Office Park	5 509					4 Star			GAUTENG
Georgian Crescent	6 347					4 Star			GAUTENG
Grayston Office Park	13 660				4 Star				GAUTENG
Grayston Place	5 184					4 Star			GAUTENG

Buildings	GLA m ²	Design	As built	Customised rating Custom	EBP – pilot EBP	EBP	EWP points – received	Net zero	Region
Grosvenor Corner	13 778					4 Star			GAUTENG
Hatfield Gardens	25 927					4 Star	5		GAUTENG
Honeywell	3 818					3 star			GAUTENG
Illovo Corner	10 817					3 star			GAUTENG
Inanda Greens Business Park	40 546					4 Star			GAUTENG
Inyanda 1, 3 & 4	23 196					4 Star			GAUTENG
Kirstenhof Office Park	3 854				5 Star	4 Star			GAUTENG
Lakeside 1 & 2	21 708	5 Star							GAUTENG
Lakeside 3 – Aecom	6 428	4 Star					8		GAUTENG
Lumley House	2 714				4 Star				GAUTENG
Meadowbrook Estate (Serra Services) (Total 17 103)	7 400					5 Star			GAUTENG
Menlyn Corner	10 222					4 Star			GAUTENG
Merck Longmeadow	4 163					4 Star			GAUTENG
Ogilvy	9 155					4 Star			GAUTENG
Oxford Corner	9 108					4 star			GAUTENG
Peter Place Office Park	8 753					4 Star			GAUTENG
Pinmill Farm	22 899					4 Star			GAUTENG
Riviera Road Office Park	4 857					4 Star			GAUTENG
Rosebank Office Park	4 207					4 Star			GAUTENG
Sandown Erf 169	2 069					4 Star			GAUTENG
Sandown Mews	20 936					4 Star			GAUTENG
Sandton Close 2	12 460					4 Star			GAUTENG
Strathavon 11	9 173					4 Star			GAUTENG
Sunnyside Office Park	29 971					4 Star	6		GAUTENG
The Annex – TPG 50%	10 126	4 Star	4 Star						GAUTENG
The Oval – Bryanston	10 559					4 Star			GAUTENG
The Place	35 385				3 Star				GAUTENG
The Towers	13 005					4 Star			GAUTENG
Waterfall Park: Phase 1	8 103					4 Star			GAUTENG
Wierda Gables	2 173					4 Star			GAUTENG
Woodlands Office Park Buildings 1-8 (Altron) (Used to be Deloitte 7 Touché)	97 758					4 Star			GAUTENG
1 Frosterley	2 554					4 Star	8		KZN
29 Richefond Circle (Marius Els)	3 383	4 Star							KZN
3 The Boulevard (3 The Terrace)	3 051					4 Star	8		KZN
9 Frosterley Crescent	1 138					4 Star			KZN

ENVIRONMENTAL APPROACH continued

Buildings	GLA m ²	Design	As built	Customised rating Custom	EBP – pilot EBP	EBP	EWP points – received	Net zero	Region
Edgecombe Office Park	4 611					4 Star	7		KZN
Lincoln on the Lake	6 428		4 Star		4 Star	4 Star			KZN
Mayfair On The Lake	6 171	4 Star	4 Star			4 Star	8		KZN
Pharos House	5 503					4 Star			KZN
Ridgeview Umhlanga	6 659	5 Star	4 Star						KZN
The Boulevard, Umhlanga Ridge	10 324	4 Star	4 Star						KZN
11 Adderley	22 406					4 Star	7		WESTERN CAPE
200 on Main	4 599				4 Star	4 Star			WESTERN CAPE
33 Bree & 30 Waterkant	12 941					4 Star			WESTERN CAPE
Albion Springs	3 855					4 Star			WESTERN CAPE
Belmont Office Park	15 171					4 Star	6		WESTERN CAPE
Belvedere Office Park	5 996					4 Star			WESTERN CAPE
Bridge Park (50%)	9 050	5 Star							WESTERN CAPE
Centennial Place	12 352				4 Star	4 Star			WESTERN CAPE
De Waterkant Centre	6 736					4 Star			WESTERN CAPE
Draper on Main	5 619	4 Star							WESTERN CAPE
ENS House	18 000					3 star			WESTERN CAPE
Golf Park	31 273					4 Star			WESTERN CAPE
Greenfield Industrial Park	21 815		4 Star					Carbon	WESTERN CAPE
Nautica	5 830					4 Star			WESTERN CAPE
Newlands on Main	13 335					4 Star			WESTERN CAPE
Paramount Place	12 638					3 star	7		WESTERN CAPE
Riverpark	13 385					3 star	7		WESTERN CAPE
Roggebaai	13 113					4 Star			WESTERN CAPE
Sovereign Quay	8 883					4 Star			WESTERN CAPE
The District	18 700					4 Star	8	Water	WESTERN CAPE
The Estuaries	11 883					4 Star	8		WESTERN CAPE
The Oval Newlands	8 595					4 Star			WESTERN CAPE
The Terraces	12 830					4 Star			WESTERN CAPE
Tygerberg Park (THIN) & Tygerberg Park (THOP)	30 657					4 Star			WESTERN CAPE
Total	1 231 310								

OUR PEOPLE

We were inspired by the resilience of our employees and their strength in adversity.

HR

Our HR division is responsible for managing the organisation's talent and ensuring Growthpoint's sustainability through succession planning and transformation. We endeavour to create a positive work experience for each of our employees while protecting the interests of the organisation and ensuring that it meets its objectives. This year specifically, we played a critical role in safeguarding the safety and wellbeing of employees during the Covid-19 pandemic, while ensuring business continuity at an unprecedented time of disruption. We continue to strive to be an employer of choice.

EE and transformation

Growthpoint is committed to offering a diverse and transformed work environment; one which provides equal opportunities for all employees while also giving special consideration to employees from designated groups. We take steps to promote equal opportunities in the workplace by eradicating discrimination in all our employment policies and practices, and by applying affirmative action (AA) measures to redress imbalances in employment experienced by designated groups. We do this to ensure their equitable representation in the workplace.

Growthpoint has fared well in achieving the transformation objectives as stated in its transformation strategy. From an HR perspective, we manage transformation internally, and in 2018 we implemented a three-year EE plan with annual objectives. We also appointed a Diversity and Inclusion Forum to monitor and evaluate progress against the plan and ensure that our transformation aims were met. Our EE plan forms part of our transformation strategy, which is reported on each calendar year. Our existing EE plan is effective to the end of 2020 and we will create a new one to take us forward in 2021 that will include

more elements focused on employee health and safety. It will form the basis of our future work and communication.

In FY20, we made inroads in achieving our employment equity aims, especially at senior, middle and junior management levels. EE is still a challenge at executive level, where we did make some progress during the year, but not sufficient to meet our targets. While we continue to make gradual headway in our numerical goals at the executive level, we have to be realistic about the progress that can be made through succession planning given the minimal turnover of executive staff and the temporary recruitment embargo due to Covid-19.

We believe that the important work being done by our Diversity and Inclusion Forum can be enhanced through improved engagement with employees and making them aware of what the company is doing in the area of transformation. In the new year, we will be considering various methods of appropriate monthly

communication with employees to improve engagement.

Employee value proposition (EVP)

Our employee value proposition is based on total rewards and development opportunities, which include some of the following:

- ◆ Career and personal advancement opportunities
- ◆ Retirement benefits
- ◆ Medical aid
- ◆ Gap cover to ensure that employees are not out of pocket should their medical costs not be fully covered by their medical aid
- ◆ Group risk cover
- ◆ Accidental death cover
- ◆ Educational assistance for qualifying employees' children (GEMS)
- ◆ Work/life balance, which is crucial and supported by our flexible work hours and conditions of work
- ◆ Employee wellness programme
- ◆ Share options for all our employees



OUR PEOPLE continued

Covid-19 and our people

Covid-19 has defined FY20 in many ways, and affected every one of our employees, as well as our HR activities. We have taken a disciplined and multi-faceted approach to address the impact of the pandemic on our people and our operations and, understandably, prioritised the associated concerns.

In addressing the issue of remuneration during the business disruption experienced because of Covid-19, we first needed to understand the impact of the pandemic. Even before the lockdown was announced, the organisation began gearing itself up to manage the crisis. We considered various strategies and assessed our level of preparedness. This included our readiness for remote working, given that some staff could work remotely while others, based on the nature of their jobs, could not.

Options we explored included partial remuneration for those unable to work and providing assistance in accessing relief benefits. However, given the undue pressure on our national social system and considering our duty of care towards our employees, we decided to pay all employees in full, because any inability to work was through no fault of their own. We were also acutely aware that many of our people were facing additional financial burdens, such as supporting relatives and friends who were unable to work during the hard lockdown and beyond. The financial and employment security we were able to give our employees was received with gratitude and relief and embodied the kind of employer we strive to be. We at Growthpoint have been doing everything we can to ensure the personal, social, emotional and financial wellness of all our employees during the pandemic.

We are inspired by the resilience of our employees and their strength in adversity. Those in some business units who found themselves with reduced workloads during the hard lockdown, made themselves available to help those who came under increased pressure. We have seen "the power of us" at play now more than at any other

time. Our corporate culture has been pivotal in helping us cope through this crisis.

We further supported all our staff by sourcing and providing the necessary PPE to ensure their safety. We reviewed our policies on cell phone and data claims and increased them to remove barriers to effective remote working. To remove obstacles of accessing any required Covid-19 testing for our staff, we engaged with our health and wellness partners and, where they were not already doing so, we asked them to consider a special benefit for our employees to ensure that the necessary testing costs do not diminish their out-of-hospital benefits. We also developed a plan to manage repatriation, which enabled the return of any employees abroad who wished to return to SA.

As the economy began opening up, and more staff were allowed to return to work, we completed an environmental scan to ensure that our various offices were ready to receive our employees.

This exercise involved sanitising, fogging and procuring temperature scanners and PPE, among other supplies, as well as communicating with employees to ensure they had a good understanding of what was required in terms of hygiene and other behavioural rules. Importantly, we put plans in place for any who might test positive for Covid-19.

Making sense of how to implement specific social distancing and hygiene methods in the work environment was not easy, as we were working with conflicting messages. Where there were contradictory requirements from different authorities, we always chose the safest action. For instance, what was considered a safe distance between workstations varied from 1.5m to 2.0m and we chose to keep ours 2.0m apart. The safe desk layout was checked each morning to ensure the infrastructure remained intact, and hygiene officers were appointed to sanitise them daily at regular intervals.

Our objective was to ensure that every step forward in opening our offices did not result in a step backwards in curbing transmissions. Reinforcing the effectiveness of our efforts, we passed

a surprise government inspection of our Sandton premises, which reinforced the effectiveness of our efforts.

The team has done a fantastic job and we include in this the security staff at our offices. Conducting the scans and sanitisation protocol is critical, but the manner in which these are handled is equally important, and both are being done kindly and with utmost respect and care. As the developments around the pandemic and the national response change daily and weekly, we constantly adapted and improved our own responses.

We kept constant contact with the 144 staff members who were unable to perform their jobs during the hard lockdown to reinforce our support and to ease their worry at a time when many across South Africa were losing their jobs. Our efforts were enhanced by those of our wellness partners. This situation informed our return to work. We prioritised the return of these non-working staff members in line with their wishes.

Another important psychological factor that arose was our employees experiencing childcare and frailcare pressures during the lockdown. We put policies in place for this and communicated them to staff. Growthpoint does not have a set, formal policy on flexible work hours but allows for such arrangements are made between employee and manager. We are keeping an eye on this area in the light of the demands of additional childcare, for example, or the additional precautions that those who are self-isolating or dealing with comorbidity factors in their home environments may need to take.

Considering Covid-19's impact on our business, processes and operations, we have put a hold on filling all non-critical positions. This moratorium will be reviewed as the market and business conditions change.

Our employees are seeking more communication than ever before, and we have addressed this through email and platforms created on WhatsApp to reach those at their workstations and those who are not desk-based. This has been

supplemented by occasional personal calls to confirm our understanding of each person's preparedness and pinch points.

Our retail team was at the coalface of the effect of the lockdown, with management teams suddenly becoming responsible for the behaviour of the customers at our shopping centres. They became soft targets for abuse from authorities attempting to enforce the new and often ambiguous regulations. The work of these teams required around-the-clock dedication at times. To protect our people from burnout, we applied staff rotation and continued with our employee wellness support.

Social issues also emerged during the lockdown. Sadly, we were not immune to the increase in gender-based violence at this time. We became aware of employees who were being abused within their lockdown environments and, among other interventions, prioritised their return to the workplace.

Our HR team itself was under great pressure, with additional demands and the need for normal business processes to continue, and we communicated regularly to deal with the challenges. The team stepped up their efforts to stay on top of PDPs and industrial relations issues. Digital training was ramped up online to ensure that our employees understood how to use all the online tools available to them.

Our priorities, similar to other divisions, were to keep Growthpoint functioning and productive, and to immediately tackle the tasks that were crucial to achieve this. Our centres of excellence and business partnering supported this. However, it was necessary to narrow our focus, which resulted in our initiatives for staff grading and salary scales being paused and our employee engagement survey being delayed. The freezing of vacancies inevitably restricted our transformation efforts. It will be some time until our environment settles and stabilises into a "new normal" and until this happens, we will remain agile in tackling the challenges which emerge.

