GROWTHPOINT PROPERTIES

Annual general meeting Notice and proxy form and Summarised audited financial statements

2021

Annual general meeting **2021**

Report scope and boundary

In preparing these reports we have endeavoured to present a holistic and integrated representation of the Group'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.

Contents

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Our reporting suite

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.

ESG report

The report containing additional information relating to environmental, social and governance elements. The report was prepared in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

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.

Annual general meeting (AGM) notice

The booklet containing the AGM notice also includes the summarised audited AFS for FY21, relevant extracts from the IAR supporting the notice and the report to shareholders by the Social, Ethics and Transformation Committee.

Letter to shareholders for the annual general meeting

Dear shareholder

I invite and encourage you to attend and vote, either in person or via electronic participation, at the 33rd annual general meeting (AGM) of Growthpoint Properties Limited (Growthpoint), which will be held online and/or at The Place, 1 Sandton Drive, Sandown, Sandton, 2196, on Tuesday, 16 November 2021 at 09:00.

The AGM is an ideal opportunity for shareholders to engage with Directors and Executive Management on the company's performance and results for the financial year ended 30 June 2021, as well as on strategic and financial matters including the future direction, goals, objectives and policies (as well as remuneration and social responsibility) of the company.

All the information that you would require to make an informed decision on how to vote at the AGM is included in this booklet containing the notice of the AGM, the summarised audited financial statements and other supporting documentation.

The notice is accompanied by explanatory notes setting out the reasons for and the effects of special resolutions to be proposed at the meeting.

In addition, I would like to highlight the following in respect of certain of the resolutions to be proposed at the AGM:

Changes to the Board

The appointment of Mr R Gasant, Mrs KP Lebina and Mr AH Sangqu in 2020 is in line with my commitment to shareholders at our FY19 and FY20 AGM roadshows, to rejuvenate the Board, due to the long tenure of many of our Directors. The appointment of Mr M Hamman is a continuation of this process.

The Board is of the view that these new Directors have the necessary skills and expertise to serve on the Board. We continue to look for other suitable candidates in line with our Board Charter stipulating the restrictions on directors in terms of multiple directorships. The Board remains committed to its intention to meet the set empowerment targets as well as 30% women representation on the Board.

Mr Hayward and I will retire at the AGM. Mr Hayward will retire due to tenure, having been on the Board since 2001.

Changes to committees

Subject to shareholder approval as outlined above, it is proposed that Mr Hamman Chair the Audit Committee and be a member of the Property and Investment Committee.

Given the formal skills profiling and assessment of the directors that commenced in 2019, we are confident that the Board remains suitably composed to ensure the future growth and development of Growthpoint and to oversee the implementation of its longer-term strategies.

Remuneration policy and implementation

This is the third year of implementation of the remuneration structure that was approved by shareholders at the 13 November 2018 AGM. The previous Chairman of the Human Resources and Remuneration Committee and I have actively engaged with our major shareholders on our remuneration structure. Where possible we have incorporated all feedback into the design of our long-term incentive scheme and the key performance indicators for the short-term incentive scheme. Growthpoint is focused on creating value for our stakeholders and the community at large and therefore, non-financial measures for client satisfaction, transformation and sustainability are continually monitored.

We trust that the structure as detailed on page 48 will meet shareholders' approval. Based on the consultations with our major shareholders and the advice received from our remuneration advisers, PwC, we have reason to believe that our remuneration policy is aligned with best practice and that its application will enhance the performance culture in the Group that will lead to sustained value creation for shareholders and other stakeholders.

The remuneration policy contains the FY22 Non-executive Directors' fees which are recommended for shareholders' approval. The Human Resources and Remuneration Committee, at its meeting on 31 May 2021, recommended a 4% increase in Directors' remuneration for FY22 following a 0% increase for FY21 to the Board which is in line with senior management increases. This recommendation was approved by the Board on 14 September 2021.

The Board, having considered the contents of each resolution, recommends that shareholders vote in favour of all resolutions proposed at the AGM.

Lastly, I would like to thank John Hayward who retires from the Board at the 2021 AGM after 20 years, for his significant contribution to the Board.

If you are unable to attend the AGM, you may vote by proxy in accordance with the instructions in the AGM notice and form of proxy.

I look forward to welcoming you to the AGM.

Yours sincerely

Francois Marais
Chairman

Notice of annual general meeting

Notice to members

Notice is hereby given that the 33rd annual general meeting of Growthpoint Properties Limited will be held by either electronic or limited in-person participation at The Place, 1 Sandton Drive, Sandown, Sandton, 2196, on Tuesday, 16 November 2021 at 09:00 to consider and if deemed fit, to pass with or without modification, the ordinary and special resolutions set out in this notice, subject at all times to the Companies Act 2008, as amended (Companies Act), and the Listings Requirements of JSE Limited (Listings Requirements).

Should any shareholder (or representative or proxy for a shareholder) wish to participate in the AGM electronically, that shareholder should apply in writing (including details on how the shareholder or representative (including proxy) can be contacted) to the Registrar, via email at **proxy@tmsmeetings.co.za**, to be received by the Registrar at least seven business days prior to the AGM (thus 5 November 2021) for the Registrar to arrange for the shareholder (or representative or proxy) to provide reasonable satisfactory identification to the transfer secretaries for the purposes of section (63)(1) of the Companies Act and for the Registrar to provide the shareholder (or representative or proxy) with details on how to access the AGM by means of electronic participation. The written notification should contain the following:

(1) A certified copy of the shareholder's identification document or passport if the shareholder is an individual

(2) A certified copy of a resolution or letter of representation given by the holder if the shareholder is a company or juristic person, and certified copies of the identity documents or passports of the persons who passed the resolution

(3) A valid email address and/or a telephone number

(4) An indication that you or your proxy not only wish to attend the meeting by means of electronic communication, but also to participate and vote by means of electronic communication.

Such participant, who has complied with the notice requirements above, will be contacted between 8 November 2021 and 12 November 2021, but by no later than 24 hours before the AGM of the relevant connection details as well as the passcode through which you or your proxy/ies can participate via electronic communication and of the process for participation via a unique link to the email/cell phone number provided in the notification.

Should you wish to participate by way of electronic communication, you will be required to connect with the details as provided by the company by no later than 15 minutes prior to the commencement of the AGM during which time registration will take place.

If you choose to participate online you will be able to view a live webcast of the meeting, pose questions online in written format and submit your vote in real time. Although the electronic platform provides for voting during the meeting, shareholders are strongly encouraged to lodge any votes by proxy prior to the meeting.

Presentation of annual financial statements

To receive the annual financial statements of the company and the Group for the year ended 30 June 2021, together with the reports of the directors and auditors thereon, and the report of the Audit Committee. The financial statements were approved by the Board on 14 September 2021 and are presented to shareholders as required in terms of section 30(3)(d) of the Companies Act. The full annual financial statements have been published on the company's website under "Investor Relations" at **http://www.growthpoint.co.za** and are also available on request from the Company Secretary or the company's Share Transfer Secretary.

1. Ordinary resolutions

Each of the following ordinary resolutions requires the support of at least 50% plus one vote of the votes exercised in order to be adopted. Ordinary resolutions 1.4.1, 1.4.2 and 1.7 require the support of at least 75% of the votes held by shareholders present or represented by proxy at the meeting.

1.1 Election of Director appointed by the Board

In accordance with the company's Memorandum of Incorporation (MOI), to elect the following Director appointed during the period by the Board, who is to retire at this AGM but holds himself available for election as a director, as designated:

1.1.1 Mr M Hamman as Independent Non-executive Director (appointed 14 September 2021).

A brief CV of Mr Hamman appears on page 42 of the booklet containing this notice.

1.2 Election of Audit Committee members

To elect, on the Board's recommendation, by individual resolutions, the following Independent Non-executive Directors as members of the Audit Committee, as provided for in section 94(4) of the Companies Act and appointed in terms of section 94(2) of the said Act, to hold office until the next AGM, to perform the duties and responsibilities stipulated in section 94(7) of the said Act and the King IV Report on Corporate Governance for South Africa (King IV™*), and to perform such duties and responsibilities as may be delegated by the Board for the company and all its South African subsidiaries:

1.2.1 Mr M Hamman, as committee chairman, subject to the passing of resolution 1.1.1

1.2.2 Mr FM Berkeley

1.2.3 Mrs KP Lebina

1.2.4 Mr AH Sangqu.

Additional information relative to item 1.2

The Audit Committee, collectively, should be adequately skilled to perform its role having regard to the size and circumstances of the company. Individual committee members therefore ought to possess appropriate qualifications, skills and experience in order to discharge their responsibilities. However, it is not expected that each committee member possesses all the required qualifications, skills and experience. The committee's collective skills set includes an understanding of financial and sustainable reporting practices, internal controls, external audit processes, corporate law, risk management, IT governance as it relates to financial and integrated reporting, and the overall governance processes of the company.

The Board, having considered the above, recommends the Non-executive Directors named above for appointment to the Audit Committee. Brief CVs of the Audit Committee members proposed for election appear in Annexure 6 on pages 40 and 42 of the booklet containing this notice.

1.3 Appointment of external auditor

To re-appoint EY, as external auditor of the company on the recommendation of the Audit Committee, for the period until the company's next AGM.

1.4 Advisory, non-binding approval of remuneration policy and implementation report

1.4.1 To approve, on the Board's recommendation and on an advisory, non-binding basis, the company's remuneration policy on base salary, benefits, short-term incentives and long-term incentives for Executive Directors and on fees for Non-executive Directors, as set out in Annexure 8 on page 48 of the booklet containing this notice.

1.4.2 To approve on an advisory, non-binding basis, the implementation of remuneration in accordance with the remuneration policy, as set out in the implementation section, in Annexure 8 on page 48 of the booklet containing this notice.

Although resolutions 1.4.1 and 1.4.2 above are ordinary resolutions, they need at least 75% of the votes held by shareholders present or represented by proxy at the meeting to be cast in favour thereof in order to avoid non-binding application and further engagement with shareholders. These ordinary resolutions are of an advisory nature and although the Board of Directors will consider the outcome of the vote when determining the remuneration policy, failure to pass these resolutions will not legally preclude the company from implementing the remuneration policy as contained in the integrated report.

Additional information relating to item 1.4

King IV recommends that the remuneration policy of a company and its implementation be submitted for separate non-binding advisory votes by shareholders at each AGM, each requiring a minimum 75% majority vote in order to be carried without further subsequent consultation with shareholders. The objective of a remuneration policy is to guide the Board in its decision-making process, in particular also in the determination of remuneration of executive and Non-executive Directors.

1.5 To place the unissued authorised ordinary shares of the company under the control of the Directors

Resolved that, subject to the provisions of the Companies Act, the company's MOI and the JSE Listings Requirements, up to 340 288 932 authorised but unissued ordinary shares of no par value (which number represents 10% of the number of ordinary shares of no par value shares in issue (excluding treasury shares) as at the date of the notice of this AGM, being 3 402 889 319 ordinary shares) be and are hereby placed under the control of the Directors of the company until the next AGM of the company provided that it shall not extend beyond 15 months from the date of passing of this ordinary resolution. The Directors are authorised to allot, issue or otherwise deal with all or any part of the shares hereby placed under their control (including but not limited to the issue of instruments which are or may be compulsorily convertible into shares of any class) at their discretion and pursuant to any mechanism to give effect to such allotment and issue that the Directors deem appropriate, provided that if the allotment or issue is for purposes of funding the acquisition of property assets and property investments, or for purposes of a vendor consideration placing, or for settling any debt arising pursuant to the acquisition of property assets and property investments, then the price at which any such shares will be issued will not exceed a discount of 5% of the weighted average traded price of a Growthpoint share measured over the 30 business days prior to the date on which the price of such issue is agreed between the company and the subscribers for the shares to be issued or, in the case of instruments which are or may be compulsorily convertible into shares of any class, the date that such instruments are issued, adjusted for any *cum* dividend portion.

This authority shall be restricted to:

- The issue of shares or instruments which are or may be compulsorily convertible into shares of any class to finance the acquisition of property assets and property investments and/or vendor consideration placings as detailed in the JSE Listings Requirements; and/or
- The issue of shares or instruments which are or may be compulsorily convertible into shares of any class for purposes of settling debt arising pursuant to the acquisition of property assets and property investments.

Note: No issue will be made that could effectively transfer control of the company without the prior approval of shareholders in general meeting.

Additional information relating to item 1.5

In terms of the company's MOI, shareholders:

- Have a common pre-emptive right to be offered and to subscribe for additional shares other than in certain instances
- May authorise the directors to allot and issue unissued shares as directors deem fit.

In accordance with the company's MOI, this resolution seeks to place a specified number of shares or instruments which are or may be compulsorily convertible into shares of any class under the Directors' control for purposes of issuing shares in specific instances in which the shareholders' pre-emptive right shall not apply (other than an issue of shares for cash which is addressed separately in item 1.7). Other than the matters set out in item 1.5, 1.6 and 1.7 in respect of which the shareholders' approval is being sought, the Directors may issue unissued share capital of the company, subject to the provisions of the company's MOI, the Companies Act and the JSE Listings Requirements.

The existing authority granted at the AGM held on 8 December 2020 expires at this AGM.

In line with best practice, and to ensure that the company has maximum flexibility in managing capital resources, the Directors of the company have elected to seek renewal of this authority to issue ordinary unissued shares. This authority will be subject at all times to the Companies Act and the JSE Listings Requirements.

1.6 Specific and exclusive authority to issue shares to afford shareholders distribution reinvestment alternatives

Resolved that, subject to the provisions of the Companies Act, the company's MOI and the JSE Listings Requirements, the Directors be and are hereby authorised by way of a specific standing authority (which is separate from and in addition to the authority referred to in item 1.5 of the notice of this AGM) to issue ordinary shares of no par value as and when they deem appropriate, for the exclusive purpose of affording shareholders opportunities from time to time to elect to reinvest distributions received by them in new ordinary shares of the company, for which purpose such ordinary shares are hereby placed under the control of the Directors.

1.7 General but restricted authority to issue shares for cash

Resolved that, subject to the provisions of the Companies Act, the company's MOI and the JSE Listings Requirements, the Directors be and are hereby authorised by way of a general authority (which is separate from and in addition to the authorities referred to in item 1.5 and item 1.6 of the notice of this AGM), to issue ordinary shares of no par value for cash as and when suitable situations arise, for which purpose such ordinary shares are hereby placed under the control of the Directors on the following bases:

- This authority will be valid until the next AGM, provided that it shall not extend beyond 15 months from the date of passing of this resolution
- The shares which are subject to the issue for cash must be of a class already in issue or, where this is not the case, must be limited to such shares or rights as are convertible into a class already in issue
- A SENS announcement giving full details, including the impact on net asset value and earnings per share, will be published at the time of any issue representing, on a cumulative basis within one financial year, 5% or more of the number of ordinary shares in issue prior to such issue
- Issues in aggregate in any one financial year, including instruments which are or may be compulsorily convertible into shares of any class, will not exceed 170 144 465 ordinary shares which number represents 5% of the number of shares in issue (excluding treasury shares) as at the date of the notice of this annual general meeting, being 3 402 889 319 ordinary shares
- In the event of a subdivision or consolidation of shares while this authority remains in place, this authority shall be adjusted accordingly to represent the same allocation ratio
- In determining the price at which an issue of ordinary shares may be made in terms of this authority, the maximum discount permitted will be 5% of the weighted average traded price attributable to the ordinary shares in question, measured over the 30 business days prior to the date on which the price of such issue is agreed between the company and the subscribers for the shares to be issued or, in the case of instruments which are or may be compulsorily convertible into shares of any class, the date on which any such instruments are issued, adjusted for any *cum* distribution portion, if applicable
- That issues of shares in the company shall be made to public shareholders as defined in the JSE Listings Requirements only and not to related parties
- Notwithstanding the company's MOI, in terms of the JSE Listings Requirements, at least 75% of the votes held by shareholders present or represented by proxy at the meeting need to be cast in favour of this resolution in order to give effect thereto.

Note: For the sake of clarity, the aggregate number of shares which may be issued in ordinary resolutions numbered 1.5 and 1.7 will not exceed 340 288 932 of ordinary shares in the issued share capital of the company (excluding treasury shares) as at the date of the notice of this AGM.

1.8 To receive and accept the report of the Social, Ethics and Transformation Committee

To receive and accept the report of the Social, Ethics and Transformation Committee in respect of the financial year ended 30 June 2021 in Annexure 9 on page 68 of the booklet containing this notice.

2. Special resolutions

Each of the special resolutions in 2.1 to 2.3 of this notice requires a minimum 75% majority of the votes exercised in its favour in order for the resolution to be adopted.

2.1 Non-executive Directors' fees for the financial year ending 30 June 2022

To pass with or without modification the following resolution as a special resolution:
Resolved that the payment of Non-executive Directors' fees in respect of the financial year ending 30 June 2022 be and is hereby approved on the following basis:

	2021	2022
Basic fees per annum:		
Chairman	**R1 385 700**	R850 000
Lead Independent Director/Deputy Chairman	**R178 500**	R185 600
Non-executive Director	**R66 400**	R69 000
Attendance fees per meeting:		
Board Chairman	**R231 900**	R241 100
Board Non-executive Director	**R74 400**	R77 300
Audit Committee Chairman	**R69 700**	R72 400
Audit Committee member	**R49 500**	R51 400
Risk Management Committee Chairman	**R62 100**	R64 500
Risk Management Committee member	**R41 700**	R43 300
Property and Investment Committee Chairman	**R69 700**	R72 400
Property and Investment Committee member	**R49 500**	R51 400
Social, Ethics and Transformation Committee Chairman	**R54 000**	R56 100
Social, Ethics and Transformation Committee member	**R34 300**	R35 600
Human Resources and Remuneration Committee Chairman	**R61 800**	R64 200
Human Resources and Remuneration Committee member	**R41 500**	R43 100
Governance and Nomination Committee Chairman	**R54 300**	R56 100
Governance and Nomination Committee member	**R34 400**	R35 600

Reason for and effect of this special resolution

To approve the basis and authorise the payment of Non-executive Directors' fees for the financial year ending 30 June 2022 in terms of the requirement of section 66(9) of the Companies Act. The Human Resources and Remuneration Committee, at its meeting held on 31 May 2021 recommended a 4% increase in Directors' remuneration for FY22 to the Board. This recommendation was approved by the Board on 14 September 2021. (Refer to Remuneration report on the reduction in the proposed Chairman's fee.)

2.2 Financial assistance in terms of section 45 of the Companies Act

To pass the following resolution as a special resolution

Resolved that the company's provision of financial assistance to related or inter-related companies as defined in the Companies Act as set out in Annexure 5 on page 39 of the booklet containing this notice, be and is hereby noted; and further, that, subject to the provisions of the Companies Act and the company's MOI, any direct or indirect provision of financial assistance by the company in any form to any person contemplated in section 45 of the Companies Act for any purpose or in connection with any matter during the two-year period ending 16 November 2023, be and is hereby approved and that the Board of the company be and is hereby authorised and empowered to give effect to any such financial assistance for such amounts and on such terms as the Board may determine.

Reason for and effect of this special resolution

To the extent necessary under section 45 of the Companies Act to confirm financial assistance to, among others, related or inter-related companies granted during the financial year ended 30 June 2021, to approve and authorise the Board to give effect to any financial assistance which it deems appropriate to provide during the two-year period ending 16 November 2023.

The Board will not authorise any financial assistance in terms of the above unless it has satisfied itself that:

- Considering all reasonably foreseeable financial circumstances of the company at that time, the company will, immediately after providing the financial assistance, satisfy the solvency and liquidity test as required in terms of the Companies Act
- The terms under which any financial assistance is proposed to be given are fair and reasonable to the company
- Any conditions or restrictions in respect of the granting of any financial assistance as set out in the company's MOI have been met.

2.3 Authority to repurchase ordinary shares

To pass the following resolution as a special resolution

Resolved that the company or any of its subsidiaries be and are hereby authorised, by way of a general approval, to acquire ordinary shares issued by the company upon such terms and conditions and in such amounts as the Board may from time to time determine, but subject to the provisions of the Companies Act, the company's MOI and the JSE Listings Requirements, on the following bases:

- Any such acquisition of ordinary shares shall be implemented on the open order book of the JSE and without any prior understanding or arrangement between the company and the counterparty
- This general authority shall be valid until the company's next AGM, provided that it shall not extend beyond 15 months from the date of passing of this special resolution
- An announcement will be published as soon as the company or any of its subsidiaries has acquired ordinary shares constituting, on a cumulative basis, 3% of the number of ordinary shares in issue prior to the acquisition pursuant to which the aforesaid 3% threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such acquisitions
- Acquisitions of ordinary shares in aggregate in any one financial year may not exceed 10% of the company's issued ordinary shares in issue as at the date of passing of this special resolution
- In determining the price at which ordinary shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such ordinary shares may be acquired will be 10% of the weighted average of the market value at which such ordinary shares are traded on the JSE over the five business days immediately preceding the date of repurchase of such ordinary shares
- The company, or any subsidiary, is duly authorised by its MOI to acquire shares it has issued
- At any point in time, the company may only appoint one agent to effect any repurchase of shares on the company's behalf
- The Board authorises the acquisition, confirms that the company and/or its subsidiaries has/have passed the solvency and liquidity test and that, from the time that test is done, there are no material changes to the financial position of the Group
- The company shall remain in compliance with the minimum shareholder spread requirements of the JSE
- The company and/or its subsidiaries do not repurchase any shares during a prohibited period in accordance with the JSE Listings Requirements, unless they have in place a repurchase programme in terms of which the dates and quantities of securities to be traded during the relevant period are fixed, and full details of the programme have been disclosed to the JSE in writing, prior to the commencement of the prohibited period.