Health and safety

In our workplace, this is led by our dedicated Health and Safety Forum, whose role has taken on increased importance and prominence in the current context. Covid-19 falls within this ambit and, understandably, became a key focus. The pandemic has highlighted wellness as a risk in our business and we are exploring additional ways to manage this risk. Our compliance with all elements of national health and safety regulations and requirements remains non-negotiable. With the Occupational Health and Safety Act in mind, we are doing everything to make sure the work environment is incident free in all regards, including Covid-19 transmission to the extent that this is possible. At end-June 2020, no Covid-19 cases had been contracted in our work environment. We ensure that anyone who contracts Covid-19 receives the right support.

Employee wellness

We are cognisant that the health and financial ramifications of the pandemic have increased mental health issues and stress, and we are also aware that Growthpoint is a high-performance environment. We boarded six employees this year and, in most cases, this was because of stress-related or predisposing factors. Wellness is not an event, it is an ongoing process, so we strive to be purposeful in how we deal with employee wellness. Our staff wellness days have been a key indicator of the health of our employees, but these have moved online with lockdown and, while they continue to be of some benefit in this format, they no longer provide the same value as a measure. Our employee wellness initiatives are designed around the main health concerns highlighted through our wellness programme.

Ethics barometer survey response

Our response to the findings of our ethics barometer survey, as was reported last year, continues. Overall, the results found that Growthpoint is ethically fit, but areas of focus were identified to improve the treatment of employees and our organisational culture and practices. The clearly defined areas within Growthpoint where the most effort needed to be invested were addressed, in large part, through our Diversity and Inclusion Forum.

Industrial relations

Many of our actions revolve around industrial relations issues, performance management and fair disciplinary procedures, because staff performance is linked to pay. In FY20, there were 38 industrial relations matters relating to misconduct and performance management, compared to 31 in FY19. This included one dismissal for harassment, in line with the policies we have put in place to ensure zero tolerance of harassment.

We believe that good industrial relations improve employee morale. Employees work with passion when they feel that the interests of both employer and employees are aligned and this increases productivity.

Staff turnover

We monitor our voluntary staff turnover, which this year was 4%. This is an acceptable level that is on par with the market. Including dismissals, total staff turnover was 7%.

Policies and procedures

We create systems to ensure a standard approach for our employees, and this year we developed a remuneration policy, grievance policy and we prioritised our human rights policy. Communication and staff training on new and updated policies will be offered on an e-platform in the future.

We intend to implement ESG considerations as a KPI for senior management that will affect their remuneration as it does that of the executives, but are still working on the hard measures that would define this KPI in FY21.

Grievance procedure

Employees with grievances can raise their concerns directly with our HR department and receive advice on how best to address the matter. As intended, this year we revised our grievance procedure and, once approved, we will embark on a communication and awareness drive about it. Labour and human rights issues can be addressed through our independently monitored whistle-blowing hotline, and we encourage employees to raise concerns about workplace malpractices without fear of victimisation or reprisal.

OUR PEOPLE continued

Growthpoint has a **whistle-blowing policy** that allows one to raise concerns about malpractice without fear of victimisation or reprisal.

(If you suspect underhanded deals, theft, sexism, racism or ageism, report it!)

Any whistle-blower will remain anonymous!

0800 167 463

GROWTHPOINT
PROPERTIES



Talent and succession management

We aim to ensure that our work environment and conditions are attractive and conducive to optimising employee potential. Ensuring that new employees are aligned to our culture and values is key to this success, as is career development for existing employees.

Career advancement came into sharp focus this year and as we matched people with different positions in the light of changing business needs, staff members were able to advance their skills and expand their knowledge. This meant that in FY20, we were able to promote 16 people.

Training and leadership development

Our training priority in FY20 was to facilitate succession planning and employment equity. Emphasis was thus placed on learning and development, especially among our graduate associates and our junior and middle management staff. This is evident from our focus on learnerships during the year.

As part of our succession management and career development focus, we identify knowledge and skills gaps in the company and address them with specific performance development plans. We also have multiple initiatives at the leadership level, including informal coaching and mentoring. Learning and development allows our employees at all levels to thrive.

We increased our online training capacity significantly this year to ensure this critical function was not impacted by Covid-19 safety procedures. By doing this, not only were we able to continue with our planned training, we also provided digital training on various programmes and applications to support staff who were working remotely, as well as crucial training on our new IT system, MRI.

For us, the Covid-19 crisis highlighted the difference between managers and leaders. Managers manage processes. Leaders step

up to lead their teams forward, and it has become clear that we need leaders now more than ever. Where necessary, we empowered our managers with virtual leadership courses to give them tools they could use while working remotely and, in future, apply directly in the workplace. Leadership skills also became crucial for employees in non-managerial positions as they needed to step-up to the plate and work remotely without being micromanaged.

TRAINING PROVIDED

Course	Number of employees trained
ABET	7
Advanced Shopping Centre Management	1
Aspirations Training	5
BCom	5
Business Administration Learnership NQF4	11
Business Etiquette	11
Certificate in Shopping Centre Management	3
CIMA	1
Coaching	1
Conversational Intelligence	18
Customer Service for Handymen	12
Data & Records Management	1
Effective Communication	10
Energy training	5
Excel	27
Facilitation Training	4
Facilities Learnership NQF 6	10
Fire Fighting	8
First Aid	9
Fixed-Term Contract Termination Workshop	6
Green Building Conference SA	29
Health and Safety Rep	4
Induction	51
JBCC	25
JSE Overview	2
King IV Implementation to Disclosure	1
LLB	1
MBA	3
MDP Management Development Programme	1
Media Training	1
MS PowerPoint	11
On-Boarding	66
PDE 4 Workshop	9
Personal Finances	10
Post Graduate Diploma	3
Presentation Training	15
Project Management for Facilities Managers Programme	7
Property Development Programme	3
Property Management	1
Real Estate Learnership NQF4	18
South African Council of Shopping Centres	31
Speaking with Gravitas	1
Sprinkler System	11
Utility Workshop	20
Virtual Classrooms	7
Working Smart on Outlook	43
All internal systems (IDU, NICOR, Fraxion, MRI)	574

Occupational level	% of training received	
	Male	Female
Top management	0	5
Senior management	6	9
Professionals, specialists and middle management	7	9
Skilled workers, supervisors and junior management	16	50
Other	2	0.5
Total	31	69

Labour and employment practices

We comply with various labour laws, including the Basic Conditions of Employment Act, the Labour Relations Act, the Employment Equity Act, the Skills Development Act and the Occupational Health and Safety Act. Over and above legislation, we strive to be a good corporate citizen and have policies and processes in place to ensure that we offer

equal or more favourable employment conditions than those required by law. Growthpoint is not a unionised environment but places no restrictions on employees' freedom of association.

We stand against child labour and forced labour and all our employees are aged 18 years or above. Forced or compulsory labour does not apply to Growthpoint, but it is an issue of which we are acutely

aware as it exists globally in a variety of forms. The most extreme examples are slave labour and bonded labour, but debt can also be used as a means of maintaining workers in a state of forced labour. Indicators of forced labour can also include withholding identity papers, requiring compulsory deposits and compelling workers, under threat of being fired, to work extra hours to which they have not agreed.

Employee statistics	FY20	FY19
Number of employees		
– full time employees	623	598
– contractors	36	26
Net property income per employee (R)	595 992	402 743
Average tenure of employees (years)	8	8
Annualised attrition rate (%)	7% of which 4% was voluntary	11% of which 7% was voluntary
Number of industrial relations cases	38	31
Average age of employees (years)	45	42
Minimum CTC – lowest level of employee (R pa)	112 590	108 000
Direct investment in employee training (Rm)	4.5	4.6
Total cost of employee training (Rm)	5.5	6.5
Number of employees trained	1 103	740
Hours of training per employee	8	10
Total number of sick days	1 926	2 041
Weighted average number of sick days per employee	3.1	3.3
Number of physical injuries	0	0
Days lost to incidents	0	0
Serious occupational injuries	0	0
Fatalities		
– full time employees	0	0
– contractors hired by HR	0	0
– Third party contractors	0	1

OUR PEOPLE continued

HIV/Aids

We respect the confidentiality of every employee. Growthpoint does not discriminate based on HIV/Aids status, nor do we test employees. The conditions of affected and infected employees are managed and supported by our extensive employee wellness programme. Based on information provided by our largest medical aid provider, the HIV prevalence rate within our organisation is estimated to be between 4% and 6%.

Human rights

Growthpoint believes human rights are sacrosanct and is committed to upholding them, including freedom from discrimination of any kind. As such, this year we introduced a human rights policy. In line with the country's Constitution, we do not tolerate any form of hate speech and we believe every individual has the right to live the way they choose. Furthermore, our commitment to human rights includes indigenous rights. Growthpoint is dedicated to good corporate citizenship.

The Black Lives Matter movement was a prominent force in social discourse in South Africa, and around the world, during the year. We remain committed to building a space without racial bias and tension. Racist conduct is a dismissible offence, and we have dismissed two managers over the past three years for this unacceptable conduct.

Employee Assistance Programme (EAP)

We value our employees and are proud to offer a programme to support them and optimise our success. This voluntary, confidential programme helps all our employees, their families and management work through various life

challenges that may adversely affect their job performance, health and personal wellbeing. The services offered through our EAP to employees with personal and/or work-related concerns include assessments, counselling and referrals for added services. Employee challenges include a wide range of issues such as stress, financial issues, legal issues, family problems, office conflicts and alcohol and substance abuse.

Our programme often also works with management and supervisors to provide advance planning and employee preparedness for situations such as organisational change, legal contingencies, emergency planning and response to unique traumatic events.

EMPLOYEE USE OF PROFESSIONAL SERVICES IN FY20

410 employees, constituting 65% of our workforce, used one or more provisions of the EAP.

17 employees used two provisions of the programme.

Four employees used all three provisions of the programme.

COUNSELLING PROVISION

184 employees, constituting 29% of our workforce, utilised face-to-face professional counselling.

217 interventions were provided to the 184 individuals who utilised face-to-face counselling, reflecting the complexity of the issues presented as well as the multi-disciplinary and integrative approach offered. Numerous individuals participated in more than one type of therapy.

MEDICAL CONSULTATION PROVISION

159 employees, constituting 25% of the workforce, made use of the on-site health clinics.

444 nursing consultations were provided to employees.

Psycho-educational provision

91 employees, constituting 14% of the workforce, attended talks provided by the EAP.

169 employees, constituting 27% of the workforce, attended the annual Wellness Day.

Supporting our staff in a difficult and uncertain context

SA's economic challenges, now intensified by the Covid-19 crisis and several other factors, are understandably having an impact on our staff. Growthpoint is working to assist our employees in dealing with the financial and social impact this is having on them. With our continued programme of property sales to streamline our South African portfolio strategically, we have found ways to minimise the risk of retrenchment for our staff. Our EAP services also support our people who are trying to manage the stress of the burdens that the economy and pandemic is placing on them.

FUTURE FOCUS

The intensified pressure that Covid-19 is exerting on an already challenging economic environment has heightened the urgency of achieving streamlined performance. We are a capital intense business and need to work smarter going forward. In the past, our merger and acquisition activity has resulted in the unforeseen consequences of job fragmentation, which we have managed down through natural attrition, and culture dilution, which has proven difficult and costly to manage. Having learnt this, we are now vigilantly guarding against culture dilution in order to support our performance.

As a business, it is essential that we are decisive and effective. Integral to this is the ability of our leaders to act at the correct level. When executives are strategic, senior staff are managerial and mid-level employees are tactical, we avoid undermining the empowering structures that we have put in place. Now more than ever we need to avoid role compression, be less rigid and more empowering.

Throughout this report, we have mentioned several strategic priorities for FY21. These include setting our new EE plan, transformation strategy and related targets, as well as conducting a staff engagement survey.



OUR PEOPLE continued



New hires for the period	67
Gender of new hires	57% female 43% male
Race of new hires	African = 60% Coloured = 15% White = 22% Indian = 3%
Positions filled by internal candidates	27%

Cover	Yes	No
Life insurance	✓	
Healthcare	✓	
Disability	✓	
Paternal leave	✓	
Retirement provision	✓	
Stock ownership	✓	
Others – including employee assistance like legal advice, psychological sessions, health promotion and review session and debt advice	✓	

Employment equity summary

FULL TIME EMPLOYEES ONLY

Occupational level	Male						Female						Total
	African	Coloured	Indian	White	Foreign nationals	Total male	African	Coloured	Indian	White	Foreign nationals	Total female	
Top management	2	1	0	13	1	17	1	0	0	2	1	4	21
Senior management	2	1	0	18	1	22	0	0	2	6	0	8	29
Professionals, specialists and middle management	4	4	7	40	1	56	12	18	11	42	0	83	139
Skilled workers, supervisors and junior management	35	12	6	39	1	93	19	11	5	39	2	76	169
Other	83	18	2	3	4	110	71	39	14	30	0	154	264
Total	126	36	15	113	8	298	103	68	32	119	3	325	623

CORPORATE SOCIAL RESPONSIBILITY

At this definitive time in South Africa's history, Growthpoint has committed to supporting the national effort to limit the impact of Covid-19. We have intensified our humanitarian initiatives in the face of the consequences of the pandemic, in spite of the negative effect on our own business.

Corporate social investment

Growthpoint's outlook towards corporate social responsibility has always been to focus on driving sustainable impact for the communities in which we operate. Our core focus areas have consistently been supporting education initiatives, entrepreneurship development and staff engagement. During the year under review we have not steered from our core focus areas but during Covid-19 have ensured that we enhance the support for the various initiatives.

Through our education initiatives we have always focused on providing support at each level of the educational value chain, this year we continued our support of educating early childhood development practitioners, continuing our support of bursars at Christel House, expanding our reach through Growsmart and increasing our scholarships on our Growthpoint Gems initiatives.

Through our entrepreneurship development initiative, Property Point our driver has always been to build sustainable small business and assist in facilitating market access within the property sector. Even though Covid-19 was a health pandemic it also had catastrophic economic impact, with small businesses being severely impacted. It was therefore imperative that we continued with the support of small businesses and provide them with the necessary business development support in order for them to keep operating within a tough economy.

G squared our staff engagement initiative provided an opportunity for staff members to support initiatives that they are passionate about and during Covid-19 we were able to galvanise that support and identify projects where they could be of assistance and we were able to match their time and monetary contributions.

The pandemic has had a significant impact on all sectors of society, including the property sector, and we believe it is imperative to do our bit to sustain lives, jobs, communities and businesses so that we can all survive to rebuild our nation and economy. We are incredibly proud of how Growthpoint has stepped up at this truly "Thuma Mina" moment, in both the corporate and the individual sense.

Thuma Mina means "send me". President Cyril Ramaphosa quoted – in his inaugural address to South Africa's Parliament – the song "Thuma Mina" by SA jazz legend Hugh Masekela, which evokes the words of an enormously popular traditional church chorus. It highlights the themes of self-sacrifice, individual responsibility and the importance of each person in creating change. Thuma Mina has come to symbolise optimism, stepping up to be of service, lending a hand, being there for each other and working side by side to build the South Africa that we all want and deserve. With the announcement in mid-March of the National State of Disaster in response to the Covid-19 pandemic, it became President Ramaphosa's rallying call to the nation: "This is a difficult time. And yet it is in times of adversity that our strength is revealed. We will act decisively, with determination and with purpose. We will act as a collective, for it is upon the actions of every South African that the success of our efforts depends. The Thuma Mina moment is upon us, perhaps as never before. This too shall pass. We shall overcome. We are South Africans."



Growthpoint's long-standing track record of social partnership and good citizenship stood us in excellent stead when responding to the coronavirus crisis. We were able to react rapidly, together with trusted partners and well-established, high-impact networks in communities across South Africa.

COVID-19 SOCIAL SOLIDARITY RESPONSE

Our Group Chief Executive Officer, South Africa Chief Executive Officer and Group Financial Director each pledged one-third of their salary for three months to the Solidarity Fund created to assist in curbing the Covid-19 pandemic in South Africa. The Chairman of Growthpoint and several non-executive directors each donated a third of their quarterly Board meeting fees to the Solidarity Fund. The pledges were made in response to President Cyril Ramaphosa's appeal to the country to donate to the fund and the JSE's appeal for listed companies to heed the call. The Solidarity Fund is a powerful example of the generosity, compassion and patriotism shown by South Africans in this time of crisis. It is an independently administered vehicle to help the government and civil society to fund the response to the Covid-19 crisis. It is a consolidated effort to help detect and prevent the spread of this virus, care for those in hospital, create a supply of personal protective equipment, and provide food and shelter for those left vulnerable by the pandemic.

As part of the Property Industry Group, Growthpoint's response to supporting those tenants who had been severely affected by the Covid-19 lockdown is detailed in our SA business report. However, it is worth noting here that Growthpoint's rental relief directly protected the jobs of those working for the recipients. By structuring relief in this way, we made a significant social impact by helping to sustain these employees and their families through the lockdown.

As a response to support small businesses in our supply chain during lockdown, Growthpoint continued to pay suppliers in full, regardless of the capacity of their service, to ensure that they could continue to pay their staff.

To minimise the risk of spreading the virus within Growthpoint's operations, the company imposed strict measures to protect employees. It invested extensively in safety and sanitation at its many properties, including shopping centres across the country which support essential retail, to safeguard the health of millions of South Africans.

Growthpoint also continued to support its CSR partners, most of whom are focused on education in previously disadvantaged communities countrywide, and on SMME development, to ensure that they could rise to the new challenges they faced. When some of the education groups' operations proved to be impossible, Growthpoint supported the diversion of finances into technology and connectivity to enable video streaming, WhatsApp conversations and information sharing and so assist these organisations to achieve their ongoing objectives in new ways.

We also provided *ad hoc* support to long-standing partners primed to respond to the most desperate needs. For instance, our regular partner for staff volunteerism on Mandela Day, Rise Against Hunger, was at the frontline of distributing meals and facing massively increased demand in the light of school and university feeding schemes being shut down. Ensuring that more people could earn during the lockdown while also helping to feed the hungry, Growthpoint employed casual workers to safely pack meal parcels for Rise Against Hunger in two warehouses, in Johannesburg and Cape Town. Besides being paid fair wages, the casual employees received a meal on the days they worked. We also partnered with SA Harvest and Angel Network to distribute hot meals.

Our swift reaction to immediate needs was coupled with a focus on the sustainability of the organisations that we support and their readiness and capability to adapt and adjust for the future.

While it is too early to understand the full impact of the Covid-19 pandemic on Growthpoint's CSR, we are painfully aware that it will leave in its wake a greater social need and fewer resources. We acknowledge that, as a significant corporate, we need to be consistent in our support. We have long held that doing good is not only about the sentiment, but also about having the most impact. We don't believe in sacrificing CSR spend for profitability. It has, however, become abundantly clear that our HR and CSR – our people and communities – are inextricably linked and have to be viewed together.

Corporate social investment projects

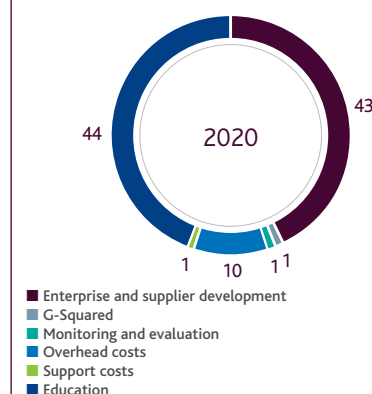
EARLY CHILDHOOD DEVELOPMENT (ECD)

For the past four financial years, Growthpoint has funded the training of early childhood centre practitioners, with the primary objective of "improving education outcomes by creating a more inclusive society". The ECD focus relates to the government's National Development Plan, where one of the objectives is to "lay a solid foundation" through the upskilling of ECD practitioners. This year, we improved the alignment of our CSR strategy with the needs of ECD centres with the help of an impact assessment completed in FY19.

Christel House

Using a life-transforming educational model, Christel House educates, feeds and provides healthcare for disadvantaged children from early childhood through to early adulthood. The 30 students supported by Growthpoint started Christel House's remote learning curriculum on 1 April. All high school students now have tablets loaded with a SIM card and receive weekly data bundles to allow for online video-streaming sessions. Learners were given food and sanitary hampers on their last day at school and more are being delivered at each month-end using the school's buses. Counsellors and social workers continue to counsel students and families telephonically. While persisting through the crisis, Christel House is breaking ground with new and innovative ways of educating and supporting students.

CSR spend (%) of R44.1m



Protec

This programme prepares school learners for science, technology, engineering and maths (STEM) careers. The 40 learners supported by Growthpoint with maths and science tutoring sessions, usually held every Saturday and during holidays, come from four schools deep in the rural areas of Limpopo's Vhembe district. They have shown gradual improvement since starting the programme. However, they are being held back by social challenges endemic in rural communities. A lack of technology in the schools and homes isolates learners in general, and specifically during the lockdown. Programme managers struggled to reach them but provided worksheets via WhatsApp and email, where they also received tutor assistance to keep up with the education plan. This inaccessibility has highlighted that, going forward, it will be imperative to review this and our other CSI programmes in terms of incorporating technology as early as possible.



CORPORATE SOCIAL RESPONSIBILITY continued

Education Africa

Growthpoint assists Education Africa to educate, equip and empower people by providing it with office space. Dedicated to poverty alleviation through education, Education Africa was able to continue several of its initiatives during the lockdown, such as its Unisa programme in Business Focus Management, which is run on an ICT platform with added support for students on Zoom and WhatsApp.

Ntataise Lowveld Trust

Ntataise teaches and supports ECD practitioners to stimulate rural and underprivileged children. Stipends for the practitioners who are being trained were diligently paid during the lockdown and they were connected via WhatsApp to enable them to communicate.

Botshabelo

Botshabelo helps orphaned children, underprivileged preschoolers and women through its children's homes, preschools and teacher training centres. During lockdown, teachers were provided with training modules to work on and received their stipends to assist them in providing for their families. They were also given access to technology for WhatsApp and online meetings to enable them to check on learner progress and engage with them.

Genesis SafePlace

The ongoing support for this safe place for victims of injustice, abuse and violence has helped it keep its doors open at this time of real need. In 2019, Growthpoint funded the establishment of the SafePlace set up by the Genesis Trust in the Harding community in KwaZulu-Natal. This "run-to" facility supports vulnerable residents and is a place of refuge for those who feel threatened or are in immediate danger of experiencing violence. Besides being a safe place during the lockdown, when there was a surge of gender-based violence, the NPO also provided water in rural and informal settlements and delivered food parcels to households living below the breadline, such as child-headed homes.

Growsmart

The acclaimed Growsmart literacy competition is our leading educational initiative. It has run for 11 years in the Western Cape in collaboration with the Western Cape Education Department, three years in Eastern Cape with the Eastern Cape Department of Education, and was introduced to Limpopo in 2020. Responding to a real need in Limpopo, Growsmart is supported by Dwaarsrivier Chrome Mine and sponsored by the Boleng Trust, and now has 27 schools registered.



Growsmart aims to improve literacy, story writing and poetry, maths, science, debating and entrepreneurship in primary schools where the need is greatest.

Entrepreneurship was offered for the first time this year in the Western Cape. We also expanded story writing to include poetry in 2020, and this competition category was offered in all three provinces, with the literacy competition applying to both Western and Eastern Cape. Maths, science and debating were provided on the well-established Western Cape programme.

A Growsmart booklet which covers all the Growsmart competitions was handed out to the Limpopo principals and mentors during the launch and workshops, along with step-by-step workbooks about story writing and poetry and entrepreneurship.

However at lockdown, a decision was made to halt the programme in its entirety and to allocate the remainder of the budget to re-launch the programme early next year, although learners and mentors do still receive the online home learning tutorials three times a week.

In total, 267 schools competed in 2020 for R2.2m worth of prize money – R1m in the Western Cape and R600 000 each in the Eastern Cape and Limpopo.

Unfortunately, the normal running of the competition was compromised by the Covid-19 crisis. It pivoted to including online content videos, as well as sharing competition information online and via WhatsApp. To ensure continuity, Growsmart in the Western Cape partnered with Heart FM for its literacy competitions and released an interactive workbook for learners that contained step-by-step instructions covering all Growsmart topics. A similar radio campaign will be run in the Eastern Cape with Radio Algoa from August to October 2020.

We are incredibly proud that Growsmart now has four alumni studying at university. In addition, three learners have been accepted into Grade 7 at Christel House, two are in their second year of the SAILI High School scholarship and one is in her second year on a Leisure Education Trust scholarship.

SUCCESS STORY: ZAVIER PETERSEN

Growsmart learner Xavier Petersen has been accepted into Bishops Diocesan College on a Legacy bursary. His father, Richard Petersen, said the following:

"I would like to thank Growsmart and Growthpoint for all their assistance regarding my son's educational future. I'll be honest in saying that I am in awe of all the doors that your company has opened for my son and all the opportunities presented to him. I feel blessed to have been a part of this wonderful initiative, with positive people who have helped me through this difficult process of getting my son the best possible opportunities afforded him. We would not have reached this point without your assistance and support. Thank you for all your patience and hard work... and for helping children to reach their full potential."

"It is extremely heartwarming to observe how far our learners have come since they started participating in the Growsmart competition. Prizes received by winning schools were embraced with immense gratitude by entire school communities and are being utilised optimally to improve the lives of our learners. Learners become more confident when they participate, and the quality of their responses has improved significantly. The story writing content of the learners has also meaningfully improved. This improvement is evident in the analysis of examination results. We are looking forward to a long and prosperous journey with the Growsmart competition, and I can't wait to experience the new initiatives which are in the pipeline."

Eastern Cape Department of Education Deputy Chief Education Specialist, Lisele Crowley

GROWTHPOINT GEMS

GEMS is rooted in the belief that young people are the custodians of the future. By providing them with quality education and critical soft skills, we invest in their success. This flagship programme has evolved from internal programme providing financial support to lower-income staff to further their children's education to a full youth development programme encompassing academic support, psychosocial support, emotional wellness, leadership, and personal development.



The programme is built on three pillars: academic performance, leadership and personal development, and psychosocial development, and is designed to equip the learners to be well-rounded young people.

Besides student support, GEMS has pinpointed intergenerational gaps between parents and their children and is helping parents to bridge these gaps. Issues that separate generations include the digital migration of learning and teaching, understanding modern mental health challenges, cyberbullying, and navigating various other matters with trained psychologists, among others.