Reason for and effect of this special resolution

To permit the company or any of its subsidiaries, by way of a general approval, to acquire ordinary shares of the company as and when suitable opportunities to do so arise.

Note: Although no repurchase of ordinary shares is contemplated at the time of this notice, the Board, having considered the effects of a repurchase of the maximum number of ordinary shares in terms of the aforegoing general authority, are of the opinion that, for a period of 12 months after the date of the notice of this AGM:

- The company and the Group will be able, in the ordinary course of business, to pay its debts
- The assets of the company and the Group, fairly valued in accordance with International Financial Reporting Standards, will exceed the liabilities of the company and the Group
- The company and the Group's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes.

General notes

1. The company has elected not to set a Notice Record Date (STRATE special Gazette S12-2012) but this notice shall have been posted to shareholders by not later than 18 October 2021.
2. A shareholder entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the company. Notwithstanding the appointment of a proxy by a shareholder who is a natural person, such member may attend the AGM in person and vote thereat, to the exclusion of the appointed proxy.
3. A proxy form is provided in the booklet containing this notice. Additional proxy forms are obtainable from the company's Share Transfer Secretaries or may be reproduced by photocopying the proxy form provided.
4. The "record date" for the meeting in terms of section 62(3)(a) of the Companies Act and STRATE special Gazette S12-2012 shall be Friday, 5 November 2021.
5. All proxy forms or other instruments of authority must be deposited with the Transfer Secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132, email proxy@computershare.co.za) so as to be received before the appointed time for the holding of the meeting but for the sake of administrative good order, shareholders are kindly requested to consider submitting their proxy forms by 12:00 on Friday, 12 November 2021.
6. If you are a certificated Growthpoint shareholder or an own-name dematerialised Growthpoint shareholder and are unable to attend the AGM of Growthpoint shareholders to be held at 09:00 on Tuesday, 16 November 2021 (the Growthpoint AGM), but wish to be represented thereat, you are required to complete the proxy form attached hereto in accordance with the instructions therein and return it to the Transfer Secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132, email proxy@computershare.co.za) by the time of the meeting but preferably beforehand as proposed in item 5 above.
7. If you are a beneficial owner of dematerialised Growthpoint ordinary shares and are not an own-name dematerialised Growthpoint shareholder, then you may instruct your CSDP or broker as to how you wish to cast your vote at the Growthpoint AGM in order for them to vote in accordance with your instructions. If you wish to attend the Growthpoint AGM in person, please request your CSDP or broker to issue the necessary letter of representation to you. This must be done in terms of the agreement entered into between the dematerialised Growthpoint shareholder (who is not an own-name dematerialised Growthpoint shareholder) and the CSDP or broker.
8. The complete annual financial statements of the company and Group for the financial years ended 30 June 2020 and 2021 may be obtained from:
   - the Transfer Secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196;
   - the company on request or
   - the company's website at: **http://www.growthpoint.co.za**
9. It is a requirement in terms of section 62(3)(e)(iii) of the Companies Act, that attendees and/or participants at shareholders' meetings must provide satisfactory identification. Production of a valid South African ID document or current passport or driver's licence upon arrival at the meeting and before signing of the attendance register shall be acceptable.
10. Electronic participation form – please refer to page 79.

By order of the Board

WJH de Koker
Company Secretary

15 October 2021

Annexure 1

Summary of audited results

Growthpoint is an international property company that provides space to thrive with innovative and sustainable property solutions.

Introduction

Growthpoint is the largest South African primary JSE-listed REIT with a quality portfolio of 432 directly owned properties in South Africa (RSA) valued at R68.8bn, including five hospitals and one medical chambers valued at R2.8bn owned by Growthpoint Healthcare Property Holdings (RF) Limited (GHPH). Growthpoint has a 62.2% shareholding in GHPH.

Growthpoint has a 62.2% interest in ASX-listed Growthpoint Properties Australia Limited (GOZ), which owns 55 properties in Australia valued at R49.5bn and a 52.1% interest in LSE-listed Capital & Regional Plc (C&R), which owns seven properties in the United Kingdom valued at R10.5bn.

Growthpoint has three equity-accounted investments valued at R15.0bn. Our 50.0% share of the V&A Waterfront (V&A) (R6.3bn) and 29.3% stake in London Stock Exchange AIM-listed Globalworth Real Estate Investments (GWI) (R8.6bn) are the largest of these investments.

Growthpoint has five unlisted investments, valued at R808.1m of which our 16.1% stake in Lango Real Estate Limited (Lango), formerly Growthpoint Investec African Properties Limited (GIAP) (R758.2m) is the largest.

GOZ owns a 15.0% stake in ASX-listed APN Industria REIT (ADI), valued at R1.1bn.

Growthpoint has a trading and development sector which develops commercial property internally and for third parties. Growthpoint also has a funds management sector with assets under management of R11.7bn (FY20: R10.0bn).

Growthpoint is included in the FTSE/JSE Top 40 Index (J200) with a market capitalisation of R51.1bn at 30 June 2021 (FY21). On average, 244.8m shares (FY20: 218.5m) with a value of R3.2bn (FY20: R3.9bn) were traded per month during the period. This makes Growthpoint a liquid and tradable way to own commercial property in South Africa. The value of Growthpoint's property portfolio is split between South African (inclusive of the V&A) (60.1%) and international (39.9%) assets. It is well diversified in the three major sectors of commercial property, being retail, office and industrial. Most of the RSA portfolio is in economic nodes within major metropolitan areas.

For FY21 the SA REIT net asset value (SA REIT NAV) of the Group decreased by 12.3% to 2 023 (FY20: 2 307) cents per share.

Impact of Covid-19 on the business

Our tenants have continued to be impacted as South Africa has moved through the various lockdown levels and in particular by the restrictions on alcohol sales and curfews imposed as a result of both the second and third waves. Our retail tenants, particularly restaurants, gyms and cinemas are the worst affected. For the financial period we provided rental relief of R230.4m (FY20: R436.3m) to our tenants with R32.8m (FY20: R141.4m) in deferred rent and R197.6m (FY20: R277.5m) of rental discounts. We recovered R156.0m (FY20: R17.4m) of deferred rent in the period and incurred R6.0m (FY20: R6.8m) of Covid-19-related expenses. 90.1% of the total deferrals granted since the onset of Covid-19 have been recovered.

Historically the V&A has been a standout performer for Growthpoint. However, given its strong reliance on international and local tourism and heavy weighting to the hotel, retail and restaurant trade, it has suffered disproportionately to the rest of the South African portfolio with its contribution to distributable income dropping by 39.8% to R364.9m (FY20: R606.5m).

Our international investments in GOZ and GWI were less affected by Covid-19 at an operational level as a result of their focus on office and industrial properties with strong customer bases weighted toward listed corporates and government in Australia, and large multinational tenants in Poland and Romania. Dividends received from GWI decreased by 35.2% linked to the opportunity cost of holding significant cash balances which at 30 June 2021 amounted to EUR460m.

C&R with its 100% retail focus has faced extreme challenges with the UK experiencing its third full lockdown (6 January to 12 April 2021) since the first was imposed in March 2020.

While encouraging progress is being made in relation to vaccination of the population in the markets we operate in, the outlook remains unclear.

Growthpoint supports the respective national vaccination drives and has actively encouraged all its stakeholders and their staff to be vaccinated.

Notwithstanding all of the above, our geographic and sectoral diversity has placed us in a position of strength to weather the Covid-19 storm.

Strategy

In line with Growthpoint's vision "to be a leading international property company providing space to thrive", the company's strategy incorporates: the optimisation and streamlining of our RSA portfolio; the introduction of new revenue streams via the funds management business and trading and development for third parties and further international diversification, with a focus on markets where we have a competitive edge and direct access to capital.

While our strategic pillars remain intact, in the short to medium term our priority remains the protection of our balance sheet and liquidity position.

The Board is satisfied with the progress made in bolstering the balance sheet in FY21 through various initiatives, including the R4.3bn equity raise (excluding costs), the R577.0m proceeds received from the Distribution Re-investment Plan (DRIP), R559.0m of asset sales and R864.8m (after income tax of R149.0m) cash retained as a result of lowering the dividend pay-out ratio to 80%.

Reduction in funds from operations (FFO) and distributable income per share (DIPS)

Group SA REIT FFO for FY21 decreased by R532m from R5 185m for FY20 to R4 653m or 10.3%. On a per share basis it decreased by 19.9% from 170.7c to 136.8c. Group distributable income decreased by R426m from R5 478m to R5 052m, or 7.8%. Distributable income per share (DIPS) decreased by 19.1% from 183.1c to 148.1c.

Basis of preparation

The summarised consolidated financial statements are prepared in accordance with International Financial Reporting Standards, IAS 34 *Interim Financial Reporting*, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and the requirements of the Companies Act of South Africa. The accounting policies applied in preparing these financial statements are in terms of International Financial Reporting Standards and are consistent with those applied in the previous annual financial statements.

These summarised consolidated financial statements are extracted from the audited information but are not themselves audited. The annual financial statements were audited by Ernst & Young Inc., who expressed an unmodified opinion thereon. The auditor's report does not report on all the information contained in these summarised consolidated financial statements.

Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditor's engagement, they should obtain a copy of the auditor's report, together with the accompanying audited consolidated financial statements, both of which are available for inspection at the company's registered office or on the company's website. The directors of Growthpoint Properties Limited take full responsibility for the preparation of this report and confirm that the selected financial information has been correctly extracted from the underlying consolidated financial statements.

Mr G Völkel (CA(SA)), Growthpoint's Group Financial Director, was responsible for supervising the preparation of these condensed consolidated financial statements.

GOZ

The investment in GOZ was accounted for in terms of IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The statement of financial position includes 100% of the assets and liabilities of GOZ, converted at the closing exchange rate at FY21 of R10.70:AUD1 (FY20: R11.98:AUD1).

A deferred tax liability of R4.2bn (FY20: R3.8bn) is included in the statement of financial position. This relates to capital gains tax payable in Australia if Growthpoint were to sell its investment in GOZ.

The statement of profit or loss and other comprehensive income also includes 100% of the revenue and expenses of GOZ, which were translated at an average exchange rate of R11.49:AUD1 for FY21 (FY20: R10.49:AUD1). The resulting foreign currency translation difference is recognised in other comprehensive income. A non-controlling interest was raised for the 37.8% (FY20: 37.8%) not owned by Growthpoint.

Included in the FY21 distributable income is a R987.0m dividend received from GOZ, compared to R1 010.1m for FY20. This is accounted for by the GOZ dividend per share for FY21 of AUD20.0c compared to AUD21.8c in FY20. Included in normal tax in the statement of profit or loss and other comprehensive income is R110.3m (FY20: R125.3m) which relates to withholding tax paid on the distributions received from GOZ.

C&R

The investment in C&R was accounted for in terms of IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The statement of financial position includes 100% of the assets and liabilities of C&R, converted at the closing exchange rate at FY21 of R19.75:GBP1 (FY20: R21.52:GBP1).

The statement of profit or loss and other comprehensive income also includes 100% of the revenue and expenses of C&R, which were translated at an average exchange rate of R20.71:GBP1 for FY21 (FY20: R20.75:GBP1). The resulting foreign currency translation difference is recognised in other comprehensive income. A non-controlling interest was raised for the 47.9% (FY20: 47.9%) not owned by Growthpoint.

C&R did not declare a dividend for FY21.

C&R signed extensions of loan covenant waivers on The Mall and Ilford to January 2022 and April 2022 respectively and agreed terms on an extension to the Luton waiver until January 2022.

V&A, GWI and other equity-accounted investments

The investments in the V&A (joint venture), GWI and the other equity-accounted investments were accounted for in terms of IFRS 11 *Joint Arrangements* and IAS 28 *Investments in Associates*. The equity-accounting method was used – the Group's share of the profit or loss and other comprehensive income of these investments were accounted for.

Included in the FY21 distributable income is R364.9m from the V&A (FY20: R606.5m) and R370.3m from GWI (FY20: R569.7m).

Annexure 1 *continued*

Summary of audited results *continued*

Revenue and cost-to-income

Revenue increased by 6.2% for FY21 compared to FY20. RSA revenue increased by 4.0%, and GOZ revenue decreased by 0.4% compared to FY20. C&R is not comparable as revenue was only included for six months in FY20. The SA REIT cost-to-income ratio for the Group decreased to 38.8% at FY21 from 40.1% at FY20. For RSA the ratio decreased to 41.8% from 44.5% at FY20 and GOZ increased to 23.5% from 22.1% at FY20. For C&R the ratio increased to 55.6% from 54.8% at FY20.

Fair value adjustments

The revaluation of properties in RSA, GOZ and C&R resulted in an overall decrease of R4.4bn (3.3%) (FY20: R8.4bn or 5.7%) to R128.2bn (FY20: R139.1bn) for investment property (including investment properties classified as held for sale). The revaluation of properties resulted in a decrease of R5.4bn (7.4%) (FY20: R7.1bn or 8.8%) for RSA, an increase of R3.9bn (8.7%) (FY20: R1.1bn or 2.2%) for GOZ and a decrease of R2.9bn (FY20: 21.7%) (FY20: R2.4bn or 14.1%) for C&R.

Property assets held for trading and development are held at the lower of cost or net realisable value. The RSA valuation decrease was driven mainly by lower market rental growth assumptions on the back of a weak macro-economic environment and the impact of Covid-19. An impairment loss of R30.0m (5.2%) (FY20: Rnil) was recognised on property assets held for trading and development.

Interest-bearing borrowings and derivatives were fair valued using the RSA or foreign exchange denominated swap curves at FY21, decreasing the overall liability by R615.1m (FY20: increase of R1.7bn). These fair value adjustments and other non-distributable items, such as capital items, non-cash charges, deferred taxation and the net effect of the non-controlling interests' portion of the non-distributable items, were transferred to the non-distributable reserve.

Finance costs

Finance costs, including finance costs and income received on interest rate swaps, increased by 7.1% to R3.3bn (FY20: R3.1bn). The interest cover ratio decreased to 2.9 times for FY21 (FY20: 3.1 times). The weighted average interest rate for RSA borrowings was 7.8% (FY20: 8.2%) (6.0% including foreign-denominated loans and cross-currency interest rate swaps (CCIRS) (FY20: 5.9%)). The weighted average maturity of debt for RSA borrowings decreased to 3.1 years (FY20: 3.6 years). Finance costs for GOZ increased by 3.3% from R547.6m in FY20 to R564.4m in FY21 mainly due to interest that is no longer capitalised on development projects, partially offset by reduced cost of debt and lowering borrowings. Finance costs for C&R were R352.5m in FY21.

Finance and other investment income

Finance and other investment income increased by 34.0% to R138.5m (FY20: R103.4m). This is mainly due to an increase in dividends received on investments partially offset by a decrease in interest from Workshop 17 loans converted into preference shares.

Acquisitions and commitments

Growthpoint acquired one office property for R21.5m, one healthcare property for R193.5m, one trading and development property for R70.0m and 20 telecommunications assets in South Africa for R23.6m (included in Industrial) during the period. The development and capital expenditure for RSA of R1.0bn (FY20: R2.0bn) was for various developments and capital expenditure in the period, including the refurbishment of the Altron office in Woodlands Office Park, for R177.5m and Longkloof Studios for R111.6m. Growthpoint has commitments outstanding for RSA developments totalling R310.8m at FY21 (FY20: R634.0m) of which E-shelter, Samrand (R141.7m) and the Kent sectional title residential at La Lucia Mall (R105.8m) are the largest.

GOZ made no further acquisitions during the period but incurred capital costs of R125.9m (AUD9.6m). The largest are the refurbishment of 75 Dorcas Street, South Melbourne, VIC for R71.0m (AUD6.2m) and 1 Charles Street, Parramatta, NSW for R41.2m (AUD3.6m).

GOZ has commitments outstanding totalling R1.0bn (AUD97.1m) at FY21 (FY20: R608.5m (AUD50.8m)). These commitments relate to ongoing capital expenditure at 1 Charles Street, Parramatta, NSW of R482.8m (AUD45.1m) and the acquisition of 11 Murray Rose Avenue, Sydney Olympic Park, NSW for R556.6m (AUD52.0m).

C&R incurred development costs of R83.1m (GBP4.0m) (FY20: R130.0m or GBP6.7m) and has commitments outstanding of R53.3m (GBP2.7m) at FY21 (FY20: R86.1m or GBP4.0m).

Funds management

Part of Growthpoint's strategy is to build a funds management business with assets of R15.0bn under management over the next three to five years. To this end we have already established two separately identifiable funds with total assets under management of R11.7bn.

- Lango Real Estate Limited (Lango). Growthpoint's stake is 16.1%.

  Lango, a joint venture with Ninety One Limited, owns eight quality office and retail assets and three plots of land valued at USD600.9m (FY20: USD601.0) and has a NAV of USD330.2m at FY21 (FY20: USD329.6m). Lango paid its maiden distribution of USD1.6m to shareholders in December 2020 followed by a final distribution of USD1.3m in June 2021 translating into a total distribution of R6.6m for Growthpoint for the year.

  Growthpoint followed a DRIP for both distributions. Growthpoint furthermore received R14.0m (USD1.0m) from the Lango Manco (Lango Real Estate Management Limited) during the year.

- Growthpoint Healthcare Property Holdings (RF) Limited (GHPH). Growthpoint's stake is 62.2%.

  GHPH has to date attracted approximately R1.0bn in investments from third-party investors. There is a significant pipeline of both acquisitions and greenfield developments.

  Growthpoint has an effective 62.2% interest in GHPH (R358.4m equity (FY20: R348.6m) and a convertible loan of R887.0m (FY20: R881.8m)).

Trading and development

Adhering to the limits previously communicated, the value of projects pre-identified as opportunities for trading and development for third parties in South Africa will not exceed 3.0% of the value of the South African portfolio and assets developed for our own balance sheet will not exceed 5.0%. In the present environment we have, however, scaled back all non-essential capital and development spend and will only proceed with opportunities which are client-driven or substantially pre-let.

Disposals and held-for-sale assets

Growthpoint disposed of eight properties in the period (FY20: 13) for R559.0m (FY20: R581.8m), the largest being the Exxaro Corporate Centre at R243.0m. GOZ disposed of three properties, 120 Northcorp Boulevard, Broadmeadows, VIC for R604.0m (AUD50.2m), Quad 2, 6 Parkview Drive for R338.5m (AUD33.1m) and Quad 3, 102 Bennelong Parkway for R338.5m (AUD33.1m). At FY21, eight RSA properties (FY20: two) valued at R181.2m (FY20: R84.4m) were classified as held for sale. No Australian or United Kingdom properties were classified as held for sale.

Arrears

Total RSA arrears at FY21 were R308.2m (FY20: R511.0m) with a loss allowance of R174.5m (FY20: R254.0m). This includes rental deferments granted to tenants as a result of Covid-19 of R18.2m (FY20: R141.4m). Total net RSA bad debt write-offs and provisions were R29.9m (FY20: R236.5m).

Total GOZ arrears at FY21 were R5.7m (FY20: R9.7m) with a loss allowance of R1.1m (FY20: R2.8m). Total C&R arrears at FY21 were R471.9m (FY20: R300.0m) with a loss allowance of R164.0m (FY20: R13.2m).

Growthpoint's GLA and vacancy levels as a percentage of its total portfolio GLA were:

	GLA		Vacancy	
	FY21 m²	FY20 m²	**FY21 %**	FY20 %
Retail	**1 356 981**	1 365 391	**6.2**	5.1
Office	**1 708 285**	1 672 010	**19.9**	15.4
Industrial	**2 262 728**	2 308 913	**9.4**	7.1
Healthcare	**89 637**	77 219	**–**	–
Trading and development	**55 403**	70 200	**–**	46.8
RSA total	**5 473 034**	5 493 733	**11.6**	9.5
V&A	**232 531**	227 415	**3.0**	1.5
GOZ	**1 033 028**	1 042 929	**2.3**	5.5
C&R	**350 980**	328 512	**18.2**	5.5
Total/average %	**7 089 573**	7 092 589	**10.3**	7.6

Vacancies increased across all the RSA sectors, except healthcare and trading and development. Tenant retention remains a priority and we are driving it through various initiatives including the UNdeposit, SmartMove and Growthpoint's resource efficient, sustainable Thrive Portfolio.

Borrowings, net working capital and liquidity

The SA REIT loan-to-value ratio for the Group (SA REIT LTV) was 40.0% for FY21 (FY20: 43.9%). The RSA LTV decreased to 35.1% (FY20: 39.8%), the GOZ SA REIT LTV decreased to 27.6% (FY20: 31.2%) and the C&R SA REIT LTV increased to 65.5% (FY20: 51.4%).