The Covid-19 pandemic had a massive impact on education at all levels, including our GEMS programme. To reinforce the efforts to continue learning from home, we contracted emerging black-owned company Goodie Tutors to support students with online tutoring in key subjects, through both group and one-on-one sessions. Similar support was provided by Excel@Uni for our university students. For the 41 GEMS learners in primary and secondary school, we redirected the university student transport allocation of R500 per month to provide R300 of data per month in April, May and June to facilitate online learning. Laptops were also given to students who did not have devices to access online learning.

We boosted all-important psychosocial support during the Covid-19 lockdown to support the mental health of these youngsters and their families, including a group session to connect with and uplift each other.

Parents of the learners also received support from the GEMS team, who directed them to helpful resources to manage the change to schooling from home, and shared content and material such as books and YouTube tutorials for key subjects.

For the safety of all involved, this year's GEMS leadership camp, scheduled for June 2020, was cancelled.

CORPORATE SOCIAL RESPONSIBILITY continued

For the period under review, we allocated R4 891 470 to scholarships and development programmes for 74 learners from primary school to tertiary level. The qualifying salary limit for the parents and guardians of Growthpoint GEMS has been

increased from R370 000 a year cost-to-company to R400 000 for the 2021 academic year. When the programme initially commenced in 2016, the qualifying salary limit was R300 000 a year. Every parent, regardless of what

they earn, wants to provide their children with the best possible quality education, and by making this possible, we are indirectly changing the generational career trajectory of these employees and their children.

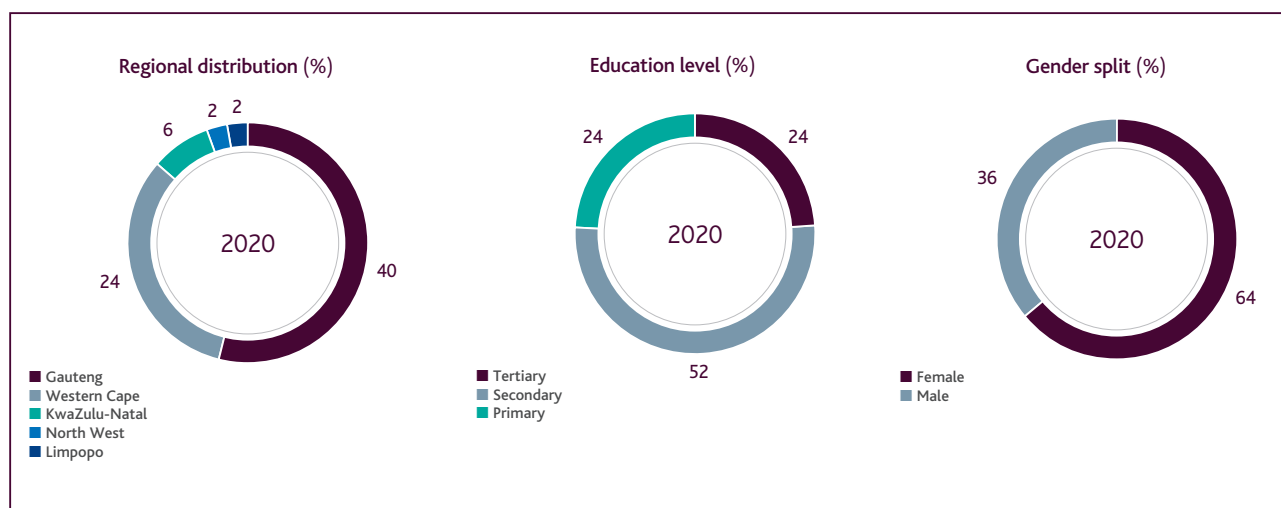
SUCCESS STORY: MBALI MYENI

Mbali Myeni is a GEMS alumnus who joined the programme in 2016. She pursued a Diploma in Human Resource Management, and upon completion in 2019, became a graduate trainee in Growthpoint. Along her academic journey with GEMS, she was given several tools to aid her, including transport stipends, study equipment such as a laptop, access to a mentor, preparation for the world of work, and a five-year plan. At our annual leadership camps, she worked on her leadership potential, communication skills and networking, among others. She describes her GEMS journey as follows:

"The programme helped me to improve my communication and social skills with the leadership camps that we had almost twice a year, and that helped me to get along with people more easily. I attended classes that improved my self-esteem and made me believe that anything is possible."

Andy Naidoo, who works in the commercial sector in Durban, has a daughter on the GEMS programme. He describes his experience as follows:

"I am the sole supporter caring for five family members and the partial bursary has been of great financial assistance. The positive change in Sandrisha has been absolutely mind-blowing as I can see the positive changes in her personality. The workshops are impactful, and this changes the way you as a parent can mould your child to be the best they can be. I have tried and still try to use these tools at home, not just to motivate myself but the entire family. Growthpoint really shows their commitment not just to employees but to their most loved ones. I cannot even begin to describe how special and cared for I feel at this company."



G-SQUARED STAFF VOLUNTEERING INITIATIVE

G-Squared (G²) increases awareness among staff about Growthpoint's involvement in community development and encourages and enables staff volunteerism. During the period under review, our volunteered hours reached 365, with executive management actively participating. To protect our staff during the Covid-19 pandemic, all participation in organised volunteerism was halted. However, in the spirit of active citizenship and in keeping with our values, many of our people were inspired to make a difference in their own communities in various ways during the lockdown. While volunteering is still hampered, we are exploring new ways for staff to be involved with community causes without physically having to visit organisations.

CSI beneficiary breakdown by province for FY20

	GP	WC	EC	KZN	LP	MP	FS	NC
Discretionary fund and <i>ad hoc</i> donations								
Disability learnership	8							
Mould Empower Serve NPC	14							
iSchool Lab			22					
Christel House		30						
Botshabelo	8							
Midlands Community College				10				
Ntataise Lowveld Trust						10		
Protec					40			
Tennis SA	3	8		1				
Water polo	9							
Squash	20							
Growsmart (Western Cape)		1 297						
Growsmart (Eastern Cape)			219					
G Squared projects								
Mandela Day	500	200	160	160				
Heaven's Gate Safe Haven	30							
Princess Alice Home	31							
Lambano Sanctuary	406				4			
Father a Nation	30							
Home visits	81	600						
Rental subsidies								
Field Band	2 451	523	429		743	266	739	1 359
Education Africa	2 341	153	65					
Scatterlings	140							
Bursaries (includes SAPOA)	9	6		1				
Gems	35	18	3	5				
	6 116	2 835	898	177	787	276	739	1 359

ENTERPRISE AND SUPPLIER DEVELOPMENT

Growthpoint remains committed to growing businesses and our economy to help address South Africa's societal problems of inequality and inequity. We have made a significant difference in this regard by developing sustainable small businesses through our Property Point initiative.

Launched in 2008, Property Point has made an impact by changing the small business landscape in the property sector, mobilising transformation and helping to build productive and sustainable entrepreneurial ecosystems within the country.

The award-winning Property Point enterprise and supplier development programmes have also successfully

accelerated small business growth and had a significant positive effect on economic stimulus by creating jobs, facilitating small business access to private sector markets and building revenue growth for small businesses.

Despite a tough economic environment for small business growth this year, Property Point focused its efforts on driving programme expansion, making a sustainable impact and finding innovative solutions, as well as being relevant during the Covid-19 lockdown.

Among its highlights for the year, Property Point achieved ISO 9001:2015 certification for implementing quality management systems in the programme.

To prepare for the implementation of the YES (Youth Employment Services) initiative, Property Point has three

offerings that support businesses and drive youth employment creation in small and growing businesses.

The first of these is Local Economic Development (LED), an enterprise development programme for SMMEs that assists Growthpoint to develop small businesses in the communities where it is invested in retail assets. This improves the service delivery capacity and capability of small businesses in local communities and provides them with access to opportunities. Importantly, it builds meaningful relationships with our stakeholders in local communities in the spirit of King IV. It was expanded significantly this year and 148 beneficiaries gained from Growthpoint LED interventions in Kempton Park (Festival Mall), Rustenburg (Waterfall Mall) and Vaal (Vaal Mall), as well as in KwaZulu-Natal.

CORPORATE SOCIAL RESPONSIBILITY continued

As the second offering, Property Point launched its "Green Economy" programme to enable small businesses to fully understand green and sustainability practices and the opportunities this represents for diversification and growth. With changes in climate and in the property and construction economy, Growthpoint and other property owners have been measurably increasing their commitment to green building design, construction and maintenance. Thirty-four businesses participated in the Green Economy programme, creating a pool of readily accessible specialist services that can be used by built environment stakeholders who enable and promote environmental transformation. We are also actively seeking to include women-owned businesses that incorporate green building and sustainability practices in their operations to the programme.

The final programme is aimed at mid-level managers, and Property Point partnered with the African Management Institute (AMI) to deliver an intensive six-month management development programme that translates training into tangible results for future leaders. There

were 34 participants registered on the Property Point/AMI Middle Management Development Programme in FY20.

Property Point continues to foster collaboration in the property industry through its multiple funding partners. The successful Enterprise and Supplier Development (ESD) programme that Property Point established for Fortress REIT in Johannesburg during FY19 was extended this year to include an ESD programme in KwaZulu-Natal, and an LED at Evaton Mall, Sebokeng.

Property Point welcomed Pareto as a partner and launched a supplier development programme for the Johannesburg property maintenance businesses within its supply chain.

Long-standing partner Attacq renewed its commitment to Property Point and this year launched an LED programme in its Waterfall precinct in Midrand. Seda also remained a strategic funding partner to Property Point under its enterprise incubation programme.

Entrepreneurship to the Point (ETTP) is a platform to inform, equip and inspire entrepreneurs. Building on its monthly events in Johannesburg, it expanded them to Cape Town. As part of this initiative, Property Point developed an "Impact Management and Measurement" workshop, which was piloted in West Africa and the United States. The Aspen Network of Development Entrepreneurs (ANDE) West Africa and ETTP collaborated to develop a global knowledge brief on the impact measurement and management landscape in Nigeria and Ghana. This brief is valuable for funders, capacity development providers and small and growing businesses in the ecosystem. ETTP also hosted online events, reaching more people than ever, during the Covid-19 lockdown.

We planned various interventions with the view that, after lockdown, businesses would need to reposition themselves to take up market opportunities. Interventions were focused on reviewing strategies, value propositions, technological requirements and contingency planning.

Property Point has made a sustainable impact between September 2008 and 30 June 2020, as follows:

NUMBER OF BENEFICIARY COMPANIES SELECTED TO PARTICIPATE IN PROPERTY POINT PROGRAMMES 237 (FY08 – FY20)	NUMBER OF BENEFICIARY COMPANIES CURRENTLY ON PROPERTY POINT PROGRAMMES 113 (FY20)	NUMBER OF BENEFICIARY COMPANIES SUCCESSFULLY GRADUATED FROM PROPERTY POINT PROGRAMMES 116 (FY08 – FY20)	THE GRADUATION RATE OF THE PROPERTY POINT PROGRAMMES 96% (FY08 – FY20)
THE MEDIAN ANNUAL REVENUE GROWTH RATE OF PROPERTY POINT COMPANIES FROM BASELINE ASSESSMENT TO GRADUATION SINCE THE YEAR OF SELECTION 30.2% (FY08 – FY20)	THE NUMBER OF ENTREPRENEURS WHO ATTENDED TRAINING, NETWORKING SESSIONS AND WORKSHOPS 7 667 (FY08 – FY20)	THE TOTAL VALUE OF CONTRACTS AWARDED TO PROGRAMME BENEFICIARY COMPANIES R1 561 669 063 (FY08 – FY20)	FULL-TIME EQUIVALENT JOBS CREATED 2 669 (FY08 – FY20)

Case study

BACKGROUND

The engagement with the local community of Tembisa in Ekurhuleni began after the members of the community approached centre management at Growthpoint's Festival Mall in Kempton Park. The mall serves the residents of Tembisa. Community members were disgruntled because they felt that the mall did not provide business opportunities to the Tembisa community.

Upon consultation with Property Point, an information session was held with the leadership of the local community to clarify the matter. Property Point mediated the session between entrepreneurs and the mall, while our procurement division provided more information on the business requirements in order to work with Growthpoint. Community leaders were asked to get their members to complete a pre-qualification form so that the competency and capacity of the businesses could be assessed.

On 4 May 2019 only four out of the 21 businesses that attended the information session provided completed pre-qualification forms with the required attachments to corroborate the information provided on the form. Despite being incredibly sceptical about the process, Zecks Mafuna, owner of Zamafuna (Pty) Ltd was the only entrepreneur to communicate with Property Point on the different aspects of the pre-qualification form.

INTERVENTIONS

The company had all the required compliance documents with the exception of COIDA and public liability insurance. The absence of COIDA was because of an outstanding amount due to the Department of Labour and Property Point's programme manager advised Zecks to approach the Department of Labour to make payment arrangements. He did so and negotiated payment terms and a discount. In addition, the business owner applied for public liability insurance to the amount of R1m. In response to his initiative, Property Point settled the outstanding balance with the Department of Labour, removing a hurdle for this business.

Zecks then attended a painting training workshop hosted by Promac Paints. This was organised to equip Zecks and his staff with the right skills to execute work for a private sector company. Through the Essential Group, the Zamafuna team also received specialised training on areas ranging from power tool safety and basic welding from Academy Brushware, Glue Devil, Ingco and Matus. Come October 2019, Zecks attended health and safety training and he expressed great gratitude at the opportunities provided to his business by Property Point.