Growthpoint has consistently applied its policy for measuring the fair value of long-term interest-bearing loans and derivatives. There were no changes in valuation techniques, nor were there any transfers between level 1, level 2 and level 3 during the period. The Group has unsecured interest-bearing borrowings of R21.6bn (FY20: R24.5bn). All other interest-bearing borrowings across the Group are secured. Growthpoint has unused committed bank facilities of R6.5bn (FY20: R3.1bn) in RSA and separately R4.1bn (AUD387.5m) (FY20: R4.3bn or AUD360.0m) in GOZ and cash of R709.8m (FY20: R140.8m) in RSA, R358.1m (AUD33.5m) (FY20: R476.8m or AUD42.7m) in GOZ and R1.6bn (GBP78.7m) (FY20: R1.8bn or GBP82.1m) in C&R at FY21, which assures their ability to meet their short-term commitments.

Change in directorate

Andile Sangqu and Prudence Lebina were both appointed as Independent Non-executive Directors on 21 September 2020. Andile is Chairman of the Social, Ethics and Transformation Committee and also serves as a member of the Audit Committee and the Governance and Nomination Committee.

Prudence serves as a member of the Risk Management and Audit Committees. Mzolisi Diliza, Ragavan Moonsamy and Eric Visser all retired from the Board at the AGM on 8 December 2020 after 19, 15 and 18 years, respectively.

Rhidwaan Gasant was appointed as Deputy Chairman on 16 March 2021 and will take over from Francois Marais as Chairman when he retires at the AGM on 16 November 2021.

John Hayward will also retire at the AGM on 16 November 2021 after 19 years of service.

Melt Hamman was appointed as an Independent Non-executive Director on 14 September 2021.

We thank all the retiring directors for their dedicated service to Growthpoint.

Going concern
The directors have assessed the Group's ability to continue as a going concern. As at 30 June 2021, the Group had a substantial positive net asset value and a robust liquidity position with access to R6.5bn in RSA and separately R4.1bn in GOZ of committed undrawn credit facilities. The following uncertainties were considered as part of the going concern assessment.

Access to liquidity
Stressed market conditions may impact debt funders' risk appetite and limit access to liquidity.

Covenants
Loan-to-value and interest cover ratio covenants may come under pressure due to decreasing property valuations and rental income because of the expected economic downturn related to the pandemic. The maximum loan-to-value covenants the Group is exposed to is 55.0%, which is well above the current Group SA REIT LTV of 40.0%.

Provision for credit losses
The provision for credit losses and write-off of unrecoverable amounts may increase as tenants' businesses may continue to be impacted by the pandemic globally.

Conclusion
After due consideration, the directors have concluded that the Group has adequate resources and debt facilities to continue operating for the foreseeable future and that it is appropriate to adopt the going concern basis in preparing the financial statements.

Events after the reporting period
Declaration of dividend after reporting period
In line with IAS10 *Events after the Reporting Period,* the declaration of the dividend occurred after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements.

Political unrest
In July 2021, the KwaZulu-Natal and Gauteng provinces of South Africa experienced significant protest action. These protests were accompanied by violence, theft and destruction of property. Regrettably, these actions have been disruptive to the broader South African society and to the country's struggling economy. The company had two retail and five industrial assets impacted, none of which suffered material damage. We continue to work with our business partners to safeguard our assets.

IFC loan
On 31 August 2021 the International Finance Corporation (IFC) invested USD20 million into GHPH. The Group signed a four-year USD60 million convertible loan facility from the IFC, with the IFC having the option to convert the loan into GHPH equity.

Long-term loan granted – V&A Waterfront
On 7 September 2021 the Group signed an extension of the long-term loan granted to the V&A Waterfront. The loan is now payable on 30 September 2026.

Prospects
The majority of the Group's assets are in South Africa, both by EBIT (70.9%) and by market value of property assets (60.1%), where the macro-economic environment coupled with the recent domestic unrest remains deeply concerning. The effects of the pandemic, on top of a depressed economy, have negatively impacted all three of our domestic sectors where property fundamentals are expected to remain under pressure, notwithstanding the emergence of some green shoots, in particularly retail sales. The recovery of the V&A is dependent on the resumption of international tourism. GOZ and GWI have been relatively unaffected by the pandemic and have robust balance sheets, liquidity positions and strong tenancies. C&R has been severely impacted by the pandemic which has accelerated the structural trends that were already underway in the UK retail industry with the downturn being faster and more profound than expected. However, we believe that UK retail is close to the bottom of the downward cycle.

Our prospects are inextricably linked to our operating environment. As the world and the RSA economies recover gradually, we will benefit from this. We are a strong and diversified business and our conservative approach to managing the business together with our robust balance sheet and liquidity position will stand us in good stead.

We are committed to retaining our REIT status and intend to continue to pay dividends twice a year, of at least 75% of distributable income.

Final dividend
Notice is hereby given of the declaration of the final dividend number 71 of 60.0c per share (80% of DIPS) for the period ended 30 June 2021.

Other information
- Issued shares at 30 June 2021: 3 430 787 066 ordinary shares of no par value
- Income tax reference number of Growthpoint: 9375/077/71/7.

Shareholders are advised that the dividend meets the requirements of a "qualifying distribution" for the purposes of section 25BB of the Income Tax Act, No 58 of 1962 (Income Tax Act). The dividends on the shares will be deemed to be taxable dividends for South African tax purposes in terms of section 25BB of the Income Tax Act.

Tax implications for South African resident shareholders

Dividends received by or accrued to South African tax residents must be included in the gross income of such shareholders and will not be exempt from the income tax in terms of the exclusion to the general dividend exemption contained in section 10(1)(k)(i)(aa) of the Income Tax Act, because they are dividends distributed by a REIT. These dividends are, however, exempt from dividend withholding tax (dividend tax) in the hands of South African resident shareholders provided that the South African resident shareholders have provided to the Central Securities Depository Participant (CSDP) or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares, a DTD(EX) (dividend tax: declaration and undertaking to be made by the beneficial owner of a share) their form to prove their status as South African residents.

If resident shareholders have not submitted the above mentioned documentation to confirm their status as South African residents, they are advised to contact their CSDP or broker, as the case may be, to arrange for the documents to be submitted prior to the payment of the dividend.

Tax implications for non-resident shareholders

Dividends received by non-resident shareholders from a REIT will not be taxable as income and instead will be treated as ordinary dividends which are exempt from income tax in terms of the general dividend exemption section 10(1)(k) of the Income Tax Act. Any dividend received by a non-resident from a REIT is subject to dividend tax at 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation (DTA) between South Africa and the country of residence of the non-resident shareholder. Assuming dividend tax will be withheld at a rate of 20%, the net amount due to non-resident shareholders is 48.0c per share. A reduced dividend withholding tax rate in terms of the applicable DTA may only be relied on if the non-resident shareholder has provided the following forms to their CSDP or broker, as the case may be, in respect of uncertificated shares, or the company, in respect of certificated shares:

- A declaration that the dividend is subject to a reduced rate as a result of the application of the DTA; and
- A written undertaking to inform the CSDP broker or the company, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the Commissioner of the South African Revenue Service.

If applicable, non-resident shareholders are advised to contact the CSDP, broker or the company to arrange for the above mentioned documents to be submitted prior to payment of the dividend if such documents have not already been submitted.

Salient dates and times

	2021
Last day to trade (LDT) cum dividend	**Tuesday, 19 October**
Shares to trade ex dividend	**Wednesday, 20 October**
Record date	**Friday, 22 October**
Payment date	**Monday, 25 October**

Shares may not be dematerialised or rematerialised between commencement of trade on Wednesday, 20 October 2021 and the close of trade on Friday, 22 October 2021. The above dates and times are subject to change. Any changes will be released on SENS.

By order of the Board

Growthpoint Properties Limited
14 September 2021

Directors

JF Marais (Chairman), FM Berkeley, NO Chauke* (Human Resources Director), EK de Klerk* (Chief Executive Officer South Africa), R Gasant (Chairman Elect), M Hamman, JC Hayward# (Lead Independent Director), KP Lebina, SP Mngconkola, NBP Nkabinde, AH Sangqu, LN Sasse* (Group Chief Executive Officer), JA van Wyk#, G Völkel* (Group Financial Director)

** Executive   # British*

Growthpoint Properties Limited

(Incorporated in the Republic of South Africa)
(Registration number 1987/004988/06)
A Real Estate Investment Trust, listed on the JSE
Share code: GRT ISIN: ZAE000179420

Registered office

The Place, 1 Sandton Drive, Sandown, Sandton, 2196
PO Box 78949, Sandton, 2146

Company Secretary

Johan de Koker

Transfer Secretary

Computershare Investor Services (Pty) Ltd
(Registration number 2004/003647/07)
Rosebank Towers, 15 Biermann Avenue
Rosebank, Johannesburg, 2196
Private Bag X9000, Saxonwold, 2132

Sponsor

Investec Bank Limited
(Registration number 1969/004763/06)
100 Grayston Drive, Sandown, Sandton, 2196
PO Box 785700, Sandown, Sandton, 2146

Annexure 1 *continued*

REIT ratios

For the year ended 30 June 2021

The second edition of the SA REIT Association's best practice recommendations was issued in November 2019, outlining the need to provide consistent presentation and disclosure of relevant ratios in the SA REIT sector. This will ensure information and definitions are clearly presented, enhancing comparability and consistency across the sector.

	2021 Rm	2020 Rm
SA REIT funds from operations (SA REIT FFO) per share		
Loss attributable to the owners of the company	**(497)**	(6 865)
Adjusted for:		
Accounting/specific adjustments:	**5 824**	8 638
Fair value adjustments to:		
Investment property	**4 745**	8 723
Debt and equity instruments held at fair value through profit or loss	**584**	(1 723)
Depreciation and amortisation of intangible assets	**108**	99
Impairment of goodwill or the recognition of a bargain purchase gain	**30**	624
Gains or losses on the modification of financial instruments	**295**	152
Deferred tax movement recognised in profit or loss	**400**	1 000
Straight-lining operating lease adjustment	**(322)**	(353)
Transaction costs expensed in accounting for a business combination	**28**	184
Adjustments to dividends from equity interests held	**(44)**	(68)
Adjustments arising from investing activities:	**(98)**	(13)
Gains or losses on disposal of equipment	**24**	(2)
Development fees and profit earned	**(122)**	(11)
Foreign exchange and hedging items:	**(2 014)**	3 533
Fair value adjustments on derivative financial instruments employed solely for hedging purposes	**(1 681)**	3 619
Foreign exchange gains or losses relating to capital items – realised and unrealised	**(333)**	(86)
Other adjustments:	**1 438**	(108)
Adjustments made for equity-accounted entities	**1 206**	811
Non-controlling interests in respect of the above adjustments	**(748)**	(919)
Non-controlling interests in respect of the above adjustments – plus not distributable	**963**	(30)
Antecedent earnings adjustment	**17**	30
SA REIT FFO	**4 653**	5 185
Number of shares outstanding at end of period (net of treasury shares)	**3 402 889 319**	2 989 240 606
SA REIT FFO per share (cents)	**136.8**	170.7
Interim SA REIT FFO per share	**65.9**	103.7
Final SA REIT FFO per share	**70.9**	67.0
Company-specific adjustments (Rm)	**399**	293
(Increase)/decrease in staff incentive scheme cost	**28**	(8)
GWI additional investment – cum dividend	**–**	25
Development fees and profit earned	**122**	11
Amortisation of tenant incentive add back (GOZ FFO)	**288**	218
Distributable income from GOZ retained (including NCI portion)	**(157)**	(66)
Distributable income from C&R (including NCI portion)	**(139)**	113
Distributable income from Healthcare retained (including NCI portion)	**(8)**	–
Taxation paid on FY20 distributable income retained and provisional taxation paid for FY21	**265**	–
Distributable income	**5 052**	5 478
Distributable income per share (DIPS) (cents)	**148.1**	183.1
First half year	**73.1**	106.0
Second half year	**75.0**	77.1

	2021 Rm	2020 Rm
SA REIT net asset value (SA REIT NAV)		
Reported NAV attributable to the parent	**66 410**	67 877
Adjustments:	**2 700**	1 348
Dividend to be declared	**(2 042)**	–
Final dividend under consideration	**–**	(2 295)
Fair value of certain derivative financial instruments	**1 068**	464
Goodwill and intangible assets	**(597)**	(700)
Deferred tax	**4 271**	3 879
SA REIT NAV	**69 110**	69 225

	Number of shares	Number of shares
Shares outstanding		
Number of shares in issue at period end (net of treasury shares)	**3 402 889 319**	2 989 240 606
Dilutive effect of share options granted to employees	**12 699 001**	10 811 495
Dilutive number of shares in issue	**3 415 588 320**	3 000 052 101
SA REIT NAV per share (R)	**20.23**	23.07

	Rm	Rm
SA REIT cost-to-income ratio		
Expenses		
Operating expenses per IFRS income statement (includes municipal expenses)	**4 946**	4 896
Administrative expenses per IFRS income statement	**613**	580
Excluding: Depreciation expense in relation to property, plant and equipment of an administrative nature and amortisation expense in respect of intangible assets		
Operating costs	**5 559**	5 476
Rental income		
Contractual rental income per IFRS income statement (excluding straight-lining)	**12 804**	12 008
Utility and operating recoveries per IFRS income statement	**1 510**	1 662
Gross rental income	**14 314**	13 670
SA REIT cost-to-income ratio	**38.8%**	40.1%

	Rm	Rm
SA REIT administrative cost-to-income ratio		
Expenses		
Administrative expenses as per IFRS income statement	**613**	580
Administrative costs	**613**	580
Rental income		
Contractual rental income per IFRS income statement (excluding straight-lining)	**12 804**	12 008
Utility and operating recoveries per IFRS income statement	**1 510**	1 662
Gross rental income	**14 314**	13 670
SA REIT administrative cost-to-income ratio	**4.3%**	4.2%

	GLA m^2	GLA m^2
SA REIT GLA vacancy rate		
Gross lettable area of vacant space	**731 045**	539 037
Gross lettable area of total property portfolio	**7 089 573**	7 092 589
SA REIT GLA vacancy rate	**10.3%**	7.6%

Annexure 1 *continued*

REIT ratios *continued*

For the year ended 30 June 2021

SA REIT cost of debt	ZAR %	AUD %	EUR %	USD %	GBP %
2021					
Variable interest-rate borrowings					
Floating reference rate plus weighted average margin	**5.4**	**0.0**	**0.0**	**0.0**	**0.0**
Fixed interest-rate borrowings					
Weighted average fixed rate	**9.9**	**0.0**	**0.0**	**5.9**	**0.0**
Pre-adjusted weighted average cost of debt	**5.5**	**0.0**	**0.0**	**5.9**	**0.0**
Adjustments:					
Impact of interest rate derivatives	**2.0**	**0.0**	**1.4**	**0.0**	**0.0**
Impact of cross-currency interest rate swaps	**0.3**	**3.6**	**2.4**	**(0.9)**	**0.0**
Amortised transaction costs imputed in the effective interest rate	**0.0**	**0.0**	**0.0**	**0.2**	**0.0**
All-in weighted average cost of debt	**7.8**	**3.6**	**3.8**	**5.2**	**0.0**

SA REIT cost of debt	ZAR %	AUD %	EUR %	USD %	GBP %
2020					
Variable interest-rate borrowings					
Floating reference rate plus weighted average margin	6.1	0.0	1.6	0.0	2.0
Fixed interest-rate borrowings					
Weighted average fixed rate	10.0	0.0	0.0	5.9	0.0
Pre-adjusted weighted average cost of debt	6.2	0.0	1.6	5.9	2.0
Adjustments:					
Impact of interest rate derivatives	1.8	0.0	4.9	0.0	0.3
Impact of cross-currency interest rate swaps	0.2	4.1	(3.4)	(0.9)	0.0
Amortised transaction costs imputed in the effective interest rate	0.0	0.0	0.0	0.2	0.4
All-in weighted average cost of debt	8.2	4.1	3.1	5.2	2.7

SA REIT loan-to-value (Group)

	2021 Rm	2020 Rm
Gross debt	**60 793**	70 302
Less:		
Cash and cash equivalents	**(2 622)**	(2 420)
Add:		
Derivative financial instruments	**1 181**	3 155
Net debt	**59 352**	71 037
Total assets per statement of financial position	**154 455**	168 499
Less:		
Cash and cash equivalents	**(2 622)**	(2 420)
Derivative financial assets	**(814)**	(1 607)
Goodwill and intangible assets	**(597)**	(700)
Trade and other receivables	**(2 087)**	(2 062)
Carrying amount of property-related assets	**148 335**	161 710
SA REIT loan-to-value (SA REIT LTV)	**40.0%**	43.9%

	Rm	Rm
SA REIT net initial yield		
Investment property	**128 242**	139 113
Less:		
Properties under development	**(697)**	(792)
Grossed up property value	**127 545**	138 321
Property income		
Contractual cash rentals	**10 808**	10 360
Add:		
Notional rental for rent-free periods, discounted rentals, stepped rentals and lease incentives	**(1 562)**	749
Less:		
Non-recoverable property expenses	**(262)**	(24)
Annualised net rental	**8 984**	11 085
Net initial yield	**7.0%**	8.0%

Annexure 1 *continued*

Statement of profit or loss and other comprehensive income

For the year ended 30 June 2021

	Note	2021 Rm	2020 Rm
Revenue, excluding straight-line lease income adjustment		**12 804**	12 008
Straight-line lease income adjustment		**322**	353
Total revenue		**13 126**	12 361
Property-related expenses		**(3 513)**	(3 008)
Expected credit losses on trade receivables		**77**	(226)
Net property income		**9 690**	9 127
Other administrative and operating overheads		**(613)**	(580)
Operating profit		**9 077**	8 547
Equity-accounted investment profit – net of tax		**(411)**	297
Non-distributable income		**(1 206)**	(923)
Dividends/interest received from equity-accounted investments		**795**	1 220
Fair value adjustments, capital items and other charges		**(4 381)**	(11 093)
Finance and other investment income		**138**	103
Finance expense		**(3 107)**	(3 569)
Profit/(loss) before taxation		**1 316**	(5 715)
Taxation		**(850)**	(1 180)
Profit/(loss) for the year		**466**	(6 895)
Other comprehensive income – net of tax			
Items that may subsequently be reclassified to profit or loss			
Translation of foreign operations		**(3 780)**	7 089
Total comprehensive (loss)/profit for the year		**(3 314)**	194
Profit/(loss) attributable to:		**466**	(6 895)
Owners of the company		**(497)**	(6 865)
Non-controlling interests		**963**	(30)
Total comprehensive (loss)/profit attributable to:		**(3 314)**	194
Owners of the company		**(3 009)**	(1 578)
Non-controlling interests		**(305)**	1 772

	Note	Cents	Cents
Basic loss per share	1.1	**(15.31)**	(229.94)
Diluted loss per share	1.1	**(15.25)**	(229.11)

Statement of financial position

As at 30 June 2021

	2021 Rm	2020 Rm
Assets		
Cash and cash equivalents	**2 622**	2 420
Trade and other receivables	**2 087**	2 062
Taxation receivable	**9**	–
Investment property classified as held for sale	**181**	84
Property held for trading and development	**548**	900
Derivative assets	**814**	1 607
Listed investments	**1 122**	837
Fair value of property assets	**128 061**	139 029
Fair value of investment property for accounting purposes	**121 691**	133 275
Straight-line lease income adjustment	**3 359**	3 053
Tenant incentives	**1 402**	1 129
Right-of-use assets	**1 609**	1 572
Long-term loans granted	**2 534**	2 338
Equity-accounted investments	**15 003**	17 537
Unlisted investments	**808**	922
Equipment	**57**	63
Intangible assets	**597**	700
Deferred taxation asset	**12**	–
Total assets	**154 455**	168 499
Liabilities and equity		
Liabilities		
Trade and other payables	**3 204**	2 999
Derivative liabilities	**1 995**	4 762
Taxation payable	**189**	101
Interest-bearing borrowings	**61 947**	70 766
Lease liability	**2 235**	2 947
Deferred taxation liability	**4 283**	3 879
Total liabilities	**73 853**	85 454
Shareholders' interests	**66 410**	67 877
Share capital	**53 117**	48 218
Retained income	**3 739**	2 295
Other reserves	**9 554**	17 364
Non-controlling interest	**14 192**	15 168
Total liabilities and equity	**154 455**	168 499

Annexure 1 *continued*

Statement of changes in equity

For the year ended 30 June 2021

	Attributable to owners of the company					
		Non-distributable reserve (NDR)				
	Share capital net of treasury shares Rm	Foreign currency translation reserve (FCTR) Rm	Amortisation of intangible assets Rm	Bargain purchase Rm	Fair value adjustment on investment property Rm	Other fair value adjustments and non-distributable items Rm
Balance at 30 June 2019	47 217	1 352	640	314	26 071	(4 115)
Total comprehensive income						
Loss after taxation	–	–	–	–	–	–
Other comprehensive income	–	5 287	–	–	–	–
Transactions with owners recognised directly in equity:						
Contributions by and distributions to owners:						
Shares issued	1 120	–	–	–	–	–
Transfer non-distributable items to NDR	–	–	(88)	578	(8 793)	(4 139)
Share-based payment transactions	(119)	–	–	–	–	–
Dividends declared	–	–	–	–	–	–
Changes in ownership interest:						
Non-controlling interest – C&R	–	–	–	–	–	–
Change of ownership – Healthcare	–	–	–	–	–	–
Rights issue and acquisitions – GOZ	–	–	–	–	–	–
Balance at 30 June 2020	48 218	6 639	552	892	17 278	(8 254)
Total comprehensive income						
(Loss)/profit after taxation	**–**	**–**	**–**	**–**	**–**	**–**
Other comprehensive loss	**–**	**(2 512)**	**–**	**–**	**–**	**–**
Transactions with owners recognised directly in equity:						
Contributions by and distributions to owners:						
Shares issued	**4 813**	**–**	**–**	**–**	**–**	**–**
Transfer non-distributable items to NDR	**–**	**–**	**(78)**	**–**	**(6 162)**	**600**
Share-based payment transactions	**86**	**–**	**–**	**–**	**–**	**–**
Dividends declared	**–**	**–**	**–**	**–**	**–**	**–**
Changes in ownership interest:						
Acquisition of subsidiary with NCI	**–**	**–**	**–**	**–**	**–**	**–**
Change of ownership – Healthcare	**–**	**–**	**–**	**–**	**–**	**3**
Rights issue and acquisitions – GOZ	**–**	**–**	**–**	**–**	**–**	**–**
Balance at 30 June 2021	**53 117**	**4 127**	**474**	**892**	**11 116**	**(7 651)**

	2021 Cents	2020 Cents
Dividend per share	**118.5**	146.0

Attributable to owners of the company							
Non-distributable reserve (NDR)							
Share-based payments reserve Rm	Reserves with NCI Rm	Fair value adjustment on listed investments Rm	Total other reserves Rm	Retained earnings (RE) Rm	Shareholders' interest Rm	Non-controlling interest (NCI) Rm	Total equity Rm
147	(12)	(42)	24 355	3 336	74 908	9 004	83 912
–	–	–	–	(6 865)	(6 865)	(30)	(6 895)
–	–	–	5 287	–	5 287	1 802	7 089
–	–	–	–	–	1 120	–	1 120
(44)	–	178	(12 308)	12 308	–	–	–
30	–	–	30	–	(89)	–	(89)
–	–	–	–	(6 484)	(6 484)	(919)	(7 403)
–	–	–	–	–	–	3 331	3 331
–	–	–	–	–	–	288	288
–	–	–	–	–	–	1 692	1 692
133	(12)	136	17 364	2 295	67 877	15 168	83 045
–	**–**	**–**	**–**	**(497)**	**(497)**	**963**	**466**
–	**–**	**–**	**(2 512)**	**–**	**(2 512)**	**(1 268)**	**(3 780)**
–	**–**	**–**	**–**	**–**	**4 813**	**–**	**4 813**
36	**–**	**320**	**(5 284)**	**5 284**	**–**	**–**	**–**
(17)	**–**	**–**	**(17)**	**–**	**69**	**–**	**69**
–	**–**	**–**	**–**	**(3 343)**	**(3 343)**	**(748)**	**(4 091)**
–	**–**	**–**	**–**	**–**	**–**	**95**	**95**
–	**–**	**–**	**3**	**–**	**3**	**(12)**	**(9)**
–	**–**	**–**	**–**	**–**	**–**	**(6)**	**(6)**
152	**(12)**	**456**	**9 554**	**3 739**	**66 410**	**14 192**	**80 602**

Annexure 1 *continued*

Statement of cash flows

For the year ended 30 June 2021

	2021 Rm	2020 Rm
Cash flows from operating activities		
Cash received from tenants	12 057	11 419
Cash paid to suppliers and employees	(4 023)	(2 928)
Cash generated from operating activities	8 034	8 491
Interest paid	(3 327)	(3 100)
Interest received	61	–
Dividends received	507	717
Taxation paid	(369)	(106)
Capital costs incurred on acquisitions	(28)	–
Investment in property held for trading and development	(245)	(445)
Disposal of property held for trading and development	243	–
Distribution to shareholders	(4 091)	(7 403)
Net cash generated from/(used by) operating activities	**785**	**(1 846)**
Cash flows from investing activities		
Investments in:	(1 331)	(6 954)
Investment property	(1 188)	(3 439)
Subsidiary – C&R	–	(1 385)
Intangible assets	(5)	(18)
Equity-accounted investments	–	(1 112)
Equipment	(41)	(7)
Listed investment	(60)	–
Unlisted investment	(13)	(792)
Long-term loans	(15)	(17)
Change of ownership – Healthcare	(9)	–
Capital costs incurred on business acquisitions	–	(184)
Proceeds from:	1 710	596
Disposal of investment property	1 623	257
Disposal of investment property held for sale	84	326
Repayment of long term loans granted	3	13
Net cash generated from/(used by) investing activities	**379**	**(6 358)**
Cash flows from financing activities		
Proceeds from:	8 529	14 264
Shares issued	4 236	–
Distribution reinvestment	577	1 120
Borrowings raised	3 722	11 164
Rights issues to non-controlling interest of GOZ	(6)	1 692
Change of ownership – Healthcare	–	288
Repayments of borrowings	(8 983)	(4 459)
Settlement of derivatives	(295)	–
Repayment of lease liability	(37)	(62)
Net cash (used by)/generated from financing activities	**(786)**	**9 743**
Effect of exchange rate changes on cash and cash equivalents	(176)	(1)
Increase in cash and cash equivalents	202	1 538
Cash and cash equivalents at beginning of period	2 420	882
Cash and cash equivalents at end of reporting period	**2 622**	**2 420**

Segmental analysis
For the year ended 30 June 2021

Segments
The Group determines and presents operating segments based on the information that is provided internally to the Executive Management Committee (Exco), the Group's operating decision-making forum. The Group comprises nine segments, namely Retail, Office, Industrial, Healthcare, Trading and Development, Growthpoint Australia, V&A Waterfront, Central and Eastern Europe and the United Kingdom. An operating segment's operating results are reviewed regularly by Exco to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment	Brief description of segment
Retail	The Growthpoint retail portfolio consists of 46 properties, comprising shopping centres with the balance being vacant land or standalone single-tenanted properties. It includes regional, community, neighbourhood, retail warehouses and speciality centres.
Office	The Growthpoint office portfolio consists of 166 properties which includes high rise and low rise offices, office parks, office warehouses, as well as mixed-use properties comprising both office and retail.
Industrial	The Growthpoint industrial portfolio consists of 208 properties which includes warehousing, industrial parks, motor-related outlets, low and high grade industrial, high-tech industrial telecommunication assets, land zoned for developments as well as mini, midi and maxi units.
Healthcare	The Growthpoint healthcare portfolio consists of five hospitals and one medical chambers building.
Trading and Development	The Growthpoint trading and development portfolio consists of six properties being developed for third parties and will not exceed 5.0% of the value of the South African portfolio.
Growthpoint Australia	The GOZ portfolio consists of 55 properties which includes both industrial and office properties, all situated in Australia.
V&A Waterfront	The V&A Waterfront is a 123 hectare mixed-use property development situated in and around the historic Victoria and Alfred Basin, which formed Cape Town's original harbour. Its properties includes retail, office, fishing and industrial, hotel and residential as well as undeveloped bulk.
Central and Eastern Europe	The Central and Eastern Europe portfolio consists of 66 standing properties in Poland and Romania, mostly modern A-grade office properties, industrial properties as well as a residential property complex.
United Kingdom	The United Kingdom portfolio consists of seven properties that are community-based shopping centres.

Geographic segments
In addition to the main reportable segments, the Group also includes a geographical analysis of net property income, excluding straight-line lease income adjustment and investment property. The following geographic segments have been identified:
- South Africa
- Australia
- V&A Waterfront
- Central and Eastern Europe
- United Kingdom.

Annexure 1 *continued*

Segmental analysis *continued*

For the year ended 30 June 2021

	2021											
	Retail Rm	Office Rm	Industrial Rm	Health-care Rm	Trading and Develop-ment Rm	Total South Africa Rm	Australia 100% Rm	United Kingdom 100% Rm	Total as reported Rm	V&A Water-front 50% Rm	Central and Eastern Europe 29.3% Rm	Total Rm
Material profit or loss disclosures												
Revenue excluding straight-line lease adjustment	3 116	3 193	1 550	289	193	8 341	3 229	1 234	12 804	728	1 175	14 707
Property-related expenses (including expected credit losses)	(923)	(892)	(389)	(33)	(5)	(2 242)	(565)	(629)	(3 436)	(298)	(374)	(4 108)
Net property income	2 193	2 301	1 161	256	188	6 099	2 664	605	9 368	430	801	10 599
Other administrative and operating overheads						(361)	(195)	(57)	(613)	(78)	(109)	(800)
Equity-accounted investment profit, net of tax						(411)	–	–	(411)	–	3	(6)#
Fair value adjustment on investment property	(2 005)	(2 670)	(782)	(37)	54	(5 440)	3 944	(2 923)	(4 419)	(886)	(210)	(5 515)
Fair value adjustments (other than investment property)						565	(124)	137	578	–	(10)	568
Capital items and other charges						(178)	(16)	(24)	(218)	(18)	(2)	(238)
Finance and investment income						62	62	14	138	19	11	168
Finance expense						(2 190)	(565)	(352)	(3 107)	(17)	(297)	(3 421)
Consolidated (loss)/profit before taxation						(1 854)	5 770	(2 600)	1 316	(550)	187	1 355
Assets												
Cash and cash equivalents						709	358	1 555	2 622	257	2 285	5 164
Trade and other receivables						1 350	164	573	2 087	118	144	2 349
Taxation receivable						9	–	–	9	–	–	9
Investment property classified as held for sale	–	94	87	–	–	181	–	–	181	–	–	181
Property held for trading and development	–	–	–	–	548	548	–	–	548	–	–	548
Derivative assets						736	78	–	814	–	37	851
Listed investments						–	1 122	–	1 122	–	–	1 122
Fair value of property assets	24 915	27 548	12 286	2 802	516	68 067	49 462	10 532	128 061	8 801	15 174	152 036
Fair value of investment property	24 811	27 241	12 264	2 778	516*	67 610	47 492	9 948	125 050	8 764	15 174	148 988
Tenant incentives	64	307	22	24	–	417	902	83	1 402	–	–	1 402
Right-of-use assets	40	–	–	–	–	40	1 068	501	1 609	37	–	1 646
Long-term loans granted						2 534	–	–	2 534	55	–	2 589
Equity-accounted investments						15 003	–	–	15 003	–	165	42#
Unlisted investments						797	–	11	808	–	53	861
Equipment						1	6	50	57	243	–	300
Intangible assets						597	–	–	597	–	61	658
Deferred tax						–	5	7	12	–	1	13
Total assets						90 532	51 195	12 728	154 455	9 474	17 920	166 723
Liabilities												
Trade and other payables						1 858	686	660	3 204	358	333	3 895
Derivative liabilities						1 797	102	96	1 995	–	–	1 995
Taxation payable						–	115	74	189	–	1	190
Interest-bearing borrowings						38 491	15 357	8 099	61 947	177	8 075	70 199
Lease liability						39	1 144	1 052	2 235	54	144	2 433
Deferred tax liability						4 283	–	–	4 283	–	744	5 027
Total liabilities						46 468	17 404	9 981	73 853	589	9 297	83 759
Other disclosures												
Transfers between segments	–	–	(22)	–	22	–	–	–	–			
Acquisitions	–	22	23	194	70	309	–	–	309			
Development and capital expenditure	180	512	144	2	175	1 013	126	80	1 219			

* *The Pretoria Head and Neck Private Hospital is classified as Investment Property for the Group. This property is currently managed as part of the Trading and Development segment.*

\# *Having included our proportionate share of the V&A and GWI (loss)/income and assets to the left, we exclude their inclusion in the reported numbers. Refer to note 8 of the Group annual financial statements.*

2020

	Retail Rm	Office Rm	Industrial Rm	Health-care Rm	Trading and develop-ment Rm	Total South Africa Rm	Australia 100% Rm	United Kingdom 100% Rm	Total as reported Rm	V&A Water-front 50% Rm	Central and Eastern Europe 29.4% Rm	Total Rm
	3 108	3 342	1 515	263	41	8 269	3 024	715	12 008	920	1 185	14 113
	(994)	(965)	(401)	(41)	(11)	(2 412)	(487)	(335)	(3 234)	(326)	(373)	(3 933)
	2 114	2 377	1 114	222	30	5 857	2 537	380	8 774	594	812	10 180
						(370)	(153)	(57)	(580)	(28)	(86)	(693)
						409	–	–	409	–	–	20#
	(3 410)	(2 736)	(872)	(17)	–	(7 035)	1 436	(2 422)	(8 021)	(406)	(336)	(8 763)
						(1 869)	(293)	228	(1 934)	–	–	(1 934)
						(904)	–	7	(897)	(38)	–	(935)
						100	3	–	103	28	32	163
						(2 801)	(547)	(221)	(3 569)	(23)	(234)	(3 826)
						(6 613)	2 983	(2 085)	(5 715)	128	188	(5 788)
						142	512	1 766	2 420	205	3 252	5 877
						1 349	163	550	2 062	104	351	2 517
						–	–	–	–	–	–	–
	–	–	84	–	–	84	–	–	84	–	–	84
	–	–	–	–	900	900	–	–	900	–	–	900
						985	622	–	1 607	–	18	1 625
						–	837	–	837	–	–	837
	26 759	29 793	13 223	2 645	–	72 420	51 845	14 764	139 029	9 447	17 226	165 702
	26 656	29 471	13 201	2 620	–	71 948	49 995	14 385	136 328	9 412	17 226	162 966
	69	322	22	25	–	438	598	93	1 129	–	–	1 129
	34	–	–	–	–	34	1 252	286	1 572	35	–	1 607
						2 338	–	–	2 338	108	–	2 446
						17 537	–	–	17 537	–	189	56#
						900	–	22	922	–	57	979
						2	8	53	63	232	–	295
						700	–	–	700	–	71	771
						–	–	–	–	–	–	–
						97 357	53 987	17 155	168 499	10 096	21 164	182 089
						1 888	384	727	2 999	248	406	3 653
						4 446	124	192	4 762	–	57	4 819
						–	101	–	101	–	–	101
						43 275	18 643	8 848	70 766	260	9 622	80 648
						34	1 297	1 616	2 947	–	–	2 947
						3 879	–	–	3 879	100	762	4 741
						53 522	20 549	11 383	85 454	608	10 847	96 909
	–	–	–	–	–	–	–	–	–			
	–	134	140	–	–	274	429	15 160	15 863			
	394	707	380	56	445	1 982	1 058	130	3 170			

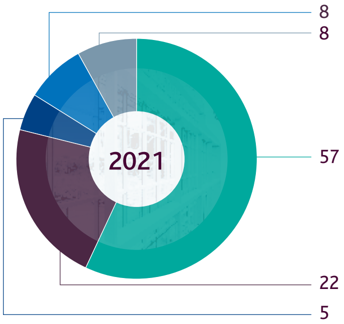
 # The previous year has been re-presented for comparability.

Annexure 1 *continued*

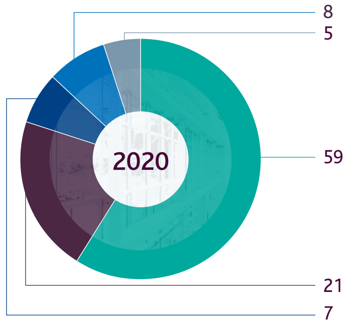
Segmental analysis *continued*

For the year ended 30 June 2021

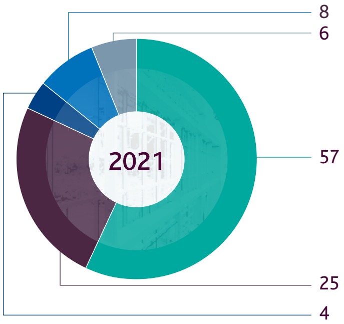
Geographical split by revenue (%)



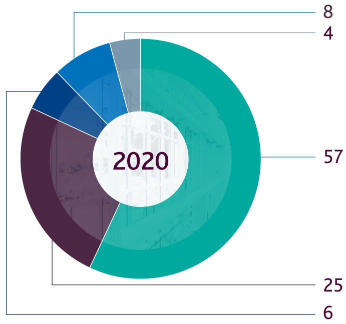
- South Africa
- Australia
- V&A Waterfront
- Central and Eastern Europe
- United Kingdom



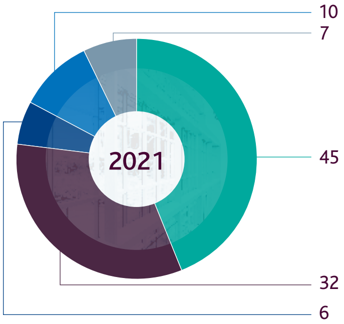
Geographical split by net property income (%)



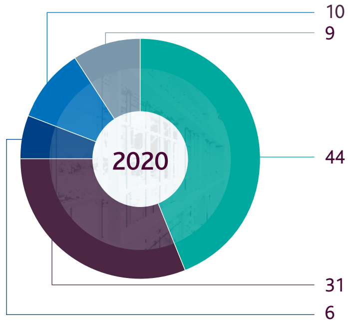
- South Africa
- Australia
- V&A Waterfront
- Central and Eastern Europe
- United Kingdom



Geographical split by fair value of property assets (%)



- South Africa
- Australia
- V&A Waterfront
- Central and Eastern Europe
- United Kingdom



1. Basic and headline earnings per share

1.1 Summary of earnings per share (EPS), headline earnings per share (HEPS) and distributable income per share (DIPS)

		Earnings attributable		Weighted average number of shares		Cents per share	
		2021 Rm	2020 Rm	**2021**	2020	**2021**	2020
Total operations							
EPS	Basic	**(497)**	(6 865)	**3 246 192 089**	2 985 603 538	**(15.31)**	(229.94)
EPS	Diluted	**(497)**	(6 865)	**3 258 891 090**	2 996 415 033	**(15.25)**	(229.11)
HEPS	Basic	**5 518**	2 386	**3 246 192 089**	2 985 603 538	**169.98**	79.93
HEPS	Diluted	**5 518**	2 386	**3 258 891 090**	2 996 415 033	**169.32**	79.64

	Earnings attributable		Actual number of shares		Cents per share	
	2021 Rm	2020 Rm	**2021**	2020	**2021**	2020
DIPS	**5 052**	5 478	**3 402 889 319**	2 989 240 606	**148.1**	183.1

1.2 Reconciliation between basic earnings, diluted earnings and headline earnings

	Gross		Total	
	2021 Rm	2020 Rm	**2021 Rm**	2020 Rm
Loss for the year			**(497)**	(6 865)
Impairment of goodwill	**(4 381)***	(11 093)*	**–**	1 202
Bargain purchase	**(4 381)***	(11 093)*	**–**	(578)
Fair value adjustments on investment property	**(4 381)***	(11 093)*	**6 015**	8 627
Net investment property revaluation			**4 745**	8 723
Fair value adjustments: equity-accounting investments			**1 239**	808
NCI portion of fair value adjustments			**31**	(904)
Headline basic and diluted earnings			**5 518**	2 386

1.3 Reconciliation of weighted average number of shares

	Weighted number of shares	
	2021	2020
Weighted average number of shares	**3 246 192 089**	2 985 603 538
Number of shares as at 1 July	**3 022 496 382**	2 970 981 288
Shares issued during the year	**254 975 929**	38 143 690
Effect of treasury shares held	**(31 280 222)**	(23 521 440)
Dilutive effect of share options granted to employees	**12 699 001**	10 811 495
Diluted average number of shares	**3 258 891 090**	2 996 415 033

* *The impairment of goodwill, bargain purchase and fair value adjustment on investment property are included in the "fair value adjustment, capital items and other charges" line item on the face of the statement of profit or loss and other comprehensive income, which total R4 381m (FY20: R11 093m).*

2. Classification of financial assets and liabilities

2.1

	Fair value through profit or loss Rm	Financial assets at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
Assets				
2021				
Cash and cash equivalents	**–**	**2 622**	**–**	**2 622**
Trade and other receivables	**–**	**1 841**	**246**	**2 087**
Derivative assets	**814**	**–**	**–**	**814**
Listed investments	**1 122**	**–**	**–**	**1 122**
Unlisted investments	**808**	**–**	**–**	**808**
Long-term loans granted	**2 534**	**–**	**–**	**2 534**
2020				
Cash and cash equivalents	–	2 420	–	2 420
Trade and other receivables	–	1 716	346	2 062
Derivative assets	1 607	–	–	1 607
Listed investments	837	–	–	837
Unlisted investments	922	–	–	922
Long-term loans granted	2 338	–	–	2 338

2.2

	Fair value through profit or loss Rm	Financial liabilities at amortised cost Rm	Outside scope of IFRS 9 Rm	Total Rm
Liabilities				
2021				
Trade payables	**–**	**2 974**	**230**	**3 204**
Derivative liabilities	**1 995**	**–**	**–**	**1 995**
Interest-bearing borrowings	**61 947**	**–**	**–**	**61 947**
Lease liability	**–**	**2 235**	**–**	**2 235**
2020				
Trade payables	–	2 601	398	2 999
Derivative liabilities	4 762	–	–	4 762
Interest-bearing borrowings	70 766	–	–	70 766
Lease liability	–	2 947	–	2 947

3. Fair value estimation

3.1 Fair value measurement of assets and liabilities

The below table includes only those assets and liabilities that are measured at fair value including non-recurring items measured at fair value:

	2021				2020			
	Fair value Rm	**Level 1 Rm**	**Level 2 Rm**	**Level 3 Rm**	Fair value Rm	Level 1 Rm	Level 2 Rm	Level 3 Rm
Assets								
Recurring fair value measurement								
Fair value of property assets	**128 061**	**–**	**–**	**128 061**	139 029	–	–	139 029
Listed investments	**1 122**	**1 122**	**–**	**–**	837	837	–	–
Unlisted investments	**808**	**–**	**–**	**808**	922	–	–	922
Long-term loans granted	**2 534**	**–**	**–**	**2 534**	2 338	–	–	2 338
Derivative assets	**814**	**–**	**814**	**–**	1 607	–	1 607	–
Non-recurring fair value measurement								
Non-current assets held for sale	**181**	**–**	**–**	**181**	84	–	–	84
Total assets measured at fair value	**133 520**	**1 122**	**814**	**131 584**	144 817	837	1 607	142 373
Liabilities								
Recurring fair value measurement								
Interest-bearing borrowings	**61 947**	**6 621***	**55 326**	**–**	70 766	7 446*	63 320	–
Derivative liabilities	**1 995**	**–**	**1 995**	**–**	4 762	–	4 762	–
Total liabilities measured at fair value	**63 942**	**6 621**	**57 321**	**–**	75 528	7 446	68 082	–

** Listed USD-denominated Eurobonds are level 1. The previous year has been re-presented for comparability.*

The carrying amount of assets and liabilities that are not measured at fair value reasonably approximate their fair value due to their short-term nature. These include trade and other receivables, cash and cash equivalents and trade and other payables.