OUTCOME/SUCCESS

Following all the interventions provided and the business coaching, Zamafuna became the first business in Tembisa to be registered under the local development initiative as a Growthpoint vendor. This resulted in the business securing a portion of the painting contract at Festival Mall and concluding the work successfully.

Broad-based black economic empowerment and transformation

INDUSTRY REVIEW

Growthpoint continues to remain committed to transformation. Commitment to a cause is usually challenged during times of uncertainty and during the Covid-19 pandemic

corporate commitment to socio-economic and transformation challenges has been tested. At Growthpoint, transformation is not a tick box or scorecard exercise but rather a strategic imperative underpinned by interventions to bring about real change and impact. This is evident in maintaining a Level 2 B-BBEE rating on the Property Sector

Charter Scorecard. As per our transformation strategy we continue to identify the gaps within the scorecard and putting in place the necessary mitigating actions to ensure that we maintain an optimal score. For the new financial year we will also embark on refreshing our transformation strategy for the next three years.

STAKEHOLDER ENGAGEMENT AND OPERATIONS

Growthpoint's business is very integrated, and divisions often address common ESG issues with varying degrees depending on the issue at hand. The level of attention issues receive depends on materiality to the business and the division. As a Real Estate Investment business, there are many nuances that apply to our operations. Though our procurement department working with our supply chain, our legal and communications divisions as well as our facilities management we work to ensure that not only do we adhere to best practice recommendations but go beyond these recommendations to ensure value to our tenants and other stakeholders.

Engaging external and internal stakeholder groups

Communication and partnerships are fundamental to achieving meaningful change in this sphere. As a member of a global community, we recognise the direct impact we can have on the natural environment as well as the indirect impact we can have through displaying leadership and fostering collaboration.

The various ways we engage and some of our key stakeholders are identified in the 2020 Integrated Annual Report on pages 16 to 19.

As a team, we are working even more closely with our procurement division to ensure that sustainability considerations form part of all requests for proposals (RFPs). The focus in FY20 was on the waste management contract which will take effect in FY21. This included guidelines on waste management and reporting requirements. We also continued to expand the use of

environmentally friendly products in the cleaning of our facilities – which is one of the most significant contracts awarded by the company.

We have not been as effective as we would have liked in engaging with our staff. Employee interaction is something we will seek to improve in the year ahead. We have had success in implementing projects for various sections of the organisation but believe we can also improve our communication with the public about our actions and achievements.

Our engagement with tenants, our key stakeholders, is imperative. This communication enables us to optimise and continually improve our service delivery. Programmes such as the Green Addendum are examples of productive collaboration with mutual benefit. We continue to learn about our tenants' businesses and use this information to provide the most appropriate solutions for utilities and project management.

The environmental element of ESG considerations is attracting growing interest among investors and in this regard, we are proud of being the first corporate to list a Green Bond in the Green Segment of the Interest Rate Market on the JSE. We would be remiss if we didn't also note the increasing pressure we are experiencing with regard to the disclosure of environmental information. We have worked hard to ensure that we are able to meet these demands and to adhere to best practice where applicable as we seek to add value to investors and other stakeholders.

We have ongoing engagement with local municipalities that represent numerous stakeholders and community interests. This is key for our value creation through sustainability by managing utility costs from a municipal point of view to ensure our tenants are not exposed to higher than expected energy costs. It is important to note that municipalities are the primary platforms through which we engage to ensure that we adhere to requirements relating to the operating in a community. In recent years we have seen our Property Point initiative play an increasingly important role in engaging with local communities assisting Growthpoint to address community concerns.

Adherence to the South African National Building Standards is considered fundamental in all major development projects. Our intent through projects is to provide benefit to our tenants and surrounding communities in which developments are undertaken both directly and indirectly.

We work with industry bodies such as SAPOA, SA REIT, the new PI Group and the NBI to address industry, national and international issues. In FY20, these issues included the property industry's response to the Covid-19 pandemic and lockdowns, updates to the Best Practice Recommendations for reporting by REITs, tax issues and social transformation, as well as environmental considerations.

STAKEHOLDER ENGAGEMENT AND OPERATIONS

continued

Growthpoint sees strong links between several of the UN Sustainable Development Goals (SDGs) and the National Development Plan. We understand the opportunities for collaboration that will benefit those who participate in achieving these goals, as well as the potential social benefits. Growthpoint is also a founding member of the GBCSA, and we continue to work with it on sustainability initiatives.

Corporate marketing and communication

Established as a leading brand in the property industry, Growthpoint Properties' positioning allows us to attract and retain clients while being a valuable platform for solid relationships with our stakeholders.

Our corporate marketing and communications team, which includes events, design, content, brand and project management, as well as digital marketing, is responsible for establishing and increasing positive engagement with the Growthpoint brand on behalf of all our stakeholders.

As the landscape changed significantly over the final quarter of FY20, we had to be agile in adapting to the shift in the business's overall strategy.

Key performance indicators

- ◆ Maintaining and safeguarding the Growthpoint brand and corporate identity
- ◆ Identifying cost-effective and creative solutions for any marketing opportunities which meet the three RSA sectors' strategic objectives

- ◆ Ensuring assimilation and endorsement of the Growthpoint culture and values among all national staff (together with HR)
- ◆ Managing and measuring research and other initiatives to improve client attraction and retention
- ◆ Continuing to successfully attract and engage with our clients on all communication platforms, especially "green" digital media
- ◆ Improving client and supplier relationships through transparent, consistent communication and by providing opportunities for personal interaction
- ◆ Sponsoring various property industry gatherings and events
- ◆ Supporting our vision by providing information to stakeholders that is pertinent, significant, comprehensible and accurate
- ◆ Managing, measuring and increasing our social media presence.

Growthpoint continued to work hard at media relations and management throughout the year. We ensured a steady stream of information and content was made available to the public via our social media channels and press releases.

Most of our events during the year were for the broker community, with brokers being an extremely important channel for our business. We held another in our series of successful Operation Destination trips for those who qualified, this time to New York. The social distancing requirements to stem the Covid-19 pandemic had a significant impact on the number of events we were able to hold

during the last quarter. Events and networking opportunities contribute significantly to building our brand and are also vital opportunities to connect with our stakeholders, communities, clients and target markets. Despite these traditional touchpoints disappearing, we were able to adapt by finding new ways to continue to connect with both staff and brokers.

We took the opportunity to survey brokers about our leasing resources and engagement. The survey received enthusiastic response and has provided valuable, qualitative insights, which will inform our broker communication in the year ahead and reinforce our good relationships.

We garnered a great deal of press coverage for two fantastic achievements – receiving Africa's first WELL certification for our Exxaro development and Green Star rating for the Cintocare Pretoria Head and Neck Hospital, which is the first for a healthcare facility in the country. Our interim and full-year results media briefings also got extensive coverage over and above ensuring regular, direct engagement between our leadership and these important media stakeholders.

As the main sponsor of Tennis SA, we are proud that a significant portion of our sponsorship is used to fund tennis development, clubs and juniors. Covid-19 and the subsequent restrictions affected Tennis SA activities over the last quarter, so funds were diverted to further assist the hard-hit Growthpoint Development Centres in Gauteng, Western Cape and KwaZulu-Natal.

STAKEHOLDER ENGAGEMENT AND OPERATIONS

continued

Our development centres are so much more than places where tennis is coached. They are safe spaces for children to spend time and learn between school and home and they provide employment for coaches, many of whom are women and breadwinners. The social benefits that these centres offer go beyond sports development and we worked with Tennis SA to ensure that this positive impact could continue as much as possible during the lockdown to extend Growthpoint's humanitarian efforts and ease the impact of the pandemic on vulnerable communities.

Alongside this sponsorship contract, Growthpoint pledged additional funding to support wheelchair tennis earlier in the year, enabling players to compete in international matches to qualify for the Paralympics.

As the main sponsor of Squash SA, we also support the Growthpoint Squash Superstars, a programme that aims to develop previously disadvantaged, talented youth and often collaborates with university outreach programmes.

Digital communication remains an essential pillar of our overall strategy. Our social media following continues to increase, with a steady rise in engagements and positive interactions. In preparation for the revamp of our corporate website, which will be a major project in FY21, we reviewed our existing site and sought feedback from internal and external stakeholders to better understand their experience of this pivotal communications platform.

Growthpoint's funds management business is a growing area of our communications and a highlight this year included developing a new and unique brand for our healthcare fund.

During the pandemic, and specifically the hard lockdown, the marketing department played a critical role in communication with staff, clients and other stakeholders. Our primary goal was to ensure that all relevant parties stayed informed with the most accurate information available. With a large component of Growthpoint employees working remotely, it was critical to keep them feeling connected and keep the Growthpoint spirit alive. We practised empathy, and tried hard to be sensitive to the needs of our staff and stakeholders, and respond accordingly.

Our values guided us in our internal communication to keep people connected, motivated and aligned with the Growthpoint culture. Within this, we had to be fluid and use new tools – and existing tools in new ways – to foster connection across the business's divisions and regions. For instance, we compiled Midnight Cherry Pie, a collection of favourite recipes shared by our staff, to assist and inspire their colleagues, many of who are cooking more frequently than before the pandemic.

Marketing was a key contributor to the work of Growthpoint's Covid-19 task team. The demand for information and communication from our internal and external stakeholders was extraordinary. All company and divisional dispatches were channelled through the marketing

team to ensure consistency of messaging and tone. To balance the immediate pandemic-related demands with our ongoing business deliverables, we divided our team in two, with half managing planned projects and the rest tasked with immediacy. With the way people worked changing, how they consumed information and connected also shifted. We had to adapt our communication formats and channels to reach the intended audiences. Through exploring the ways people have embraced technology, and how the world has digitised, we identified new avenues and opportunities for the Growthpoint brand and see scope for more growth, change and innovation in our communication.

Our senior staff are recognised spokespeople for the property industry and we supported their leadership in the industry-wide response to the impact of Covid-19. It was a privilege to step up and join the collective efforts of the sector in the spirit of "ubuntu" by providing the industry with additional distribution channels for their vitally important announcements. We are proud to have played a role in supporting the cutting-edge conversations and communications of the PI Group.

Ubuntu, translated from Zulu means "I am because we are" and conveys that our humanity comes from being part of something greater. It is often used to refer to individual action that benefits an entire community or the collective.

Fortunately, Growthpoint has built a reputation for communicating transparently, clearly and honestly and our stakeholders welcomed the continuation and intensification of this throughout the crisis.

Supply chain

Our Procurement division provides value to the business by collaborating with our stakeholders, both internal and external. Our focus is to ensure governance relating to procurement is adhered to through the application of our procurement policy and extensive stakeholder engagement. We look to provide the best value, while reducing risk. Growthpoint also engages directly with manufacturers of supplies to get the benefit that comes with our countrywide spending power. We have contracts in place with clear deliverables stipulated in service level agreements (SLAs) with all vendors. We ensure that our standards and expectations are kept through continuous engagement with our stakeholders.

Our focuses remain on cost efficiencies, request for proposals (RFPs) projects, supplier negotiation and measuring supplier development. Our procurement team is responsible for operational spend, which is critical and, therefore, the department needs to be involved from the onset of stakeholder projects.

Key performance indicators:

- ◆ Identifying RFPs and achieving total cost savings through RFPs and negotiations
- ◆ Ensuring quality service delivery through regular KPI meetings with suppliers on performance
- ◆ Fair supplier selection process and awards through stringent RFP processes
- ◆ Reducing lead times with suppliers and service providers

- ◆ Attention to high spend suppliers
- ◆ Improving Growthpoint's B-BBEE scorecard
- ◆ Ensuring contract compliance
- ◆ Compiling quarterly KPI reports
- ◆ Developing suppliers in the greater supply chain through our procurement system and with Property Point
- ◆ Considering and managing any risks from a supply chain point of view.

We replaced manual order books with an electronic order system which elevates system controls and risk mitigation. We are proud of having performed well in negotiating appropriate cost increases on our contracts.

To minimise costs, and streamline the products we use at our buildings, we successfully implemented our hygiene contract on a national basis with three major suppliers. Efforts to have green cleaning products used throughout our business are ongoing. Our waste contract for the new financial year is based on detailed input from the sustainability department to align the contract with Growthpoint's waste reduction objectives. We successfully signed electrical maintenance SLAs.

We improved our positive impact on B-BBEE this year and are particularly proud of the strides made by our division in this regard. We contributed by employing a specialist to work closely with our various divisions to boost understanding and the processes relating to B-BBEE. A deep dive into our supplier list helped clean-up efforts to enhance our scorecard with extensive supplier engagement to encourage their active contribution to B-BBEE. We applied ourselves to working with suppliers to ensure they met Growthpoint's vendor requirements. We addressed the critical issue of fronting and

communicated extensively, internally and externally, that the consequence for any supplier found guilty of fronting would be contract termination.

The division played an integral role in the Property and Financial Management (MRI) system, particularly accounts payable, and extensive work ensured that the Electronic order and approval (Fraxion) system was integrated with the new MRI system.

Growthpoint's agile and proactive management of Covid-19, ensuring that staff and our facilities had the necessary equipment and products for uninterrupted operation over the various levels of the lockdown, was nothing short of admirable and our division excelled in meeting the challenges. The high quantities of goods ordered provided some leverage to negotiate prices on resources that were, at times, difficult to source.