3.2 Movement in level 3 instruments

	2021			2020				
	Property assets Rm	**Unlisted invest-ments Rm**	**Long-term loans granted Rm**	Property assets Rm	Unlisted invest-ments Rm	Long-term loans granted Rm	Deriva-tive assets Rm	Deriva-tive liabilities Rm
Opening balance	**139 113**	**922**	**2 338**	117 637	96	76	607	(281)
(Loss)/gain from fair value adjustments and translation of foreign operations	**(10 672)**	**(127)**	**(11)**	1 842	12	(89)	(607)	281
Depreciation	**(96)**	**–**	**–**	–	–	–	–	–
Accrued interest	**–**	**–**	**185**	–	–	228	–	–
Reclassified from trade and other receivables	**–**	**–**	**–**	–	–	2 119	–	–
Acquisitions	**1 348**	**13**	**–**	3 439	814	–	–	–
Acquisitions through the C&R business combination	**–**	**–**	**–**	15 160	–	–	–	–
Tenant incentives	**357**	**–**	**–**	46	–	–	–	–
Right-of-use assets	**(539)**	**–**	**–**	1 572	–	–	–	–
Disposals	**(1 707)**	**–**	**–**	(583)	–	–	–	–
Transferred to investment property held for trading and development	**(22)**	**–**	**–**	–	–	–	–	–
Transferred from investment property held for trading and development	**460**	**–**	**–**	–	–	–	–	–
Advance	**–**	**–**	**25**	–	–	17	–	–
Settlements	**–**	**–**	**(3)**	–	–	(13)	–	–
Closing balance	**128 242**	**808**	**2 534**	139 113	922	2 338	–	–

3. Fair value estimation continued

3.3 Valuation process

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to the Group Financial Director.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

3.4 Valuation techniques and significant unobservable inputs

Level 2 instruments

Interest-bearing borrowings

Description	Valuation technique and inputs used	Significant unobservable inputs
Interest-bearing borrowings	Valued by discounting future cash flows using the applicable swap curve plus an appropriate credit margin of between 1.0% and 3.6% at the dates when the cash flow will take place (FY20: 1.5% to 3.6%).	Not applicable

The estimated fair value would increase/(decrease) if the credit margin were lower/(higher).

Derivative instruments

Description	Valuation technique and inputs used	Significant unobservable inputs
Forward exchange contracts	Valued by discounting the forward rates applied at year end to the open hedged positions using the swap curve of the respective currencies.	Not applicable
Interest rate swaps	Valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.	Not applicable
Cross-currency interest rate swaps	Valued by discounting the future cash flows using the basis swap curve of the respective currencies at the dates when the cash flows will take place.	Not applicable

3. Fair value estimation continued

3.4 Valuation techniques and significant unobservable inputs continued

Level 3 instruments

In terms of the Group's policy, at least 75% of the fair value of investment properties should be determined by an external, independent valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

92.8% of the South African portfolio was externally valued at FY21. The balance of the South African portfolio was valued by Growthpoint's qualified internal valuers.

The majority of the South African properties were valued at FY21 using the discounted cash flow (DCF) of future income streams method by the following valuers who are all registered valuers in terms of section 19 of the Property Valuers Professional Act, No 47 of 2000:

Valuer company	Valuer	Qualification of the valuer
Mills Fitchet KZN	T Bate	MSc, BSc Land Econ (UK), MRICS, MIV (SA), professional valuer
Eris Property Group (Pty) Ltd	C Everatt	BSc (Hons) Estate Management, MRICS, MIV (SA), professional valuer
Mills Fitchet PWV	PG Mitchell	NDip (Prop Val), MIV (SA), CIEA, professional valuer
Jones Lang LaSalle	S Crous	MRICS, MIV (SA), professional valuer
Broll Valuation and Advisory Services	R Long	BSc, MBA, MRICS, professional valuer
Knight Frank	A Arbee	NDip (Real Estate in Prop Val), professional associate valuer
Rode & Associates	M Tighy	BSc, Pr Sci Nat, MBL, MRICS, MIV (SA), professional valuer
Spectrum valuations & Asset Solutions	PL O'Connell	NDip (Prop Val), MRICS, professional valuer
Premium Valuation and Advisory Services	Y Vahed	NDip (Real Estate in Prop Val), MIV (SA), professional valuer
Sterling Valuation Specialists	AS Greybe-Smith	BSc (Hons), MIV (SA), professional associate valuer
Mills Fitchet Cape (Pty) Ltd	S Wolffs	NDip (Prop Val), professional associate valuer

The Australian properties were valued at FY21 using the discounted cash flow of future income streams method by JLL, Savills, Urbis, CBRE, Knight Frank, Colliers, m3property and Cushman and Wakefield that are all members of the Australian Property Institute and certified practising valuers.

The United Kingdom properties were valued at FY21 by independent qualified professional valuers from CBRE Limited and Knight Frank LLP in accordance with RICS (Royal Institution of Chartered Surveyors) standards. The yield of the seven retail properties ranged from 4.6% to 11.6%.

3. Fair value estimation continued

3.4 Valuation techniques and significant unobservable inputs continued

Investment property

At the reporting date, the key assumptions and unobservable inputs used by the Group in determining fair value were in the following ranges for the Group's portfolio of properties:

Description	Valuation technique	Fair value Rm	Discount rate (%)	Exit capitalisation rate (%)	Capitalisation rate (%)	Rental growth rate (%)
			Significant unobservable inputs and range of estimates used			
Retail sector	Discounted cash flow model	**24 497**	14.25	10.75	10.38	4.13
		8 768	12.25 – 12.50	7.50 – 8.75	7.50 – 8.75	3.50 – 4.80
		6 613	12.75 – 13.00	8.00 – 9.00	7.75 – 8.50	3.62 – 4.80
		7 796	13.25 – 13.75	8.50 – 10.00	8.00 – 9.75	3.58 – 4.80
		1 320	14.00 – 16.25	9.50 – 14.00	9.00 – 13.25	3.00 – 4.75
Office sector		**26 674**	13.25	9.50	9.00	3.45
		7 793	11.50 – 12.50	8.00 – 9.75	8.00 – 9.50	2.39 – 4.50
		11 840	12.75 – 13.75	8.25 – 10.50	7.91 – 10.00	2.35 – 4.75
		7 041	14.00 – 15.00	8.25 – 11.00	7.73 – 10.00	2.10 – 4.50
Industrial sector		**11 326**	14.13	11.00	10.38	3.80
		3 093	12.00 – 13.00	8.50 – 10.25	8.00 – 9.50	3.24 – 4.00
		6 339	13.25 – 14.25	8.75 –11.25	8.52 – 10.50	3.08 – 5.00
		1 824	14.50 – 15.25	9.75 – 12.50	9.25 – 11.75	3.24 – 4.19
		70	15.75 – 16.25	11.75 – 13.50	11.25 – 12.75	3.75 – 4.19
Healthcare sector		**2 778**	13.00	9.00	9.00	4.00
Trading and development		**516**	15.00	10.00	10.00	4.00
GOZ office		**32 386**	6.13	5.64	5.26	2.90
		22 765	5.50 – 6.25	4.38 – 6.00	3.75 – 5.88	2.20 – 3.60
		1 249	5.50 – 6.25	4.38 – 5.38	3.75 – 5.13	2.20 – 3.60
		8 372	6.38 – 6.75	5.75 – 6.89	5.50 – 6.76	2.20 – 3.60
GOZ industrial		**16 008**	6.25	7.39	5.75	2.95
		13 091	5.25 – 6.25	4.25 – 6.41	4.00 – 5.89	2.40 – 3.50
		1 249	6.50 – 6.75	9.25 – 10.25	6.50 – 7.50	2.40 – 3.50
		1 668	6.50 – 7.25	5.91 – 7.56	5.25 – 7.34	2.40 – 3.50
Total		**114 185**				

Description	Valuation technique	Fair value Rm	Value/m² range
Retail sector	Market comparable approach	**314**	1 686.75 – 9 430.40
		114	1 686.75 – 5 327.41
		200	9 430.40 – 9 430.40
Office sector		**661**	1 233.56 – 19 759.45
		556	1 233.56 – 6 989.04
		105	13 736.26 – 19 759.45
Industrial sector		**1 025**	722.14 – 6 404.10
		617	722.14 – 3 299.60
		408	3 319.85 – 6 404.10
Total		**2 000**	

Further assumptions are used in the valuation of investment property. The estimated fair value would increase/(decrease) if the expected market rental growth was higher/(lower), expected expense growth was lower/(higher), the vacant periods were shorter/(longer), the occupancy rate was higher/(lower), the rent-free periods were shorter/(longer), the discount rate was lower/(higher) and/or the reversionary capitalisation rate was lower/(higher).

The property portfolio on page 77 to 99 of the Group annual financial statements provides further detail on each of the Group's investment properties.

3. Fair value estimation continued

3.4 Valuation techniques and significant unobservable inputs continued

Long-term loans granted

Description	Valuation technique	Significant unobservable inputs	Range of inputs	Relationship of unobservable inputs to fair value
V&A Waterfront	Valued by discounting future cash flows using the South African prime rate curve at the dates when the cash flows will take place.	Counterparty credit risk impacting the discount rate	Discount rate at prime + 0.50%	A change in the discount rate by 50 bps would increase/(decrease) the fair value by R56.9m/(R55.6m).
Acucap Unit Purchase scheme	Valued by discounting future cash flows using the South African swap curve at the dates when the cash flows will take place, capped at the Growthpoint share price at FY21.	Counterparty credit risk impacting the interest rate	6.55% – 8.36%	A change in the interest rate would not have an impact on the valuation as the loans were fair valued to the Growthpoint share price at FY21. The Growthpoint share are held as security for the loans.

Unlisted investments

Description	Valuation technique	Significant unobservable inputs	Range of inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
Lango Real Estate Limited	Valued by calculating the company's percentage of investment in the fund by the net asset value.	Discount rate (%)	13.3% – 16.8% (14.3% average)	A change in the discount rate by 50 bps would increase/(decrease) the fair value by R140.5m/(R135.2m).
		Exit capitalisation rate (%)	8.5% – 12.0% (9.0% average)	A change in the exit capitalisation rate by 50 bps would increase/(decrease) the fair value by R130.2m/(R120.2m).

Annexure 2

Directors' report

The directors are pleased to present their 33rd annual report that forms part of the Group annual financial statements for the year ended 30 June 2021.

Main business and operations

Growthpoint is a Real Estate Investment Trust (REIT) company and is the largest South African listed property company which owns a property portfolio of 432 directly owned properties in South Africa valued at R68.8bn, 55 properties valued at R49.5bn through its 62.2% investment in Growthpoint Properties Australia Limited (GOZ), seven properties valued at R10.5bn through a 52.1% investment in Capital & Regional Plc (C&R), a 50% interest in the properties of the V&A Waterfront, valued at R8.8bn, a 29.3% interest in the properties of Globalworth Real Estate Investment Limited (GWI), valued at R15.2bn, a 62.2% interest in the properties of Growthpoint Healthcare Property Holdings Limited (Healthcare) valued at R2.8bn and a 16.1% interest in the properties of Lango Real Estate Management Limited (Lango) value at R1.4bn.

Board composition

As at the date of issue of this report, Growthpoint had a unitary Board comprising 14 directors in total, four Executive Directors and 10 Non-executive Directors, eight of whom are regarded by the Board as independent. Notwithstanding the finding that two Non-executive Directors are considered to be non-independent, the Board's conclusion is that they nonetheless act and exercise their minds independently in their roles on the Board and respective committees.

On 21 September 2020 the Board appointed Mrs Prudence Lebina and Mr Andile Sangqu as Independent Non-executive Directors and as a continuation of the rejuvenation process, Mr Melt Hamman was appointed on 14 September 2021. Messrs John Hayward and Francois Marais will be stepping down from the Board at the upcoming AGM, due to tenure. Their contributions to the Board have been invaluable in their respective roles as Lead Independent Director and Chairman of the Board.

Rhidwaan Gasant was appointed as Deputy Chairman on 16 March 2021 and will take over from Francois Marais as Chairman when he retires on 16 November 2021.

The Board has carried out a formal skills profiling and assessment of the Non-executive and Executive Directors on the Board and considers its current composition to be suited to the business.

The Board has a Board-level gender diversification policy with a voluntary 30% target for female representation. Currently, the three female directors represent 21.4% of the total number of directors.

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

Financial results

	2021	2020	Year-on-year movement	% change year on year
Net property income (excluding straight-line lease income adjustment) (Rm)	**9 368**	8 774	594	6.8
Dividends (cents)	**118.5**	146.0	(27.5)	(18.8)
Interim dividend (six months ended 31 December)	**58.5**	106.0	(47.5)	(44.8)
Final dividend (six months ended 30 June)	**60.0**	40.0*	20.0	50.0
The interim dividends have been declared from distributable earnings. In line with IAS 10 Events after the Reporting Period, *the declaration of the final dividend will occur after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the annual financial statements. The dividends meet the requirements of a REIT's "qualifying distribution" for purposes of section 25BB of the Income Tax Act, No 58 of 1962, as amended.*				
Investment property at fair value (Rm)	**128 242**	139 113	(10 871)	(7.8)
Investment property held for trading and development (Rm)	**548**	900	(352)	(39.1)

** A final dividend of 40 cents per share was declared and paid after the FY20 reporting date based on FY20 distributable income*

Directors and secretary

A brief *curriculum vitae* of Mr M Hamman has been included in the FY21 integrated annual report.

Growthpoint's Financial Director was assessed by the Audit Committee (as is done annually) to be appropriately qualified and experienced for the position.

The Board recommends Mr FM Berkeley, Mrs KP Lebina, Mr AH Sangqu and Mr M Hamman as members of the Audit Committee on the basis that they are the Board members who possess the requisite qualifications and appropriate expertise for this committee.

The director appointed by the Board, who is to retire at the AGM to be held on 16 November 2021, but holds himself available for election as a director:

- Mr M Hamman – Independent Non-executive Director (appointed 14 September 2021).

Going concern

The annual financial statements of the Group were prepared on a going concern basis. The Board is satisfied that the Group has adequate resources and debt facilities to continue trading for the foreseeable future based on a formal review of the results, forecasts and assessing available resources.

Events after reporting period

Declaration of divided after reporting period

In line with IAS10 *Events after the Reporting Period*, the declaration of the dividend occurred after the end of the reporting period, resulting in a non-adjusting event that is not recognised in the financial statements.

Political unrest

In July 2021, the KwaZulu-Natal and Gauteng provinces of South Africa experienced significant protest action. These protests were accompanied by violence, theft and destruction of property. Regrettably, these actions have been disruptive to the broader South African society and to the country's struggling economy. The company had two retail and five industrial assets impacted, none of which suffered material damage. We continue to work with our business partners to safeguard our assets.

IFC loan

On 31 August 2021 the International Finance Corporation (IFC) invested USD20m into Healthcare. The Group signed a four-year USD60m convertible loan facility from the IFC, with the IFC having the option to convert the loan into Healthcare equity.

Long-term loan granted – V&A Waterfront

On 7 September 2021, the Group signed an extension of the long-term loan granted to the V&A Waterfront. The loan is now payable on 30 September 2026.

Approval of Group annual financial statements

The Group annual financial statements of Growthpoint Properties Limited, as described in the first paragraph of this statement, were approved by the Board of Directors on 14 September 2021 and are signed by:

LN Sasse
Group Chief Executive Officer
Authorised Director

14 September 2021
Sandton

JF Marais
Chairman
Authorised Director

14 September 2021
Sandton

Annexure 3
Ordinary share capital

Ordinary share capital

	Number of shares		Amount	
	2021	2020	**2021 Rm**	2020 Rm
Authorised				
Ordinary shares with no par value	**5 000 000 000**	5 000 000 000		
Issued and fully paid up				
Ordinary shares				
Issued at the beginning of the year	**3 022 496 382**	2 970 981 288	**48 737**	47 617
Issued during the year	**408 290 684**	51 515 094	**4 813**	1 120
In issue at the end of the year	**3 430 787 066**	3 022 496 382	**53 550**	48 737
Treasury shares				
Opening balance	**33 255 776**	20 393 600	**519**	400
Acquired during the year	**1 103 864**	15 248 564	**13**	168
Vested/exercised during the year	**(6 461 893)**	(2 386 388)	**(99)**	(49)
Closing balance	**27 897 747**	33 255 776	**433**	519
Net share capital	**3 402 889 319**	2 989 240 606	**53 117**	48 218

Annexure 4
Material change statement
For the year ended 30 June 2021

The directors report that there have been no material changes in the affairs, financial or trading position of the Group between 30 June 2021 and 14 September 2021, the date on which the financial results were approved by the Board.

Annexure 5
Financial assistance to related parties

Financial assistance to related parties

Loans	R
1 Roger Dyason (Pty) Ltd	1 179 078
Acucap Properties Limited	2 712 901 197
G Properties Two (Pty) Ltd	4 728
Growthpoint ABQ (Pty) Ltd	984 352 871
Growthpoint Healthcare Property Holdings (RF) Limited	886 972 626
Growthpoint Management Services (Pty) Ltd	2 450 464 231
Growthpoint Properties Australia Limited	430 253 723
Growthpoint Properties International (Pty) Ltd	2 234 153 127
Growthpoint Securitisation Warehouse Trust	4 089 189 886
Growthpoint Telecommunication Infrastructure (Pty) Ltd	5 768 225
Growthpoint TPG (Pty) Ltd	1 503 828 392
Metboard Properties Limited	1 225 334 961
Paramount Property Fund Limited	1 849 416 606
Stand 1135 Houghton (Pty) Ltd	103 680
Sycom Property Fund Managers (Pty) Ltd	4 568 545
V&A Waterfront (Pty) Ltd	7 702 448 933
	26 080 940 809

Guarantees	Obligation	Denomination	Nominal amount
Growthpoint Properties International (Pty) Ltd	Eurobond	USD	425 000 000
Growthpoint Properties International (Pty) Ltd	Derivative exposure	EUR	512 639 669
Paramount Properties Limited	Bank liabilities	ZAR	340 000 000

Annexure 6
Board of Directors and governance

1. Francois Marais (66) Chairman, Non-executive

BCom, LLB, H Dip (Company Law)

Joined the Board in 2003

Career: A founding member and partner of Glyn Marais Inc., although no longer responsible for directing the firm, a Chambers and Global 500 rated corporate lawyer, Director of Growthpoint Properties Australia Limited and V&A Waterfront Holdings (Pty) Ltd

Skills and expertise: Legal as applies to corporate finance in general and dispute resolution, particularly alternative dispute resolution, specialising in mergers and acquisitions and transaction funding

Professional membership: Law Society

B HR GN RM

2. Norbert Sasse (56) Group Chief Executive Officer

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

Joined the Board in 2003

Career: More than 25 years' experience in corporate finance dealing with listings, delistings, mergers, acquisitions and capital raising in the debt and equity capital markets focusing on the Real Estate sector. One of the founding members of the SA REIT Association. Director of major Group subsidiaries Growthpoint Properties Australia Limited, V&A Waterfront Holdings (Pty) Ltd and Capital & Regional PLC as well as one of the Group's major investments, Globalworth Real Estate Investments Limited. Inaugural recipient of the SAPOA Lifetime Achievement Awards

Skills and expertise: Experience in corporate finance, capital markets, property and general management

Professional membership: SAICA, EAAB (Master Practitioner in Real Estate)

B PI RM HR GN

3. Gerald Völkel (61) Group Financial Director

BAcc, CA(SA)

Joined the Board in 2013

Career: Ended 15 years in the auditing profession as an audit partner with the former Ernst & Young before joining JD Group Limited in November 1995, where he was appointed to its Board in April 2001 as the Chief Financial Officer and fulfilled that role for 12 years. Director of major Group subsidiaries

Skills and expertise: Financial, tax and general management

Professional membership: SAICA

B PI RM SET HR A

4. Estienne de Klerk (52) CEO: RSA

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

Joined the Board in 2008

Career: Extensive experience in listed property, involved in BEE transactions, takeovers, mergers and acquisitions. Represented the SA REIT Association as lead negotiator and signatory to the Property Sector Transformation Charter and chaired its REIT Committee, which negotiated and finalised the South African REIT tax and regulatory legislation with the SA National Treasury, SA Revenue Service, Financial Services Board and the JSE. Director of major Group subsidiaries, Growthpoint Properties Australia Limited and V&A Waterfront Holdings (Pty) Ltd and subsidiaries. Past President of SAPOA and Chairman of SA REIT Association

Skills and expertise: Financial, general management and property

Professional membership: SAICA, EAAB (Master Practitioner in Real Estate)

B PI RM HR A GN

5. Olive Chauke (50) Director of Human Resources

Bachelor of Social Science, Advanced Programme in Strategic Management from Henley Business School

Joined the Board in 2018

Career: More than 20 years' HR experience gained in both private and public companies in retail, petroleum, financial services, healthcare and hospitality

Skills and expertise: Strategic and operational, regional Africa and international human resource experience, including practical experience in transformational human resources

Professional membership: South African Board of People Practices

B RM SET HR

6. Frank Berkeley (65) Independent Non-executive

BCom, BAcc, CA(SA)

Joined the Board in 2019

Career: Former Managing Executive of Nedbank Corporate Property Finance. Previously Non-executive Director of Sycom Property Fund, Acucap Properties and Hospitality Property Fund. Over 35 years' experience in many aspects of the property industry, including greenfields development, redevelopment of properties, student accommodation, property banking and property equity investment

Skills and expertise: Extensive experience and expertise in strategy development and implementation, successful implementation of mergers, and leadership and management of large complex organisations. Frank's particular passion for many years has been the professional and personal development of people

Professional membership: SAICA

B PI HR A GN

7. **John Hayward** (70) Lead Independent Director
BSc (Hons)
Joined the Board in 2001

Career: Actuary and consultant, mainly in the investment and retirement fund fields

Skills and expertise: Finance, analytical and risk

B | RM | HR | GN

8. **Mpume Nkabinde** (61) Independent Non-executive
MBA, Honours in HRD, Bachelor of Social Science, Diploma in Adult Education, Postgraduate Diploma in Property Development and Management
Joined the Board in 2009

Career: Co-founder and Managing Director of Sigma Lifts and Escalators (Pty) Ltd and founder of the Engineering Partners' Group. Held senior management positions in the field of business development, human resources, communication, as well as training and development with reputable organisations including PG Bison and Otis (Pty) Ltd

Skills and expertise: Expertise in human resources, business development and general management, which have been acquired over a 20-year period in local and international companies

Professional membership: SAIBPP

B | HR | SET

9. **Patrick Mngconkola** (59) Independent Non-executive
BTech (Business Admin), BA (HR Management), National Diploma Police Admin, Certificate: Forensic Investigative Auditing (Unisa), Certificate: Property Development and Investment (UCT), Certificate: Advanced Risk Business Management (UCT), Certificate: Investment Management (UCT)
Joined the Board in 2012

Career: Former Non-executive Director of the PIC and former Trustee of the Government Employees' Pension Fund, Director of V&A Waterfront Holdings (Pty) Ltd and its subsidiaries

Skills and expertise: Broad experience with numerous years of studies in business oversight and as a public servant, particularly in finance, supply chain management and people management skills

Professional membership: The Institute of Directors South Africa

B | PI | SET

Board skills, experience and diversity

Skills and expertise

- Legal as applicable to corporate finance in general and dispute resolution
- Mergers and acquisitions
- Transaction funding
- Property and general management
- Financial and tax management
- Regional Africa and international human resource experience
- Transformational human resources
- Strategy development and implementation
- Implementation of mergers
- Leadership and management of large complex organisations
- Analytics and risk
- Human resources
- Business development in local and international companies
- Supply chain management
- Business financial restructuring
- Financial systems development
- Strategic planning and organisational transformation
- Private equity and investments
- Corporate finance
- Accounting and financial reporting
- Strategic leadership

Tenure

- 9 + years – 5 directors
- 5 – 9 year – 2 directors
- 1 – 4 years – 7 directors

Demographics

- African, Coloured and Indian (ACI) females – 3
  ACI males – 3
- White males – 8

Gender

- Females – 21.4%
- Males – 78.6%

Age

- ≥ 60 years – 6
- 50 – 59 years – 7
- 30 – 49 years – 1

Independence

- Executive Directors – 4
- Non-executive Directors – 2
- Independent Non-executive Director – 8

Key: Committee

B	PI	RM	SET	HR	A	GN			
Board	Property and Investment Committee	Risk Management Committee	Social, Ethics and Transformation Committee	Human Resources and Remuneration Committee	Audit Committee	Governance and Nomination Committee	Chairman of the committee	Standing invitation	By invitation

Annexure 6 *continued*

Board of Directors and governance *continued*

10. Rhidwaan Gasant (61) Independent Non-executive

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

Joined the Board in 2020

Career: Rhidwaan was previously the Chief Executive Officer of Energy Africa Limited and Financial Director of Engen Limited. He serves as an Independent Non-executive Director and chairs the Audit and Risk Committees of international companies in the MTN Group. He is Lead Independent Director of AngloGold Ashanti Limited

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

Professional membership: SAICA and CIMA

B | RM | A | GN

11. John van Wyk (57) Independent Non-executive

BCom, BAcc CA(SA)

Joined the Board in 2019

Career: John is an experienced private equity investor with a career spanning 29 years. Based in London, he is well known in the South African market. John was a partner at Actis, a prominent emerging market investor where he was responsible for managing Actis' private equity business in Africa and prior to that was a founding partner of Ethos Private Equity, a leading South African investor. John chairs the Board of Comcorp Holdings (Pty) Ltd and is an independent Investment Committee member of Nedbank's CIB. He also represents Nedbank on the Boards of certain of their investments

Skills and expertise: Experience in private equity and investments

Professional membership: SAICA

B | PI | RM | A | GN

12. Andile Sangqu (54) Independent Non-executive

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

Joined the Board in 2020

Career: Executive in Residence at the Gordon Institute of Business Science, served as Executive Head and Executive Director at Anglo American South Africa

Skills and expertise: A well-known businessman and thought leader, with expertise including business financial restructuring, financial systems development, implementation, strategic planning and organisational transformation in many businesses including Anglo American Platinum, Kumba Iron Ore, Pioneer Foods and Iliad Africa

B | SET | A | GN

13. Prudence Lebina (40) Independent Non-executive

BCom, HDip (Acc), CA(SA)

Joined the Board in 2020

Career: A chartered accountant with over 19 years' working experience in corporate finance, business development, financial reporting and stakeholder management in the financial services and mining sectors. Currently Chief Executive Officer of TriAlpha Investment Management, a fixed income investment house with more than R25bn assets under management

Skills and expertise: Business development, corporate finance, accounting and financial reporting, board and committee experience

Professional membership: SAICA and the Institute of Directors of South Africa

B | RM | A

New Non-executive Director appointed by the Board

14. Melt Hamman (50) Independent Non-executive

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

Joined the Board in 2021

Career: Melt served as CEO at Attacq Limited (Attacq) for three years and had occupied the position of CFO at Attacq for five years. He was instrumental in the listing of Attacq on the JSE in 2013 and the company's conversion to a REIT in 2018. He was the Chief Risk Officer at WesBank serving on the Executive Management team. Melt had several credit-related roles at FirstRand Limited and Nedbank Group Limited. He is currently an Independent Non-executive Director on the Board of MAS Real Estate Inc and privately owned agriculture businesses. Melt is an independent adviser to FNB Commercial on credit-related matters for their real estate portfolio and distressed clients

Skills and expertise: Experience in financial reporting, risk, banking, real estate and leadership development

Professional membership: SAICA

B | PI | A | GN


OPTUS

Annexure 7

Shareholders' analysis

As at 30 June 2021

	Number of shareholders	% of total shareholders	Number of shares	% of issued capital
Shareholder spread				
1 – 1 000 shares	13 433	42.87	2 988 810	0.09
1 001 – 5 000 shares	9 107	29.06	23 697 289	0.69
5 001 – 10 000 shares	3 178	10.14	23 296 618	0.68
10 001 – 20 000 shares	1 949	6.22	27 929 901	0.81
20 001 – 50 000 shares	1 435	4.58	45 621 122	1.33
50 001 – 100 000 shares	572	1.83	40 896 671	1.19
100 001 – 200 000 shares	469	1.50	67 666 558	1.97
200 001 – 500 000 shares	480	1.53	157 770 974	4.60
500 001 – 1 000 000 shares	267	0.85	186 027 075	5.42
1 000 001 – 10 000 000 shares	393	1.25	1 189 211 234	34.66
10 000 001 shares and over	54	0.17	1 665 680 814	48.56
Total	31 337	100.00	3 430 787 066	100.00
Distribution of shareholders				
Collective investment schemes	1 232	3.93	1 648 226 619	48.04
Retirement benefit funds	595	1.90	1 031 652 171	30.07
Retail shareholders	24 788	79.10	117 249 079	3.42
Sovereign wealth funds	44	0.14	103 851 367	3.03
Trusts	2 876	9.18	80 630 049	2.35
Scrip lending	34	0.11	68 240 997	1.99
Stockbrokers and nominees	37	0.12	67 961 940	1.98
Assurance companies	22	0.07	64 603 603	1.88
Organs of State	5	0.02	55 500 027	1.62
Insurance companies	254	0.80	49 802 398	1.44
Private companies	775	2.46	35 221 754	1.02
Treasury	2	0.01	27 799 781	0.81
Foundations and charitable funds	169	0.54	19 405 441	0.57
Custodians	56	0.18	18 206 811	0.53
Investment companies	64	0.20	14 765 855	0.43
Medical aid funds	38	0.12	14 299 485	0.42
Close corporations	221	0.71	5 323 203	0.16
Other companies	115	0.37	4 015 832	0.12
Hedge funds	8	0.03	3 735 851	0.11
Empowerment companies	2	0.01	294 803	0.01
Total	31 337	100.00	3 430 787 066	100.00
Public/non-public shareholders				
Non-public shareholders	19	0.06	509 051 488	14.84
Directors and associates	13	0.04	11 340 236	0.34
Government Employees Pension Fund	3	0.01	469 812 800	13.69
Treasury shares	2	0.01	27 799 781	0.81
Growthpoint Staff Incentive Scheme	1	0.00	98 671	0.00
Public shareholders	31 318	99.94	2 921 735 578	85.16
Total	31 337	100.00	3 430 787 066	100.00

	Number of shares	% of issued capital
Beneficial shareholders holding greater than 1% of the issued shares		
Government Employees Pension Fund	469 812 800	13.69
Eskom Pension and Provident Fund	110 998 290	3.24
Prudential SA Equity Fund	79 901 515	2.33
SIM Property Fund	79 002 834	2.30
Alexander Forbes Investments	65 871 664	1.92
Old Mutual Life Assurance Company SA	55 420 976	1.62
Stanlib Property Income Fund	52 368 213	1.53
Vanguard Emerging Markets Stock Index Fund (US)	52 160 839	1.52
Vanguard Total International Stock Index Fund	43 153 930	1.26
Unemployment Insurance Fund	40 875 500	1.19
Sentinel Retirement Fund	40 588 324	1.18
Ninety One Property Equity Fund	40 238 269	1.17
DFA International Real Estate Securities Portfolio	36 714 119	1.07
The People's Bank of China	34 349 308	1.00
Total	1 201 456 581	35.02
Fund managers holding greater than 1% of the issued shares		
Public Investment Corporation (SOC) Limited	477 083 787	13.91
Prudential Portfolio Managers (South Africa) (Pty) Ltd	198 922 352	5.80
Sesfikile Capital (Pty) Ltd	165 718 018	4.83
Sanlam Investment Management (Pty) Ltd	161 603 481	4.71
Ninety One SA (Pty) Ltd	146 910 378	4.28
The Vanguard Group, Inc.	137 920 641	4.02
Old Mutual Investment Group (South Africa) (Pty) Ltd	129 021 391	3.76
BlackRock Institutional Trust Company, N.A.	119 069 298	3.47
Meago Asset Managers (Pty) Ltd	116 751 886	3.40
STANLIB Asset Management Limited	116 489 413	3.40
Coronation Fund Managers Limited	69 777 219	2.03
Catalyst Fund Managers (Pty) Ltd	69 072 406	2.01
Momentum Asset Management (Pty) Ltd	63 263 253	1.84
Eskom Pension and Provident Fund	56 860 546	1.66
Absa Asset Management (Pty) Ltd	50 916 886	1.48
Laurium Capital (Pty) Ltd	45 333 811	1.32
State Street Global Advisors (US)	41 683 696	1.21
Dimensional Fund Advisors, L.P.	38 963 710	1.14
BlackRock Advisors (UK) Limited	38 683 902	1.14
Total	2 244 046 074	65.41

Annexure 7 *continued*

Shareholders' analysis *continued*

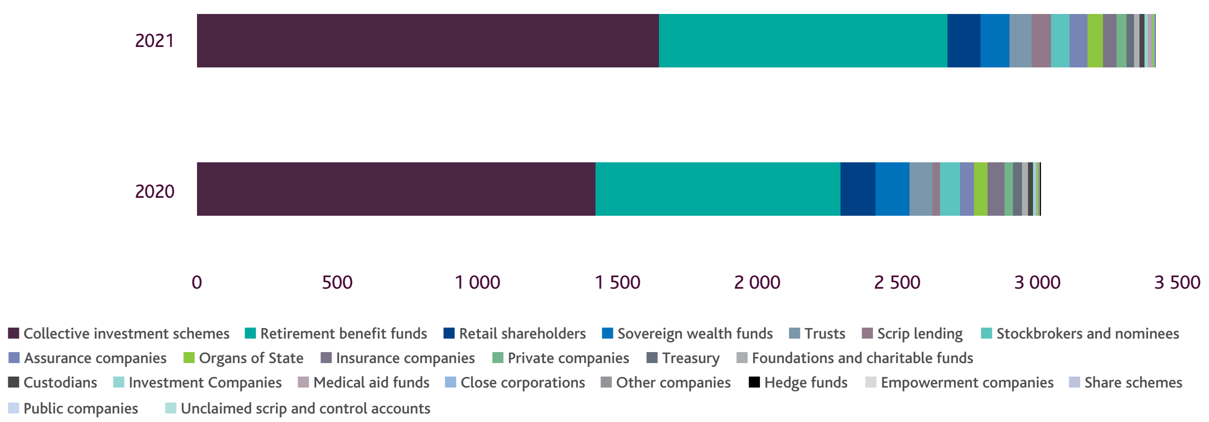
As at 30 June 2021

	25 June 2021	26 June 2020
Share performance – 12 months ended		
Shares traded	**2 937 007 254**	2 621 721 463
Shares traded monthly average	**244 750 605**	218 476 789
Shares in issue	**3 430 787 066**	3 022 496 382
Shares traded as % of number of shares in issue	**85.61%**	86.74%
Value traded	**38 317 915 352**	47 093 910 711
Value traded monthly average	**3 193 159 613**	3 924 492 559

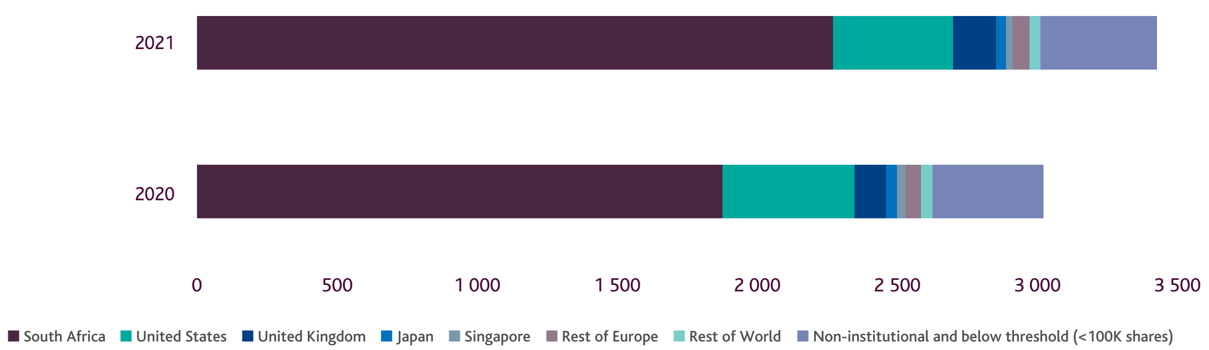
	Number of shares	%
Regional beneficial holdings		
South Africa	**2 653 202 232**	77.34
Americas	**407 258 343**	11.87
Europe	**227 774 577**	6.64
Asia	**118 154 311**	3.44
Middle East	**24 397 603**	0.71
Total	**3 430 787 066**	100.00

	Number of shares 2021	%	Number of shares 2020	%
Fund manager holdings by country				
South Africa	**2 269 958 978**	**66.16**	1 875 038 136	62.04
United States	**430 770 789**	**12.56**	471 072 699	15.59
United Kingdom	**152 415 241**	**4.44**	113 792 423	3.76
Japan	**37 924 779**	**1.11**	39 052 120	1.29
Singapore	**22 048 951**	**0.64**	31 132 815	1.03
Rest of Europe	**61 572 676**	**1.79**	55 717 107	1.84
Rest of World	**39 589 896**	**1.15**	41 361 939	1.37
Non-institutional and below threshold (<100K shares)	**416 505 756**	**12.15**	395 329 143	13.08
Total	**3 430 787 066**	**100.00**	3 022 496 382	100.00

Categories of holders (number of shares)



Fund manager holding by country (number of shares)



Annexure 8

Remuneration report

While remuneration is a complex and sensitive matter, the committee believes that the company's remuneration policy is fair, responsible and aligned with best practice. Its consistent application will ensure the attraction and retention of requisite talent and skills, sustain the performance culture in the company and lead to sustained value creation for all our stakeholders.

The Growthpoint remuneration report comprises four sections:

Part 1: Background statement
Part 2: Remuneration policy
Part 3: Implementation of remuneration policy
Part 4: Non-executive remuneration

In line with the King IV Report on Corporate Governance for South Africa 2016 (King IV) and the JSE Listings Requirements, shareholders will have the opportunity to exercise a non-binding advisory vote on Part 2 and Part 3 of this report at the AGM on 16 November 2021.

In terms of the Companies Act, shareholders will also have the opportunity to approve the FY22 Non-executive Directors' fees, detailed in Part 4, by way of a special resolution at this AGM.

We invite shareholders to engage with us prior to the 2021 AGM on any concerns or issues they may have regarding our remuneration policy or the implementation thereof. The company's Chairman, Deputy Chairman and the Chairman of the Human Resources and Remuneration Committee will be doing a remuneration roadshow to all major shareholders before the AGM. Shareholders can also engage with the company's Head of Investor Relations: Lauren Turner, directly: lturner@growthpoint.co.za or +27 11 944 6346.

PART 1: BACKGROUND STATEMENT

The Board of Growthpoint Properties Limited (the company) and the Chairman of the Human Resources and Remuneration Committee (the committee) have pleasure in presenting the company's remuneration report for the financial year ended 30 June 2021. Being the biggest South African, JSE primary listed REIT, Growthpoint is regarded as the domestic industry leader which sets the local benchmark. We are proud of our remuneration practices. The report sets out the company's current remuneration policy and the detailed implementation and disclosure of remuneration for Executive Directors and Non-executive Directors.

The committee considered King IV when compiling this report. We also worked with our independent adviser, PwC, to obtain guidance on the adoption and implementation of appropriate remuneration-related decisions.

The committee endeavoured to ensure, to the extent appropriate, consistent application of the company's remuneration policy, which was approved by our shareholders at the 2020 AGM. We incorporate the principles of fairness, transparency and consistency when it comes to the company's remuneration practices.

Deviations from the policy

The LTI scheme vested for the first time in FY21, with only 37.62% of the FY19 awards vesting as per the scorecard on page 61. To make way for the first LTI vestings, the STI awards for FY21 were to be reduced to 75% for the cash element and 50% for the deferred bonus element. However, this would have produced a result where STI for executives decreased 38% on average for FY21 versus FY20 which is not aligned with what shareholders experienced in the period.