Despite the challenges brought on by the pandemic, Growthpoint honoured all fixed contracts, irrespective of work undertaken. We changed our payment system from fortnightly to monthly, which had an impact on cash flows for both Growthpoint and our suppliers. With staff working remotely, the Fraxion system added to efficiencies, and its value was apparent.

The market days, initiated last year, were put on hold as a result of the pandemic. The initiative is a platform for manufacturers, businesses and suppliers to showcase their products and services to each other and Growthpoint. This is an area we would like to revitalise when it is safe to do so. In the interim, we have increased our engagement with our vendors via electronic and telephone contact. Personalised engagement,

STAKEHOLDER ENGAGEMENT AND OPERATIONS

continued

rather than blanket communication, was appreciated by our vendors and led to stronger relationships with our suppliers, and improved communication beyond contract negotiations, fostering a greater collective purpose.

Going forward, we remain focused on regulatory compliance and working on the MRI system. Cost management is imperative, with only a few large service contracts expected to open up to RFPs. We remain cognisant of the impact of Covid-19 on our supply chain and will keep up our collaboration on issues arising in this regard.

Information technology (IT)

Our IT service supports the South African sectors of the business across all geographic regions by providing information technology services and support.

Our IT governance was reinforced during the year with monthly IT User Forum and quarterly IT Steering Committee meetings. In addition, other forums created specifically to manage and monitor the roll-out of our new core business systems met at regular intervals. The Programme Management Committee was formed to report into the IT User Forum monthly about any operational issues stemming from the new core business systems and the Programme Board was established to report into the IT Steering Committee quarterly on specific project risks during the roll-out of the new systems.

We developed and implemented further IT policies within the governance and management of the IT (COBIT) good practice framework.

We continued to enhance the new property management procure-to-pay solution, Fraxion Spend Management, resulting in improved management and authorisation of expenditure and cost control.

We used Microsoft Office 365 and Microsoft Enterprise Mobility Suite to give Growthpoint staff the flexibility to work remotely from any location with the appropriate security during the Covid-19 pandemic.

We continued with cybersecurity awareness training programme that enables staff to become more familiar with cybercrime and what they can do to protect both Growthpoint and themselves from it.

Legal

Our legal team supports the South African sectors of the business across all geographic regions, as well as the service divisions, by providing legal services and support.

Key performance indicators:

- ◆ Standardising documentation within the business to identify, monitor and manage risk
- ◆ Implementing and improving procedures to ensure compliance with legislation

- ◆ Providing solutions to legal challenges which are practical, innovative and strengthen the business
- ◆ Monitoring ongoing projects and transactions to ensure risks are managed, deadlines are met and costs are reduced
- ◆ Keeping employees abreast of new legislation and amendments to existing laws
- ◆ Ensuring that employees are trained regularly and assisted with the legal aspects of our day-to-day business
- ◆ Safekeeping and management of original title deeds and certain other documentation.

Due to the Covid-19 lockdown, we advised the business on the legal position relating to *force majeure* concerning our leases and other agreements, including development agreements. We took an active role in negotiations with tenants to ensure consistency in the treatment of tenants' claims for relief from rent because of the impact of the lockdown on businesses across sectors and regions.

We participated in the Competition Commission's discussion regarding the Grocery Retail Market Enquiry, which was finalised in November 2019. Further, together with SAPOA and SA REIT, we contributed to an agreed code of conduct which the Competition Commission is insisting must be concluded by retail landlords.

This year's transition to the electronic signature of lease documents – and any other relevant agreements – is our first step towards the implementation of an electronic document management system. It enabled us to continue to legally conclude binding leases and other contracts during all levels of the lockdown.

Amendments to the Deeds Registries Act, as regards obtaining certified copies of lost title deeds, led to us undertaking a complete audit of our safekeeping registry. We have ensured that we have all original title deeds in our possession, save for those bonded to various financial institutions, by obtaining three replacement deeds, which has avoided a long and expensive process.

Growthpoint undertakes to adhere to all legislation and has not received any fines relating to any infringement of legislation for at least the past five years.

Facilities Management

Our Facilities Management division is responsible for fostering a culture of collaboration which enhances the performance of our assets. It does this by delivering maintenance solutions, value-added client experiences and quality facilities for the whole lifecycle of each asset, guided by best practice and legislation. By tracking and managing the capital and operational budgets, the facilities management team continued to keep the physical assets safe and functional within the prescribed budgets.

It also focused on driving down costs without compromising service levels.

Key performance indicators:

- ◆ Improving customer experience through knowledge sharing, standardisation and increasing the consistency of the facilities management function across the organisation
- ◆ Maintaining all mechanical, electrical, structural and civil aspects of each asset under management within the investment strategy
- ◆ Ensuring that all assets comply with, and are maintained within, the provisions of the Occupational Health and Safety Act (OHSA), local by-laws and SABS/SANS standards
- ◆ Providing operational touchpoints or interfaces for development, sustainability and other infrastructure programmes
- ◆ Investing in and researching technology solutions to streamline service delivery and automate integrated processes
- ◆ Maximising B-BBEE spend on services and products procured for operating and maintaining properties
- ◆ Consistently striving to enhance and improve the client experience
- ◆ Continuously researching and benchmarking expenses and facilities management best practices to create value for all stakeholders
- ◆ Constant measurement of our asset performance to minimise risk to our buildings, clients and staff
- ◆ Ongoing staff development and succession planning.

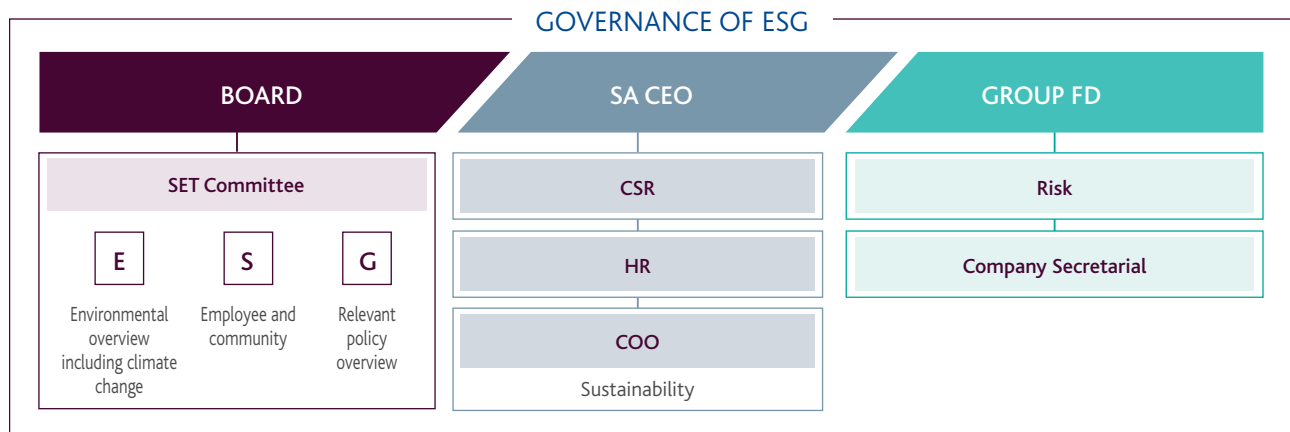


GOVERNANCE

The Board and Executive Management strive to create maximum shared value through ensuring the relevance and sustainability of the business model, by monitoring and responding to the macro environment, the availability of capital inputs and stakeholder needs, all of which informs the strategy. This strategy enables the company to manage its business effectively, consistently delivering on targets while being underpinned by good governance.

CORPORATE GOVERNANCE

The Growthpoint Properties Limited Board of Directors (the Board) has the responsibility of leading the company with integrity.



Our governance philosophy is based on and aligned to the King IV Report on Corporate Governance for South Africa (King IV) foundation concepts of ethical leadership, corporate citizenship, sustainable development, shareholder inclusivity, integrated thinking and reporting, and protecting value.

Governance criteria advocated by institutional investors are also considered and applied where they have merit and are in the company's best interest. These include the Code for Responsible Investment in South Africa (CRISA).

Creating value with good corporate governance

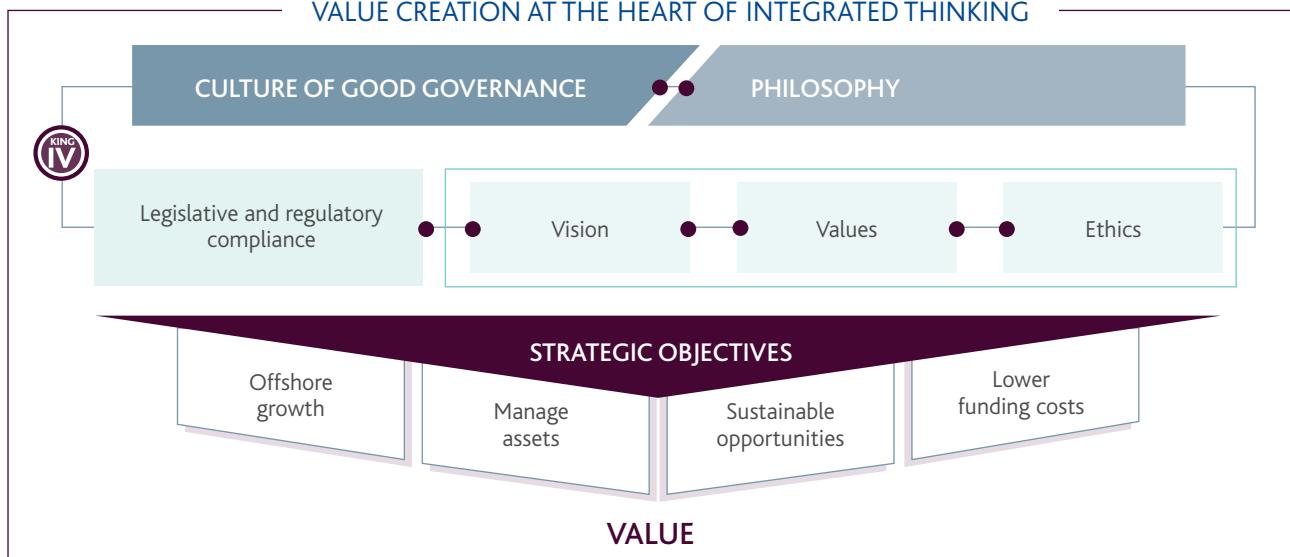
By upholding the highest possible corporate governance standards, Growthpoint gives all its stakeholders confidence that it is a well-governed and well-conducted business.

Sound corporate governance practices are implicit in our values, culture and processes, and our internal controls promote an awareness of risk, compliance and good governance in every area of the business. Good governance is entrenched in our day-to-day activities. By ensuring

that our structured governance frameworks are firmly in place, and that all the practical details of the different governance processes are incorporated, the Board can focus on the business and make well-informed decisions that are in the company's best interests.

Our good governance standards are reflected in Growthpoint's track record of consistent performance over the past 16 years, which assures our stakeholders of our predictability, accountability, transparency and sustainability.

VALUE CREATION AT THE HEART OF INTEGRATED THINKING



CORPORATE GOVERNANCE continued

Growthpoint has the advantage of a stable management team although the Board has seen some significant changes over the last 12 months as it is rejuvenated. We are confident that the Board has both the appropriate balance of knowledge, skills and experience and the independence required for objective and effective governance. These criteria are assessed separately and addressed in more detail in the report.

The Board considers its current composition to be suited to the company's business. The process to rejuvenate the Board commenced during 2019 with an independent skills profiling and assessment process, to enable proper succession planning. This has helped Growthpoint to ensure that the skillsets of newly appointed directors are complementary to those of the current directors and the skills gaps have been addressed to a great extent.

We have several longer-serving directors who, because of their experience and insight, make a particularly robust contribution to management accountability. We value their inputs and their independent judgement and want to ensure that this depth of skill and knowledge is retained on the Board as it is refreshed.

Nevertheless, the Board has resolved that to ensure independence, a tenure policy will ultimately see directors have a fixed 12-year term, irrespective of whether their elected term has run its course. If requested by shareholders, a Non-executive Director's tenure could be extended beyond this, but they would be required to resign at each subsequent annual general meeting (AGM) and be re-appointed.

It was further recommended that Non-executive Directors on the Board should not hold more than four directorships, including Growthpoint.

The Chairman of the Board is limited to four directorships, including the Growthpoint chairman position. The reason for these restrictions is that the individual directors need to ensure that they have the necessary capacity

to prepare adequately for meetings and attend all Board and committee meetings.

Growthpoint executives are not permitted to serve on external boards. Any exceptions are subject to the discretion of the Board.

In FY20, the Board conducted its annual independence assessment of the Non-executive Directors via an independent consultant who oversaw the process and confirmed its integrity.

Philosophy

The creation of value is at the heart of integrated thinking and, therefore, governance in Growthpoint extends beyond legislative and regulatory compliance. Management strives to foster an enterprise-wide culture of good governance linked to the Group's business philosophy, which incorporates our vision, values and ethics. The Board and management subscribe to the philosophy that corporate governance, built on an ethical and values-based foundation, permeates through all business activities

and enables the company to achieve its strategic objectives.

The company has remained compliant with the Companies Act, No 71 of 2008, as amended (the Act). The Board Charter and the terms of reference of Board committees are aligned with relevant provisions of the Act and King IV, as are Growthpoint's own statutes.