As a result, the committee resolved to issue the FY21 awards at 100% for the cash element and 75% for the deferred bonus element per the scorecard on page 60, showing alignment between shareholders' returns and Executive Directors' compensation, with both parties seeing a similar deterioration in returns for the FY21 reporting period. Shareholders' distribution per share (DPS) for FY21 was down 18.8% on FY20, and distributable income per share (DIPS) was down 19.1%. In turn, Executive Directors' Short-Term Incentive (STI) rewards at 100% for the cash element and 75% for the deferred bonus element have decreased by 12.3% on average, compared to FY20, based on the STI scorecard on page 60:

	Total STI FY21	Total STI FY20	Decrease FY21 – FY20
Norbert Sasse	**9 968 100**	12 128 000	(17.8%)
Estienne de Klerk	**7 742 209**	9 336 000	(17.1%)
Gerald Völkel(1)	**4 210 608**	4 504 000	(6.5%)
Olive Chauke(2)	**1 277 411**	1 388 000	(8.0%)

(1) *Participation ratio of 75% for FY21 versus, 65% for FY20.*
(2) *Participation ratio of 40% for FY21 versus, 35% for FY20.*

In contrast, the share price increased 11.6% over the period, resulting in a total shareholder return of 20.5%.

Shareholder engagement and feedback

During November 2020, Growthpoint's Chairman and the Chairman of the committee conducted the annual remuneration roadshow to all major shareholders. We delivered the remuneration structure that was promised the year before and the 2020 remuneration report was well received. Shareholders supported our move to include DIPS as a performance measure, in view of the reduction in the pay-out ratio from 100% to 80%. Investors were generally concerned about the issuing of new and additional Covid-19-related awards during that time and were pleased to see that we did not issue any in FY20.

The total votes for the remuneration policy by our shareholders at our December 2020 AGM were lower than expected, given historic voting outcomes and the positive engagement during the roadshow, as well as our consistent approach to remuneration which supports our ongoing commitment to the highest levels of corporate governance, transparency and disclosure.

Last three years' AGM voting outcomes

AGM	Remuneration policy	Implementation of the remuneration policy
8 December 2020	85.17% for (14.83% against)	75.98% for (24.02% against)
12 November 2019	97.41% for (2.59% against)	97.02% for (2.98% against)
13 November 2018	96.09% for (3.91% against)	93.85% for (6.15% against)

The committee considered all shareholder suggestions on our remuneration structure and implementation. However, in its efforts to remain consistent and appropriate, not all have been incorporated into the FY21 remuneration structure. Feedback received and the response thereto, is set out below:

Key themes from the November 2020 remuneration roadshow	
Feedback received	**Response/action undertaken**
Given the risk-averse environment, risk measures should have a higher weighting	✓ Risk measures have been increased from 5% to 15% for FY21.
A net asset value (NAV) measure should be incorporated in the STI scorecard	✗ NAV measures are included in the LTI scorecard which vests for the first time this year. In line with the committee's focus on consistency, we have decided not to change the STI measures.
Group LTV versus SA LTV under risk measures	✓ Given that Executive Directors are responsible for capital management and driving the internationalisation strategy, the committee has retained Group LTV as the relevant LTV measure.
Adjustment to the STI LTV KPI in the light of the November 2020 equity raise	✗ The committee considered making changes to the STI LTV KPI as a result of the equity raise but decided not to, albeit that it was funded by investors. Executive Directors continue to steer the business in uncertain times. Bolstering our balance sheet was necessary and has placed the business in a stronger financial position, from which all stakeholders have benefited.
Use of additional awards to motivate and retain executives not supported	✓ No additional awards have been issued in FY21.
More disclosure required for ERS awards	✓ No ERS awards were issued in FY21. The committee will engage with shareholders should future awards be made.

Market capitalisation benchmark

The committee's policy is to change the market capitalisation comparator group every three years. This benchmark is used for benchmarking Executive Directors' total remuneration, as well as Non-executive Directors' fees. In line with this policy, and given that the comparator group was last updated in FY18, the FY21 comparator group inclusion was based on a 30-day volume weighted average price (VWAP) as of 30 June 2020. Our methodology is to include the next six companies with a market capitalisation larger than Growthpoint and the next six companies with a market capitalisation smaller than Growthpoint, excluding mining and obviously non-comparable companies. This comparator group will remain in place for FY21, FY22 and FY23 (subject to e.g. mergers) and consists of the following companies:

- Bidvest Limited
- Mediclinic Int Plc
- Mr Price Group Limited
- Multichoice Limited
- Nedbank Group Limited
- Pepkor Holdings Limited
- PSG Group Limited
- Rand Merchant Inv Holdings Limited
- Santam Limited
- The Spar Group Limited
- Tiger Brands Limited
- Woolworths Holdings Limited.

Short-term incentive (STI)

Peer group for relative performance measures

STI relative performance measures have historically been benchmarked against companies in the FTSE/JSE SA REIT Index. Last year, however, to ensure the relevance and comparability of the peer group data, we decided to only include companies from the FTSE/JSE SA REIT Index whose results spanned the period 27 March 2020 to 30 June 2020, encompassing the impact from the Covid-19 pandemic. On this basis, Attacq, Emira Property Fund, Fortress REIT, Hyprop Investments, Liberty Two Degrees, Resilient REIT and SA Corporate Real Estate were included in the peer group benchmark. To ensure fairness and consistency, and in line with what we communicated last year, the committee confirms that the same companies that were excluded last year remain excluded for the FY21 STI calculations. These companies have year ends later than Growthpoint and, as such, will potentially show a different Covid-19 impact in their numbers.

For FY22, it is intended to use the larger peer group for relative performance, including all companies in the FTSE/JSE SA REIT Index.

To ensure the independence of the peer group calculations, the committee once again utilised the services of Investec Corporate Finance to perform this work.

Financial measures

The company's performance for the financial year was below budget. Unfortunately, the ongoing impact of the Covid-19 pandemic on the business, the weak domestic macro-economic environment and less dividends being received from our international investments, have had a negative impact on the absolute financial performance measure – where a 0% score was achieved. This KPI is based on budgeted DIPS of 162.6 cents (-11.2% decline from FY20 DIPS of 183.1 cents) versus the 148.1 cents that we delivered for FY21, which was 19.1% down on FY20. This was further impacted by the November equity raise which was not included in the budget of 162.6 cents and had a dilutionary effect on a per share basis. Our DIPS declined 2.9% on a weighted basis with Growthpoint's weighting capped at 15%, which was at the median of where the peer group performed, placing Growthpoint on target at the median, producing a total score for financial measures of 27.5% out of 55%.

Risk measures

Feedback received from shareholders on our 2019 and 2020 remuneration roadshows was that we should increase the weighting of our risk measures for the STI, due to the risk-averse environment. Despite this recommendation from shareholders, the committee decided not to increase the weighting for FY20 as it would have benefited executives, which the committee felt was inappropriate at the time. However, as a result of a sharpened focus on balance sheet strength due to Covid-19, the committee has decided to increase the weighting for risk measures from 5% to 15% for FY21 and going forward. Both the interest rate hedging and ratio of secured to unsecured debt measures achieved a stretch score of 150%. The Group LTV measure was on target at 100% and the debt expiry profile measure was between threshold and target at 80%. A total score of 17.40% out of 15.00% was achieved for risk measures.

Non-financial measures

Non-financial measures, including environmental, social and governance (ESG) related measures have gained prominence among investors. ESG is a golden thread that runs through Growthpoint's operations and strategy. To link ESG measures to the total remuneration outcome for Executive Directors, KPIs incorporate customer satisfaction, transformation and sustainability in both the STI and the LTI schemes. A total score of 16.82% out of 15% was achieved as a result of achieving stretch on the transformation measure, target on sustainability and between threshold and target for client satisfaction.

Given the volatile environment as a result of the second and third Covid-19 waves and the domestic unrest which had a significant impact on the KwaZulu-Natal region, it was once again inappropriate to perform the client satisfaction survey. However, the unprecedented environment since March 2020 has paved the way for increased client engagement, with rental relief having been offered to many. We believe that this has been advantageous in further solidifying relationships. As a result, this KPI was measured based on the results of the previous survey conducted.

The committee is proud of the level 1 B-BBEE score that the company achieved for the period, which is an endorsement of the company's commitment to transformation in line with its published transformation strategy. Growthpoint's target is a minimum level 4 B-BBEE score.

ESG at Growthpoint is important and increasingly embedded into the operations of the business. We are pleased to be included, for the 12th year, in the FTSE/JSE Responsible Investment Index. We scored 2.8 out of 5, which was above the industry average of 2.5. Inclusion in the index is necessary to achieve on-target performance. In order to achieve stretch, Growthpoint would need to be a top 30 constituent, which it was not in this assessment period.

Personal measures

Due to commercial sensitivities and confidentiality, the committee has decided not to provide further details on these measures in this report. We can, however, assure stakeholders that targets are robust and that Executive Directors have done well to steer and manage the business in unprecedented and difficult times, creating value for all stakeholders.

Long-term incentive (LTI)

The first LTI awards issued in October 2018 which were based on a three-year forward measurement period including FY19, FY20 and FY21, vest in October 2021. These awards were based on 75% of FY19's TFR and issued at a 90-day VWAP of R24.93 at the date of issue. The share price as of 30 June 2021 was R14.90, which represents a decline of 40.23% in the value of the awards since issue date. Given the 90% weighting of financial measures for LTI performance, and with the share price and NAV per share having declined 44.2% and 20.8% respectively, over the three-year measurement period, impacting both the total return and total shareholder return measures, only 37.62% of the awards vested, based on the LTI scorecard on page 61. The financial outcome of the new LTI scheme for management has therefore been negatively impacted by both the share price decline over the three-year period and the reduced vesting percentage.

Retention

The impact of Covid-19 and the deteriorating macro-economic environment have had a significant effect on remuneration, and the committee is concerned about meaningful retention. Executive Directors are earning significantly less than they were earning two years ago:

	Total remuneration FY19 R	Total remuneration FY20 R	**Total remuneration FY21 R**	Decline FY19 to FY20	**Decline FY19 to FY21**
Norbert Sasse	37 907 734	27 215 392	**22 337 461**	(28.2%)	**(41.1%)**
Estienne de Klerk	28 325 095	20 490 713	**16 657 725**	(27.7%)	**(41.2%)**
Gerald Völkel(1)	10 328 127	9 563 278	**9 064 593**	(7.4%)	**(12.2%)**
Olive Chauke(2)	3 843 008	3 671 831	**3 689 501**	(4.5%)	**(4.0%)**

* *Calculated based on actual value of ERS vestings in the period and October 2021 LTI vesting based on a share price of R14.90 (closing price on 30 June 2021).*
(1) *Participation ratio increased to 75% for FY21 versus 65% FY20.*
(2) *Participation ratio increased to 40% for FY21 versus 35% FY20.*

The 44.2% decline in the share price since 30 June 2019 has affected the value of vestings for the LTI scheme, executive retention scheme and STI deferred bonus scheme, as well as shares owned directly in terms of the minimum shareholding requirements applicable to Executive Directors.

We are acutely aware of our commitments to consistency and alignment, but somehow a balance needs to be struck to provide for the retention and motivation of Executive Directors and key talent to deliver on the Growthpoint business strategy.

Given the unintended consequences of the outcomes of the above mentioned schemes on fair and reasonable remuneration and retention. We have decided that STI award percentages for FY22 will be offered to Executive Directors at a maximum STI opportunity of 200% of TFR, of which 100% can be earned in cash and 100% would be deferred into shares that vest in equal tranches over three years. In addition the FY22 LTI awards will be issued at 100% of TFR. This approach was deemed appropriate, given that there remains a strong link to pay-for-performance and it provides an additional retention leg, that is still anchored on the delivery of Growthpoint's short-term objectives.

Use of the executive retention scheme (ERS)

In an environment where key skills are scarce and where there is an exit of key talent from the industry, our remuneration policy is a vital tool to ensure that key talent is attracted, motivated, engaged and retained. The ERS is designed to retain senior management over the long term and is not awarded on a regular basis. The last significant initial award was made in 2014, with 10% of these initial awards vesting in FY21 and the last 10% vesting on 1 April 2022. No ERS awards were granted in FY21.

Annual fixed remuneration increases

Last year, the committee reviewed its strategy for the awarding of the annual July increases and, for the first time in the company's history, not all employees participated in the increase-award process. Only the bottom 80% of earners that performed satisfactorily received an increase.

In July this year, however, increases were awarded to all employees who performed satisfactorily.

Succession

The committee has extensively considered succession and embarked on a project that will be completed in FY22. On this basis, all positions have been realigned and roles have been specified to ensure the execution of the company's strategy and a new corporate structure has been approved by both the committee and the Board. The final phase will be completed in FY22 and will involve placing employees in the relevant positions in the new structure and ensuring succession for each position.

Conclusion

The committee takes a long-term view on growth and success and strives to incorporate this vision into Growthpoint's remuneration policies and practices. These are designed to facilitate the delivery of the company's strategy on a sustainable basis.

We believe that the remuneration of Executive Directors for FY21 reflects the successful delivery of this strategy in a very challenging and unprecedented environment. The company's risk management and conservative practices have proved their worth. In addition, the committee believes that management has done an excellent job in leading the business through the extremely challenging and unprecedented Covid-19 environment. We are also satisfied that there is a strong pay-for-performance link with targets that contain enough stretch, KPIs and targets that remain relevant and appropriate incentives for Executive Directors who will be navigating the considerable challenges that lie ahead.

While remuneration is a complex and controversial matter, the committee believes that the company's remuneration policy is fair, responsible, and aligned with best practice. Its consistent application will sustain the performance culture in the company and lead to sustained value creation for all our stakeholders. We are therefore satisfied that the remuneration policy fulfilled its objectives for FY21 and believe that we adequately fulfilled our duties. As such, the committee trusts that shareholders will support the remuneration resolutions at the AGM on 16 November 2021.

Signed on behalf of the Board of Directors

John Hayward
Human Resources and Remuneration Committee Chairman

PART 2: REMUNERATION POLICY

Fair and reasonable pay

Growthpoint is committed to ensuring that its remuneration policy and philosophy is fair, responsible, and aligned with all South African legislation as well as the "Equal Pay for Work of Equal Value" code of good practice. Central to this philosophy is the principle that overall compensation at Growthpoint is tied to performance at both employee and company levels. At the beginning of each financial year, managers identify key performance objectives they want employees to achieve. Delivery against these objectives is assessed twice a year and the employee's annual fixed remuneration is reviewed annually. Based on the company's and the employee's individual performance outcome, the review may lead to an increase in the employee's fixed remuneration and the award of a cash performance bonus.

Our pay for performance objectives are as follows:
- To attract, recruit, develop and retain the talent required to realise business goals
- To communicate and reinforce the values, goals and objectives of the company
- To engage employees in Growthpoint's success
- To reward employees for the company's achievement and their contribution to this achievement
- To ensure that Growthpoint's remuneration is competitive as measured through various remuneration surveys
- To promote our employee value proposition, which includes the creation of a performance-orientated corporate culture, underpinned by our values.

To realise our objective of being an employer of choice and to ensure that all our employees stay engaged and motivated, we continue to make awards of zero-cost share options to all staff, excluding the Executive Directors and other Executive Committee members under the Growthpoint Staff Incentive Scheme (GSIS).

Growthpoint continues to make strides in ensuring that our total rewards make a significant improvement to the quality of life of our employees, especially those at lower-earning levels. Our goal is to ensure that all our employees are paid a living wage, defined as the minimum income necessary for a staff member to meet their basic needs. Due to the subjective nature of the term "needs", there is no one universally accepted measure of what must be included in our definition of a living wage, and it will vary by household type. Furthermore, the living wage differs from the national minimum wage in that the latter is governed by national legislation and may fail to meet the requirements to have a basic quality of life, leaving a family to rely on various government grants for additional income. Growthpoint's philosophy on the living wage is to provide a level of income that enables our lowest paid employees to afford a modest but decent standard of living. This generally means that our employees should be able to afford food, shelter, clothing, utilities, transport, healthcare and childcare. In addition to fixed and variable pay and awards made under the GSIS, there are benefits enjoyed by employees, which are solely paid for by the employer.

These include:
- Admed Insurance gap cover, which covers employees' medical cost shortfalls
- Personal accident cover
- Dread disease cover
- Educational assistance for qualifying employees' dependants through our GEMS programme (see page 91 of the IAR more information).

Growthpoint values all staff and strives to ensure that remuneration is structured fairly. Superior performance is encouraged and rewarded. We recognise that remuneration forms an integral part of the employment offering that enables us to attract, reward and retain the talent we need to meet the company's objectives. We are particularly proud of our GSIS and believe that the participation of all employees (excluding Executives) in the GSIS, through the granting of zero-cost share options, helps us to create a culture of ownership in which employees are satisfied, engaged and motivated to perform to the best of their ability.

The company participates in annual market remuneration surveys to ensure that our remuneration remains competitive.

As a designated employer (an employer with 150 or more employees), Growthpoint is also required by law, as regulated in the Employment Equity Act, to analyse the actual remuneration paid to all employees. This analysis is conducted annually to ensure that there are no disparities based on race, gender or arbitrary grounds and that differences are based on justifiable grounds as allowed for in law, for example scarce skills experience and tenure. Growthpoint also provides a process to advise if gaps exist and how these are being or will be addressed. In terms of section 27(1) of the Employment Equity Act 55 of 1998 as amended, Growthpoint submits to the Department of Labour the income differential statement by 15 January annually.

Elements of remuneration

The organisation-wide remuneration structure provides for fixed and variable elements for its Executive Directors and Executive Committee members (jointly referred to as Executives) and all other employees.

Executive remuneration has the following elements:
1. Total fixed remuneration comprising fixed remuneration and benefits.
2. Variable remuneration comprising the following short-term and long-term incentives:
   - Short-term incentive: cash bonus which is awarded annually
   - Short-term incentive-deferred bonus: zero-cost options, awarded annually and vesting equally over three years with no further performance measures
   - Long-term incentive: executive retention scheme (ERS) with initial awards granted on 1 April 2014 with an eight-year vesting profile. This scheme is used for retention purposes with awards made on an *ad hoc* basis
   - Long-term incentive: conditional share plan with the first awards made in FY19. Awards under this scheme have a three-year forward measurement period and awards are made annually with cliff vesting after three years.

Total fixed remuneration (TFR)	**Fixed remuneration**	Fixed remuneration is paid in cash. Executive Directors' fixed remuneration is targeted at the market median of the comparator group (see page 49), while remuneration for key employees may be set at the upper quartile to ensure attraction and retention of high-performing talent.
	Benefits	Competitive benefits for executives and all other employees include a defined contribution provident or pension fund, medical aid schemes and life cover. Company-paid benefits include personal accident, dread disease, approved medical gap cover, disability and death benefit cover.
Variable remuneration	**Short-term incentive (STI) – cash bonus**	For Executive Directors, performance measures for the STI include threshold and stretch targets, measured over a 12-month period: **Group measure – 85% of STI[1]** **55% Financial:** • 27.5% Absolute DIPS growth relative to budget • 27.5% Relative DIPS growth to peers in the FTSE/JSE SA REIT Index. **15% Risk measures:** • 3% Group LTV ratio • 3% debt expiry profile • 3% interest rate hedging • 3% secured versus unsecured debt • 3% Moody's rating. **15% Non-financial:** • 5% customer satisfaction survey • 5% transformation achievements against the Board-approved transformation strategy which links to the internal target on B-BBEE scorecard • 5% sustainability achievements relative to inclusion in the FTSE/JSE Responsible Investment Index to achieve on-target performance, and inclusion as a top-30 constituent to achieve stretch. **Personal measure – 15% of STI[1]:** Delivery on strategy and specific personal targets and objectives. Absolute DIPS is scored relative to budget DIPS which is set at the beginning of the financial year and is derived from a rigorous bottom-up budgeting process. A 1% delta both up and down determines the modifier for absolute DIPS growth as follows:

Achievement against budget	Vesting level	Applicable modifier
More than 1% below budget	Below threshold	0%
1% below budget	Threshold	50%
Equal to budget DIPS	Target	100%
More than 1% above budget	Stretch	Capped at 150%

Linear interpolation will occur on the modifier between the threshold and target performance and between target and stretch performance.

Annexure 8 *continued*

Remuneration report *continued*

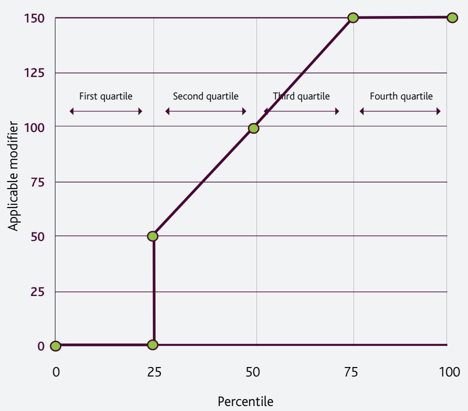
Variable remuneration (continued)

Short-term incentive (STI) – cash bonus *continued*

Relative DIPS growth is benchmarked to peers in the FTSE/JSE SA REIT Index. For FY21, the same companies that were excluded for the FY20 calculation have once again been excluded. Constituents' DIPS growth is weighted by market capitalisation, including Growthpoint, with all constituents capped at 15%, over a 12-month rolling period and is ranked according to percentiles as follows:

Percentile (X)	Vesting level	Applicable modifier
< 25%	Below threshold	0%
25%	Threshold	50%
50%	Target	100%
≥ 75%	Stretch	Capped at 150%

Short-term incentive (STI) – cash bonus (%)



Linear interpolation will occur on the modifier between the threshold and target performance and between target and stretch performance.

For FY21, the cash bonus under the STI scheme for Executive Directors was awarded at a maximum of 100% of TFR, which was then modified according to performance on the scorecard, see page 60.