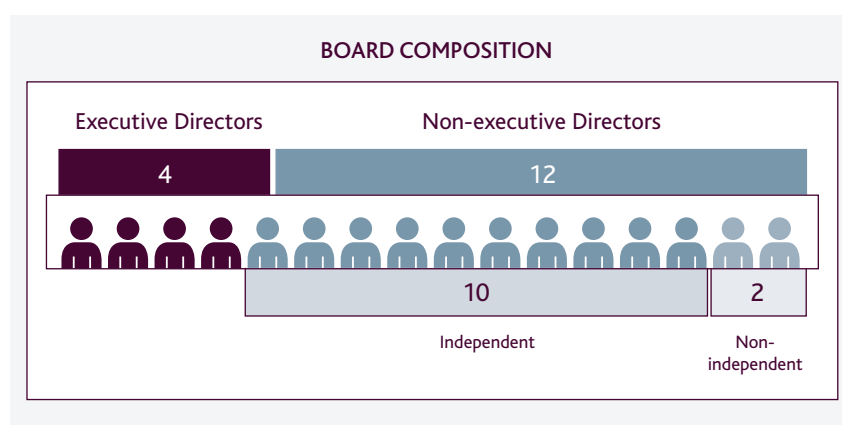
Through the governance structures and processes that are in place, and the supervisory oversight exercised in the organisation Growthpoint's ensures appropriate adequate governance.

2020 corporate governance assessment

The company has completed its annual corporate governance self-assessment by applying an accredited governance assessment tool, with a satisfactory outcome. The full register of the company's application of the King IV principles can be found on the company's website www.growthpoint.co.za.

The Board of Directors

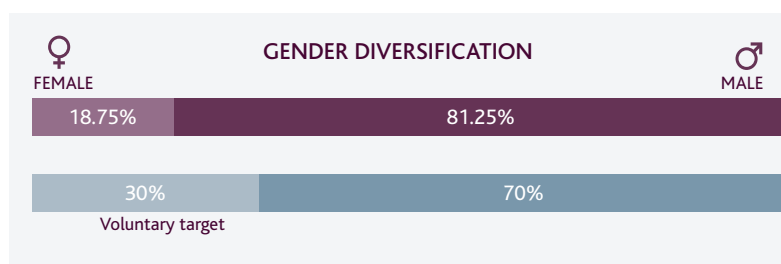
During the year under review and as at the date of issue of this report, Growthpoint had a unitary Board comprising 16 directors in total: four Executive Directors and 12 Non-executive Directors, 10 of whom are regarded by the Board as being independent.



The Board started the process of rejuvenation in 2019, as a result of which Mr FM Berkeley, and Mr JA van Wyk (independent Non-executive Directors) were invited to join the Board, and in 2020 Mr R Gasant was also appointed as an independent Non-executive Director. The appointment of Mr Gasant is subject to shareholder approval, by way of an ordinary resolution, at the AGM.

The Board provides strategic direction and leadership, promotes shareholder value and enhances the sustainability of the business, to the benefit of the company and all its stakeholders. To ensure that they act with independence of mind and integrity, directors are required to abide by Growthpoint's Code of Ethics and policies promoting ethical behaviour.

The Board has adopted a Board-level gender diversification policy with a voluntary 30% target for female representation, including black women. (Currently, the 3 female directors represent 18.75% of the total number of directors.)



The Board Charter includes a policy statement on racial diversification, in terms of which the Board will strive to meet legislated and/or regulated employment equity targets applicable from time to time, at Board level.

The directors declare their financial interests at each Board meeting where applicable as well as annually, as per the Act. Directors' interests in the company's shares as at 30 June 2020 are set out in the AFS note 20 (related-party transactions).

Notwithstanding the finding that two non-executive directors are considered to be non-independent, the Board has concluded that they nonetheless act and exercise their minds independently in their roles on the Board and respective committees.

The expertise and business experience of each of the executive and non-executive directors enable them individually, and as a Board, to evaluate strategy, assess the company's performance, and act in Growthpoint's best interests.

Non-executive Directors have unrestricted access to company information and members of management as well as the executive directors. To help them fulfil their responsibilities effectively, Non-executive Directors may also seek independent professional advice, paid for by the company. The Audit Committee provides, as a standing item on the agenda of regular meetings, for combined or separate closed sessions with management, the external auditor and the internal auditor.

Directors with tenures of more than nine years as at 30 June 2020

Name of director	Year of appointment	Status	Number of years in service	
MG Diliza*	2001	(N-I)	19 years	Retiring at AGM
LA Finlay	2009	(IND)	11 years	Resigned in FY20
JC Hayward	2001	(IND)	19 years	
JF Marais**	2003	(N-I)	17 years	
R Moonsamy	2005	(IND)	15 years	Retiring at AGM
NBP Nkabinde	2009	(IND)	11 years	
FJ Visser	2001	(IND)	19 years	Retiring at AGM

* B-BBEE partnership.

** Partner of Glyn Marais Inc. which provides various legal services to the Group.

(N-I) Non-independent.

(IND) Independent.

CORPORATE GOVERNANCE continued

Attendance at meetings

The Board meets quarterly and on an *ad hoc* basis if required. The quorum requirements of Growthpoint's MOI are always considered when scheduled, *ad hoc* or special meetings are convened. Due regard is given to recusal of

directors where conflicts of interest or related-party positions exist or could arise.

Details of attendance at Board and committee meetings in FY20 are set out below. Board members are encouraged to serve on at least two Board committees.

Five scheduled and five special Board meetings were held during FY20. In all cases where directors or committee members were unable to attend a meeting, the Board or respective committee accepted their leave of absence.

	Board	Governance and Nomination Committee	Audit Committee	Risk Management Committee	Property and Investment Committee	Social, Ethics and Transformation Committee	Human Resources and Remuneration Committee
JF Marais	8/8	3/3		3/4*		1/4*	4/4
FM Berkeley ³	7/7	1/1	5/5		4/4		4/4
NO Chauke	6/8			3/4*		4/4*	4/4*
EK de Klerk	8/8	2/2	4/5*		4/4*	4/4*	4/4*
MG Diliza	7/8	3/3			4/4	4/4	
PH Fechter ²	4/4	2/2			2/2		
LA Finlay ⁵	8/8	3/3	5/5		4/4	4/4	
R Gasant ⁴	2/2		1/1				
JC Hayward	8/8	3/3	3/3	4/4			2/2
SP Mngconkola	8/8			4/4		4/4	
R Moonsamy	8/8				3/4	4/4	
NBP Nkabinde	8/8			4/4		4/4	
LN Sasse	7/8	3/3*		4/4*	4/4*		4/4*
N Siyotula ¹	3/3		1/2				1/2
CFM Teixeira	1/1**						
JA van Wyk ³	7/7		2/2	4/4	4/4		
FJ Visser	7/8	2/3		4/4			4/4
G Völkel	8/8		4/5*	4/4*	4/4*	4/4*	

* Standing invitation.

** Mrs Teixeira chose to resign prior to the confirmation of her appointment at the AGM.

⁽¹⁾ Mrs N Siyotula resigned from the Board on 12 November 2019

⁽²⁾ Mr P Fechter retired from the Board on 12 November 2019

⁽³⁾ Messrs JA Van Wyk and FM Berkeley were appointed to the Board on 10 September 2019

⁽⁴⁾ Mr R Gasant was appointed to the Board on 1 June 2020

⁽⁵⁾ Mrs LA Finlay resigned from the Board on 7 July 2020

Directors' remuneration

Directors' remuneration is subject to annual review by the Human Resources and Remuneration Committee (Remco) and subsequent approval by the Board of the proposed fees to be submitted for approval at the AGM. The fees for FY20 were approved at the AGM held on 12 November 2019.

At its meeting on 1 June 2020, Remco recommended a 0% increase in directors' remuneration for FY21 to the Board considering the current environment and the impact of Covid-19 on the business. This recommendation was approved by the Board on 9 June 2020.

Shareholders will be asked to approve, by way of non-binding votes, the company's overall remuneration policy

and implementation for FY21. The remuneration report containing this information is included in this section of this report.

Directors' remuneration is disclosed in the AFS in line with the Listings Requirements of the JSE Limited. The key performance aspects linked to the remuneration of Executive Directors are described in the remuneration report.

The Chairman

Mr JF Marais
Non-executive Director

The roles of the Chairman of the Board and the Group CEO are separate, and they operate independently of each other.

The Chairman, Mr JF Marais, is a Non-executive Director. His responsibilities are contained in, but are 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 the management of Growthpoint
- ◆ With Remco's involvement, assessing the performance of the Group CEO
- ◆ In liaison with the Group CEO, evaluating the performance of the other executive directors at least annually.

Board responsibilities and accountability

The Board is guided in all matters by the Board Charter, which sets out its responsibilities.

The Board (either itself or through the Governance and Nomination Committee) periodically reviews its composition relative to the skills, knowledge and experience needed to provide strategic direction and leadership, as well as representation in terms of gender and race.

These include:

- ◆ Governing, directing and monitoring the performance of the business as a going concern and presiding over material business decisions
- ◆ Approving the company's strategic plans and objectives
- ◆ Managing risks to the business, mainly through the Risk Management and Audit committees
- ◆ Providing direction to management.

The Non-Executive directors are independent of management and are free from relationships that could affect their judgement as directors. The Board is accountable to the company but is also always cognisant of stakeholder expectations and interests. In its decision making, the Board adopts an inclusive approach to governance.

In July 2020, the Board, along with Remco and the Audit, Property and Investment, Risk Management and Social, Ethics and Transformation committees, conducted a formal self-assessment process. The overall outcome was positive and feedback was provided to the Board and the respective committees at their meetings held in August/September 2020.

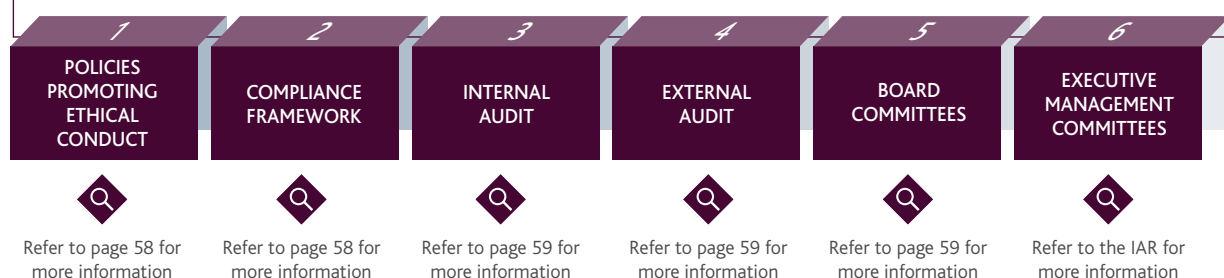
Code of Ethics and business conduct

The Code of Ethics aims to ensure that Growthpoint conducts its business in line with the highest ethical standards.

The code seeks in particular to ensure compliance with relevant legislation and regulation in a manner that is beyond reproach.

The outcomes of Growthpoint's governance structures, covered as follows, are dealt with extensively in other sections of this report.

GOVERNANCE STRUCTURES



CORPORATE GOVERNANCE continued

1 Policies promoting ethical conduct

Growthpoint has various policies in place to promote and instill ethical behaviour and integrity among management and employees.



Growthpoint has a **whistle-blowing policy** that allows one to raise concerns about malpractice without fear of victimisation or reprisal.

(If you suspect underhanded deals, theft, sexism, racism or ageism, report it!)

Any whistle-blower will remain anonymous!

0800 167 463

GROWTHPOINT
PROPERTIES



CODE OF ETHICS

The Group has in place a formal mandatory authorisation process for dealings in the company's shares, as well as official policies and procedures for accepting and giving gifts and inducements, for the disclosure of conflicts of interest and for anti-corruption, and formal levels of authority and delegated signing authorities for business transactions.

2 Compliance framework



3 Internal audit

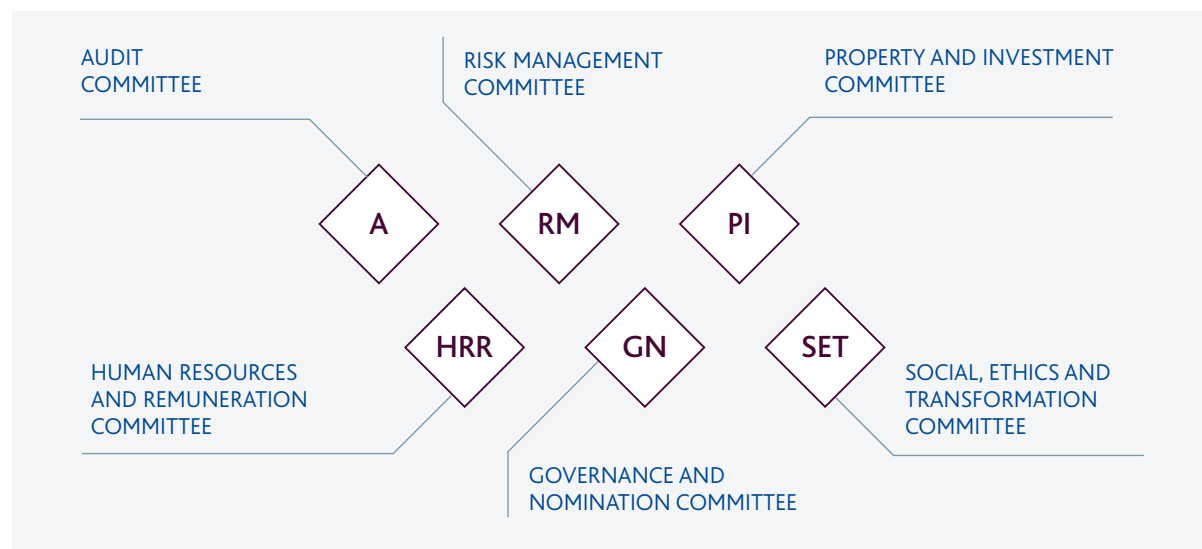
The internal audit function, excluding the internal audit of IT, is provided in-house by the Head of Internal Audit and Risk Management. The scope and functions of Internal Audit are covered in the related section of this report.

4 External audit

EY acted as the external auditor for Growthpoint and its subsidiaries for FY20. The independence of the external auditor is reviewed every year by the Audit Committee with the auditor. The external auditor attends all Audit Committee and Risk Management Committee meetings and has unrestricted access to the chairmen of both committees.

5 Board committees

The committees established by the Board assist it in the discharge of its duties and the overall governance of the organisation.



The Board committees have unrestricted access to company information and any resources required to help them fulfil their responsibilities, including professional advice paid for by the company.

Every Board committee has Board-approved Terms of Reference which are reviewed annually and aligned, as far as applicable and possible, with King IV, the Listings Requirements of the JSE Limited and the Companies Act.

The Board determines and amends, as necessary, the scope and responsibilities of the committees, as well as the appointment of new committee members.

To promote sound corporate governance and optimise the sharing of information, the executive directors and other senior executives are present at Board committee meetings be they *ad hoc* or by standing invitation.

All the committees have satisfied themselves that they have fulfilled their responsibilities in accordance with their Terms of Reference during FY20.

POLICIES AND GOVERNANCE DOCUMENTS

POLICY	WHAT IT COVERS
Anti-corruption	A reiteration of Growthpoint's commitment to compliance by the company, and its officers, directors, employees and agents to local and international anti-bribery or anti-corruption laws that may be applicable.
Benefits	Benefits granted to employees, rewards for exceptional performance and other gifts, long-service awards, professional memberships and clothing allowances.
Board Charter	Provides the terms of reference, overall purpose and objectives of the Board, membership and responsibilities, accountability, self-assessment and Code of Ethics.
Business Code of Conduct	The expectation that employees will conduct all internal and external dealings with integrity, consistently and uncompromisingly displaying moral strength and behaviour which promotes trust. Integrity and confidence are critical to our reputation and sustainability.
Cell phones	Determines eligibility and outlines the reimbursement process as well as income tax legislation and SA Revenue Services (SARS) practice.
Computer usage	Sets out employees' obligations to safeguard Growthpoint's competitive advantage and business continuity, and to ensure the ongoing confidentiality, integrity and availability of all Growthpoint's computer resources.
Conditions of employment	The principles that underline the "way of life" at Growthpoint Properties.
Corporate social responsibility	Guidelines and assistance for implementing the socio-economic development (SED) elements of CSR, and the enterprise and supplier development (ESD) elements of broad-based black economic empowerment (B-BBEE).
Disability	Disability benefits available to employees who become disabled during their employment at Growthpoint.
Disclosure and crisis management	Dealing with, <i>inter alia</i> , price-sensitive information, in line with the JSE Limited (JSE) Listings Requirements (Listings Requirements), as well as other recognised best practices. Addresses elements such as the communication framework and authorised spokespersons, dissemination of information, fair distribution of information, price-sensitive information and profit forecasts, dealing with the media, unexpected circumstances or events, crisis management and communication.
Dress	Appropriate business attire to be worn by Growthpoint staff.
Education bursary scheme	The focused educational opportunities available to employees to enable them to acquire qualifications necessary for career advancement within Growthpoint.
Employment Equity (EE) Plan	The three-year EE plan to achieve reasonable progress towards the transformation of the organisation.
Environmental	Growthpoint's commitment to responsible environmental conduct. Areas of consideration include climate change and carbon emissions, energy, water, waste and biodiversity.
Flexible work hours statement	The management of flexible accessibility to the office with consideration to employees' personal circumstance and the operational requirements of their department.
Gift declaration	Our policy on gifts, entertainment and inducements in line with the Prevention of Corruption and Corrupt Activities Act of 2004 (PRECCA), which is intended to combat corruption and associated activities.
Grievance policy	
Health and safety	Our policy prepared in line with the Occupational Health and Safety Act No 85 of 1993, which provides for the health and safety of people at work and when using plant and machinery, as well as the protection of people other than those at work against hazards to health and safety arising out of or in connection with the activities of people at work.

POLICY	WHAT IT COVERS
Human rights policy	Our acknowledged responsibility to respect human rights in our business. Our human rights policy elaborates on the requirement within our Business Code of Conduct and Ethics to treat everyone whom we encounter with fairness, respect and dignity.
IT governance	<p>Our IT governance for stakeholders and, its principles, practices, processes and governance structures. The purpose of this policy is to embed IT governance as a subset of corporate governance within Growthpoint, to outline the scope, required effort and responsibility with regards to developing, implementing and maintaining Growthpoint IT governance and to identify the commitment to the development and maintenance of Growthpoint IT governance.</p> <p>This policy is supported by the Growthpoint IT Governance Charter and our cybersecurity policy.</p>
Job Grading and PayScale Guideline and Process	Explanation of the Paterson Grading System which is used by Growthpoint to evaluate positions and classify them according to their relative significance.
Financial assistance	The conditions under which Growthpoint may provide financial assistance to employees. Situations of undue personal hardships are those that are unforeseen/unanticipated (emergency situations), which the employee could not have provided for and no other institution will provide for.
Leave	Leave provisions for employees. The objective is to ensure that all staff are clearly informed of the procedures around eligibility for leave and the leave application process. Leave types specified are annual leave, sick leave, family responsibility leave, bereavement leave, maternity leave, adoption leave, paternity leave, study leave, religious leave, special leave, unpaid leave and disability leave.
Medical aid	The requirement for all permanent employees to become a member of one of the company's medical aid schemes, unless an employee is entitled to medical benefits in terms of another scheme as a dependent and proof of such membership is provided annually.
Procurement	The process and procedures which must be undertaken during any procurement activity. Specific considerations are given to the size of the procurement deal as well as to B-BBEE considerations.
Retirement	The group retirement (provident and pension) fund, early retirement benefits, the low-risk portfolio option, the staff incentive scheme, retirement counselling and financial planning.
Recruitment	Guidance for management on attracting the most suitable candidates to fill vacant positions. In addition, the policy aims to provide guidance on the recruitment of candidates so as to comply with the provisions of the Labour Relations Act No 66 of 1995 (as amended) and the requirements of the Employment Equity Act No 55 of 1998 (as amended).
Serious illness insurance	The serious illnesses which are covered as well as the terms and conditions and related benefits.
Sexual harassment	Defined in accordance with Notice 1367 of 1998 in terms of section 203(2) of the Labour Relations Act No 66 of 1995 and ensuring the proper process is undertaken in a sensitive and confidential manner.
Substance abuse	Stipulates behaviour that constitutes a breach of company policy and a breach of an employee's duty to act in good faith towards Growthpoint.
Social media	Governs the use of social media by Growthpoint Properties Limited and all its subsidiaries or affected company's employees, associates and contractors, in both a personal and professional capacity.
Travel	The approved travel and accommodation arrangements for Growthpoint employees or other authorised persons while away on business travel. This address both local and international travel.
Whistle-blowing and protected disclosure	Encourages Growthpoint employees to raise concerns about workplace malpractice without fear of victimisation or reprisal. Growthpoint seeks to protect all employees who disclose unlawful or irregular conduct by the company, its employees or other stakeholders.

GROWTHPOINT'S IMPACT ON THE UN SUSTAINABLE DEVELOPMENT GOALS (SDGs) AND NATIONAL DEVELOPMENT PLAN (NDP)

UN SDGs	Alignment with NDP	Growthpoint Aligned Activities
 <p>1 NO POVERTY</p>	<p>2 NDP objectives from Chapter 11: Social Protection</p>	<p>2020 IAR, CSR 2020 ESG, CSR</p>
 <p>2 ZERO HUNGER</p>	<p>1 NDP objective from Chapter 5: Environmental Sustainability and Resilience 2 NDP objectives from Chapter 6: Inclusive Rural Economy 1 NDP objective from Chapter 11: Social Protection</p>	<p>2020 IAR, Operations 2020 IAR, CSR 2020 ESG, Environmental approach 2020 ESG, CSR</p>
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>6 NDP objectives from Chapter 10: Healthcare for All</p>	<p>2020 IAR, Our people, Funds management 2020 ESG, Our people, Healthcare Fund</p>
 <p>4 QUALITY EDUCATION</p>	<p>13 NDP objectives from Chapter 9: Improving Education, Training and Innovation</p>	<p>2020 IAR, Our people 2020 IAR, CSR 2020 ESG, Our people 2020 ESG, CSR Growthpoint CSI https://growthpoint.co.za/corporate-social-investment/corporate-social-responsibility Property Point http://www.propertypoint.org.za/</p>
 <p>5 GENDER EQUALITY</p>	<p>2 NDP objectives from Chapter 11: Social Protection 1 NDP objective from Chapter 12: Building Safer Communities</p>	<p>2020 IAR, COO: RSA statement 2020 IAR, Our people 2020 IAR, CSR 2020 IAR, Risk management 2020 ESG, Stakeholder engagement</p>
 <p>6 CLEAN WATER AND SANITATION</p>	<p>2 NDP objectives from Chapter 4: Economic Infrastructure 1 NDP objective from Chapter 5: Environmental Sustainability and Resilience</p>	<p>2020 IAR, Operations 2020 IAR, CSR 2020 ESG, Environmental approach 2020 ESG, CSR</p>
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>2 NDP objectives from Chapter 4: Economic Infrastructure 1 NDP objective from Chapter 5: Environmental Sustainability and Resilience</p>	<p>2020 IAR, Operations 2020 ESG, Environmental approach</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>7 NDP objectives from Chapter 3: Economy and Employment</p>	<p>2020 IAR, Our people 2020 IAR, CSR 2020 ESG, CEO: RSA overview 2020 ESG, Our people 2020 ESG, CSR 2020 ESG, Stakeholder engagement and operations Property point http://www.propertypoint.org.za/</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>1 NDP objective from Chapter 4: Economic Infrastructure</p>	<p>2020 IAR, CEO: RSA overview 2020 IAR, Operations 2020 IAR, CSR 2020 ESG, CEO: RSA overview 2020 ESG, CSR Property point http://www.propertypoint.org.za/</p>

UN SDGs	Alignment with NDP	Growthpoint Aligned Activities
	1 NDP objective from Chapter 3: Economy and Employment 1 NDP objective from Chapter 11: Social Protection 1 NDP objective from Chapter 15: Nation Building and Social Cohesion	2020 IAR, Chairman's review 2020 IAR, CEO: RSA overview 2020 IAR, Our people 2020 IAR, CSR 2020 ESG, Our people 2020 ESG, CSR 2020 ESG, Stakeholder engagement
	1 NDP objective from Chapter 4: Economic Infrastructure 3 NDP objectives from Chapter 5: Environmental Sustainability and Resilience 4 NDP objectives from Chapter 8: Transforming Human Settlements	2020 IAR, COO: RSA statement 2020 IAR, Our people 2020 IAR, CSR 2020 ESG, CEO: RSA overview 2020 ESG, Environmental approach 2020 ESG, Our people 2020 ESG, CSR 2020 ESG, Stakeholder engagement Property point http://www.propertypoint.org.za/
	2 NDP objectives from Chapter 5: Environmental Sustainability and Resilience	2020 IAR, Operations 2020 ESG, CEO: RSA overview 2020 ESG, Environmental approach 2020 ESG, CSR 2020 ESG, Stakeholder engagement
	3 NDP objectives from Chapter 5: Environmental Sustainability and Resilience	2020 IAR, Operations 2020 IAR, Risk management 2020 ESG, CEO: RSA overview 2020 ESG, Environmental approach Growthpoint targets https://growthpoint.co.za/environmental-sustainability/targets
	1 NDP objective from Chapter 5: Environmental Sustainability and Resilience	Two Oceans Aquarium https://www.aquarium.co.za/
	1 NDP objective from Chapter 5: Environmental Sustainability and Resilience	2020 IAR, Operations 2020 ESG, CEO: RSA overview 2020 ESG, Environmental approach
	5 NDP objectives from Chapter 13: Building a Capable and Developmental State 1 NDP objective from Chapter 14: Fighting Corruption	2020 IAR, CEO: RSA overview 2020 IAR, Operations 2020 IAR, Our people 2020 IAR, CSR 2020 ESG, CEO: RSA overview 2020 ESG, Environmental approach 2020 ESG, Our people 2020 ESG, Stakeholder engagement
	2 NDP objectives from Chapter 7: South Africa in the Region and the World 1 NDP objective from Chapter 4: Economic Infrastructure 1 NDP objective from Chapter 9: Improving Education, Training and Innovation 2 NDP objectives from Chapter 11: Health Care for All 2 NDP objectives from Chapter Social Protection	2020 IAR 2020 ESG report 2020 IAR, Our people 2020 IAR, CSR 2020 ESG, Our people 2020 ESG, CSR

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