For FY22, the cash bonus will again be awarded at a maximum of 100% of TFR, which will then be modified according to performance.

The above performance measures apply to all Executive Committee members. However, the weightings between Group and personal measures will vary from member to member, as well as the participation ratio.

For all other employees, excluding executives, the annual cash bonus is determined by comparing individual performance to agreed performance objectives.

Short-term incentive (STI) – deferred bonus under the GSIS

All Executives receive a deferred bonus in the form of zero-cost share options, vesting over a three-year period of one third each, following the award date, with no further performance conditions.

For FY21, the deferred bonus under the STI for Executive Directors was decreased and awarded at a maximum of 75%, previously 100%, of TFR which was then modified according to performance on the scorecard, see page 60.

For FY22 the deferred bonus for Executive Directors will be increased and awarded at a maximum of 100% of TFR, which will then be modified according to performance.

The only zero-cost share options awarded to executives are for the deferred bonus as part of their STI.

The committee, in appropriate circumstances and to ensure fairness, applies its discretion to determine an appropriate STI for executives, ensuring that both the quantum and the change in total STI from the previous year are not grossly misaligned with the overall performance of the company, at all times considering alignment with what shareholders have experienced over the same period.

Zero-cost options – under the GSIS

All Growthpoint employees, excluding executives, are annually awarded zero-cost options under the GSIS that vest over a five-year period. The quantum is based on a target percentage of their fixed remuneration.

Target percentages are linked to market benchmarks and can be increased by approval of the committee for critical skills and individual retention.

The vesting profile allows for 0% of the awards to vest after year one, and 25% to vest in each successive year from year two, with the last vesting of each award taking place after five years.

Variable remuneration (continued)

Long-term incentive executive retention scheme (ERS) awards under the GSIS

Executives and a limited number of key senior managers participate in the ERS as part of the GSIS. The ERS is a notional share purchase scheme which simulates a share purchase scheme that is half funded with debt. The initial options granted on 1 April 2014 had an initial strike price of R11.43 based on a 50% discount to the Growthpoint 30-day clean VWAP as traded on the JSE on the day of granting of the initial options.

Each option's strike price is adjusted on a notional basis by:

- Increasing the strike price by 8.25% per annum, compounding on the distribution payment date and representing interest on the notional debt
- Decreasing the strike price by the actual distribution per share declared and paid by the company.

The characteristics of the ERS provide for perfect alignment between Executive Directors and shareholders, in that the eventual value that an executive will receive under the ERS is driven by the actual DPS, growth in the DPS, and the share price.

These options vest on 1 April each year over eight years and give the option-holder the right to acquire one Growthpoint share at the variable strike price at the vesting date. The vesting schedule in respect of the initial awards was as follows:

1 April 2015	0%
1 April 2016 and 1 April 2017	10% pa
1 April 2018, 1 April 2019 and 1 April 2020	20% pa
1 April 2021 and 1 April 2022	10% pa

LTI scheme under the GSIS

The LTI scheme gives executives conditional rights to shares. It includes threshold and stretch targets and has a forward measurement period of three years with awards settled in shares.

Awards are made based on the LTI award percentage, which for FY22 will be a maximum of 100% of TFR, and expressed as a number of Growthpoint shares based on a 90-day VWAP calculated on an ex-distribution basis, on the grant date.

The FY21 LTI awards will vest in FY24, and the vesting percentage will be subject to the following three-year performance measures:

Financial – 90% of LTI

- 30% absolute total return (TR)[2] where TR is measured against Growthpoint's weighted average cost of capital (WACC) calculated as the average risk-free rate over three years, plus 3%
- 30% relative TR measured against peers in the FTSE/JSE SA REIT Index
- 30% relative total shareholder return (TSR)[3] measured relative to peers in the FTSE/JSE SA REIT Index.

Non-financial – 10% of LTI

Average of non-financial measures over three years per the STI scorecard:

- 3.33% customer satisfaction survey
- 3.33% transformation achievements measured against the Board-approved transformation strategy which links to the internal target on B-BBEE scorecard
- 3.33% sustainability achievements relative to inclusion in the FTSE/JSE Responsible Investment Index to achieve on-target performance, and inclusion as a top-30 constituent to achieve stretch.

Absolute TR will be scored relative to WACC per above. A 1% delta, both up and down, will determine the modifier for absolute TR as follows:

Achievement against WACC	Vesting level	Applicable modifier
More than 1% below WACC	Below threshold	0%
1% below WACC	Threshold	50%
Equal to WACC	Target	100%
More than 1% above WACC	Stretch	Capped at 150%

Variable remuneration (continued)

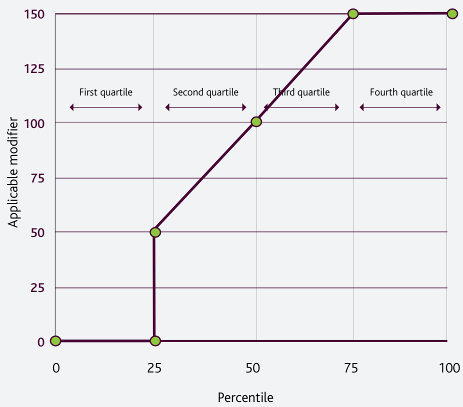
LTI scheme under the GSIS *continued*

Linear interpolation will occur on the modifier between the threshold and target performance and between target and stretch performance.

TR and TSR relative to peers in the FTSE/JSE SA REIT Index will be market capitalisation weighted, including Growthpoint, capped at 15%, over a 36-month rolling period and will be ranked according to percentiles as follows:

Percentile (X)	Vesting level	Applicable modifier
<25%	Below threshold	0%
25%	Threshold	50%
50%	Target	100%
≥75%	Stretch	Capped at 150%

LTI scheme under the GSIS (%)



Linear interpolation will occur on the modifier between the threshold and target performance and between target and stretch performance.

The vesting percentage will be multiplied by the number of shares which constituted the award which can then be exercised.

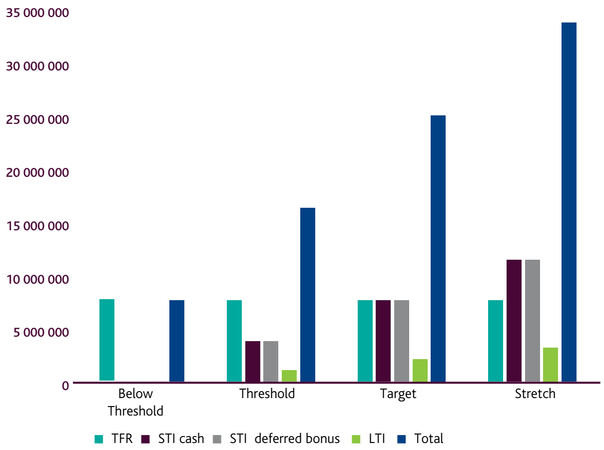
(1) *Group measures and personal measures are 50% each for the Human Resources Director.*
(2) *TR = (closing tangible net asset value per share (TNAVPS) – opening TNAVPS) + DPS for the period/opening TNAVPS. The TNAV is calculated by subtracting intangible assets and adding deferred tax liabilities to ordinary shareholders' equity.*
(3) *TSR = (closing 90-day VWAP – opening 90-day VWAP) + DPS for the period/opening 90-day VWAP. The VWAP is calculated with reference to the relevant company's last reporting date (whether interims or finals) and is calculated ex dividend.*

FY22 remuneration scenarios

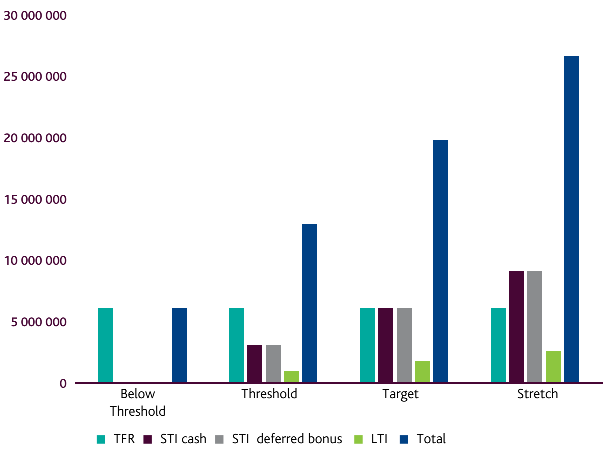
The FY22 remuneration scenarios are depicted below using FY22 TFR and assuming the following:

- LTI vestings per the table of unvested awards on pages 63 to 65
- STI participation ratio for the cash and deferred bonus portion of 100% each for both the Group CEO and SA CEO, 75% each for the Group FD and 40% each for the Human Resources Director.

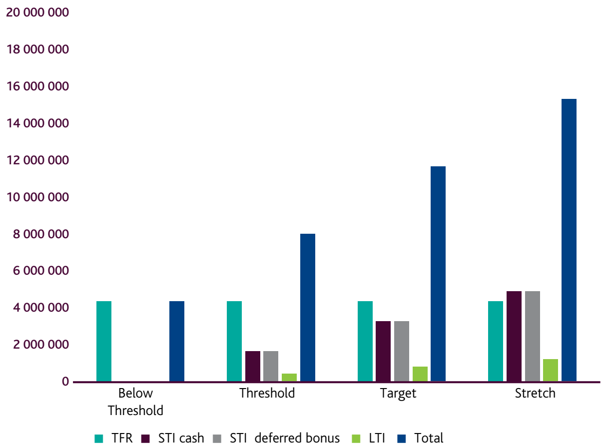
Group CEO FY22 remuneration scenarios



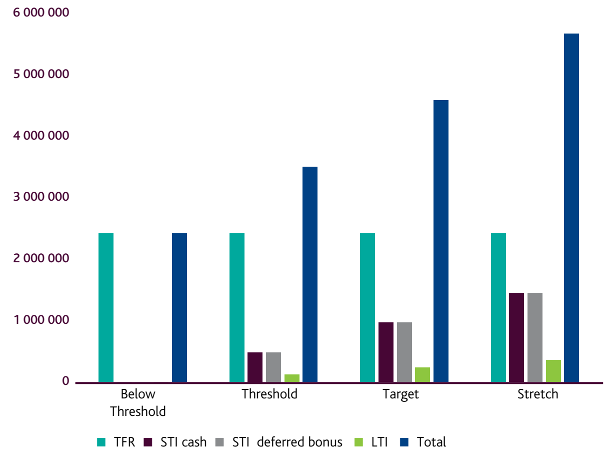
RSA CEO FY22 remuneration scenarios



Group Finance Director FY22 remuneration scenarios



Human Resources Director FY22 remuneration scenarios



GSIS

The first awards under the GSIS were made in 2008. The aggregate number of options/shares that may be awarded to participants over the duration of the GSIS is currently 75m, representing around 2.2% of the issued shares of the company. As of 30 June 2021, 66m shares had been awarded and 9m forfeited by participants, leaving 18m shares available for issue.

In the case of termination of employment, the GSIS provides for forfeiture of all unvested options. In certain instances, at the discretion of the committee, *pro rata* future vesting may be allowed (for instance in the case of retirement and death in service).

Service contracts

The Group CEO and RSA CEO have service contracts with Growthpoint which provide for the following:

- An indefinite period of service, subject to the normal retirement age of 65 as per the company policy, with a reciprocal six months' notice of termination provision
- Paid "garden leave" for Executives at the company's discretion;
- Unpaid restraints in relation to the company's clients, staff and corporate opportunities
- The KPAs and KPIs against which the executives are measured.

The Group Financial Director and the Human Resources Director have employment contracts which provide for paid garden leave, restraint and reciprocal six months' notice of termination provisions.

Malus and clawback

Deferred bonus shares awarded to Executives under the STI scheme, as well as shares awarded to executives under the new LTI scheme, are subject to malus and clawback provisions which are at the discretion of the committee. Malus will be applied to unvested or unpaid incentives and clawback will be applied to vested and settled incentives. Reasons for malus and clawback include:

- Gross misconduct of an executive
- Material misstatement of the company's audited financial results.

Earnings from independent subsidiary and associated company appointments

Executive and Non-executive Directors of Growthpoint may be, and are from time to time, appointed to serve on Boards of independent companies in which Growthpoint has acquired controlling or strategic shareholdings. Such appointments are made with the approval of Growthpoint's Board. Non-executive Directors of Growthpoint who hold such Board positions are permitted to receive and retain Directors' fees paid to them by such subsidiaries or associated companies. Executives of Growthpoint so appointed shall fulfil their roles on the boards of such subsidiaries or associated companies as part of their executive responsibilities towards Growthpoint and any Directors' fees earned by them from such companies shall be payable to Growthpoint, except to the extent that the committee may from time to time decide otherwise (as is the case in respect of such fees earned from GOZ Board appointments). Details of the remuneration earned and/or received by Executive Directors, Non-executive Directors and other executives for services rendered to independent subsidiaries and associated companies are reflected in note 23 of the FY21 annual financial statements (AFS) pages 47 and 48.

Executives are not permitted to hold external directorships in other publicly traded entities without the approval of Growthpoint's Board.

Minimum shareholding requirements

In line with shareholder feedback and in order to align our Executive Directors' interests with those of our shareholders and demonstrate their commitment to long-term growth, minimum shareholding requirements are in place. Executive Directors have been given five years from the adoption of the policy, 1 July 2018, or from their appointment to accumulate their holdings:

Executive Director	Shareholding as at 30 June 2021	Share price as at 30 June 2021 R14.9	% of FY21 TFR	Minimum shareholding requirement Target 2024
Norbert Sasse	2 627 413	R39 148 454	536%	200% of TFR
Estienne de Klerk	2 975 389	R44 333 295	781%	150% of TFR
Gerald Völkel	124 297	R1 852 025	45%	100% of TFR
Olive Chauke	–	–	–	50% of TFR

PART 3: IMPLEMENTATION OF REMUNERATION POLICY

Fixed remuneration adjustments

Salary increases were awarded with effect from 1 July 2021 and are applicable for the period July 2021 to June 2022. The average rate of increases for Executive Directors was 4.8%, which is in line with the rest of staff and also considering that increases were not awarded to the top 20% of earners in FY20. There were no market adjustments for Executive Directors. The average rate of increases for Executive Committee members was 4.93% or 4.87% exclusive of market adjustments. The salary increases for all other staff resulted in an overall increase in their salary costs of 6.09% or 5.19% exclusive of market adjustments.

Given there are no real comparator companies in the property sector with the size and complexity of Growthpoint, benchmarking is challenging. Accordingly, in addition to the annual market capitalisation comparator group benchmarking, PwC prepares an annual regression analysis on both TFR and TRem (total remuneration) earned by Executive Directors of property companies included in the FTSE/JSE SA REIT Index. Based on the assessment of various regression factors which take into account the size, performance and complexity of the organisation and include aspects such as market capitalisation, distributable income, total assets, total shareholder return, total debt and total square metres under management, a comparative ratio of a maximum of 150% was considered reasonable for TFR.

In the context of TRem, once size and relative complexity are considered in conjunction with performance (with variable pay typically comprising two-thirds of TRem), a reasonable maximum compa-ratio would range between 167% to 200%, where Growthpoint delivers stretch performance relative to industry peers who delivered a threshold to target performance. Based on the regression analysis performed for on-target performance, the committee considered the below compa-ratios to be acceptable.

	GROUP CEO		RSA CEO		GROUP FD		HR Director	
	TFR	TRem	TFR	TRem	TFR	TRem	TFR	TRem
Compa-ratio	107%	140%	93%	121%	96%	136%	n/a	n/a

FY21 STI outcomes (cash and deferred STI into zero-cost share options)

STI scorecards:

Norbert Sasse/Estienne de Klerk/Gerald Völkel

KPI	Weight	Threshold 50%	Target 100%	Stretch 150%	Score	Quartile ranking	Modifier	Weighted modifier
Group measure	**85.00%**						72.62%	**61.72%**
Financial	**55.00%**							**27.50%**
Absolute DIPS growth	**27.50%**	(12.20%)	(11.20%)	(10.20%)	(19.06%)	n/a	0.00%	**0.00%**
Relative DIPS growth	**27.50%**	25.00%	50.00%	75.00%	50.00%	3rd	100.00%	**27.50%**
Risk measures	**15.00%**							**17.40%**
(1) Group LTV	**3.00%**	45.00%	40.00%	35.00%	40.00%	n/a	100.00%	**3.00%**
(2) Debt expiry profile	**3.00%**	2.5 years	3.5 years	4.5 years	3.1 years	n/a	80.00%	**2.40%**
(3) Interest rate hedging	**3.00%**	65.00%	75.00%	85.00%	85.10%	n/a	150.00%	**4.50%**
(4) Secured versus unsecured debt	**3.00%**	80:20	70:30	60:40	57:43	n/a	150.00%	**4.50%**
(5) Domestic Moody's rating	**3.00%**	AA	AA+	AAA	AA+	n/a	100.00%	**3.00%**
Non-financial	**15.00%**							**16.82%**
Customer satisfaction survey	**5.00%**	3.80	7.50	8.9	6.5	n/a	86.49%	**4.32%**
Transformation	**5.00%**	Level 5	Level 4	Level 3	Level 2	n/a	150.00%	**7.50%**
Sustainability	**5.00%**	Excluded from FTSE/JSE RI Index	Included in FTSE JSE RI Index	Top 30 constituent of FTSE/JSE RI Index	Included but not a top 30 constituent	n/a	100.00%	**5.00%**
Personal measure	**15.00%**						85.00%	**12.75%**
Delivery on strategy and specific personal targets	**15.00%**						85.00%	**12.75%**
Total measure	**100.00%**							**74.47%**

Based on a 100% participation ratio for Norbert Sasse and Estienne de Klerk and 75% for Gerald Völkel.

Olive Chauke

KPI	Weight	Modifier	Weighted modifier
Group measure	**50.00%**	72.62%	**36.31%**
Personal measure	**50.00%**	80.00%	**40.00%**
Total measure	**100.00%**		**76.31%**

Based on a 40% participation ratio.

FY21 LTI outcomes for the 1 October 2018 awards that vested based on FY19, FY20 and FY21's performance

LTI scorecard

KPI	Weight	Threshold 50%	Target 100%	Stretch 150%	Score	Quartile ranking	Modifier	Weighted modifier
Total measure	**100.00%**							**37.62%**
Financial	**90.00%**							**26.40%**
Absolute total return	**30.00%**	11.50%	12.50%	13.50%	-1.26%	n/a	0.00%	**0.00%**
Relative total return	**30.00%**	25.00%	50.00%	75.00%	31.00%	2	62.00%	**18.60%**
Relative total shareholder return	**30.00%**	25.00%	50.00%	75.00%	13.00%	1	26.00%	**7.80%**
Non-financial	**10.00%**							**11.22%**
Customer satisfaction survey	**3.33%**	Average of non-financial measures per STI scorecard for FY19, FY20 and FY21				n/a	86.49%	**2.88%**
Transformation	**3.33%**					n/a	150%	**5.00%**
Sustainability	**3.33%**					n/a	100%	**3.33%**

Vesting outcome

	Number of LTI awards issued on 1 October 2018	Vesting % based on scorecard 37.62%
Norbert Sasse	209 296	78 737
Estienne de Klerk	161 793	60 867
Gerald Völkel	72 861	27 410
Olive Chauke	22 881	8 608

FY21 LTI awards

These awards were granted for FY21, on 1 October 2020, based on the FY21 TFR, which was the TFR at the time of the award. These awards have a forward measurement period of three years, with all FY21 awards vesting in FY23 subject to three-year performance measures.

Name	TFR FY21 R	LTI award R	Number of LTI shares allocated, based on a 90-day ex dividend VWAP at 30 September 2020 of R13.32	LTI as a % of FY21 TFR
Norbert Sasse	7 304 850	5 478 638	411 309	75%
Estienne de Klerk	5 673 794	4 255 346	319 470	75%
Gerald Völkel	4 098 600	1 998 068	150 005	49%
Olive Chauke	2 283 831	599 506	45 008	26%

Executive Directors' FY21 remuneration

In the table below, the cash STI and deferred STI awards for FY21 are disclosed. The FY21 deferred STI awards will vest equally in three tranches in FY22, FY23 and FY24 with no further performance measures. ERS awards which vested in FY21 are also disclosed as well as the first vesting of the LTI awards, awarded on 1 October 2018, based on FY19, FY20 and FY21's performance.

Name	TFR FY21	TFR FY22	STI cash bonus[1]	STI deferred bonus[2]	LTI vesting[3]	ERS vesting[4] FY21	Cash STI and deferred STI as % of TFR	Total remuneration FY21	Total remuneration FY20	% change
Norbert Sasse	7 304 850	7 648 178	5 696 000	4 272 100	1 173 181	3 891 330	136%	22 337 461	27 215 392	(17.92%)
Estienne de Klerk	5 673 794	5 940 463	4 424 000	3 318 209	906 918	2 334 803	136%	16 657 725	20 490 713	(18.71%)
Gerald Völkel	4 098 600	4 307 629	2 406 000	1 804 608	408 409	346 976	103%	9 064 593	9 563 278	(5.21%)
Olive Chauke	2 283 831	2 391 171	730 000	547 411	128 259	–	56%	3 689 501	3 671 831	0.48%

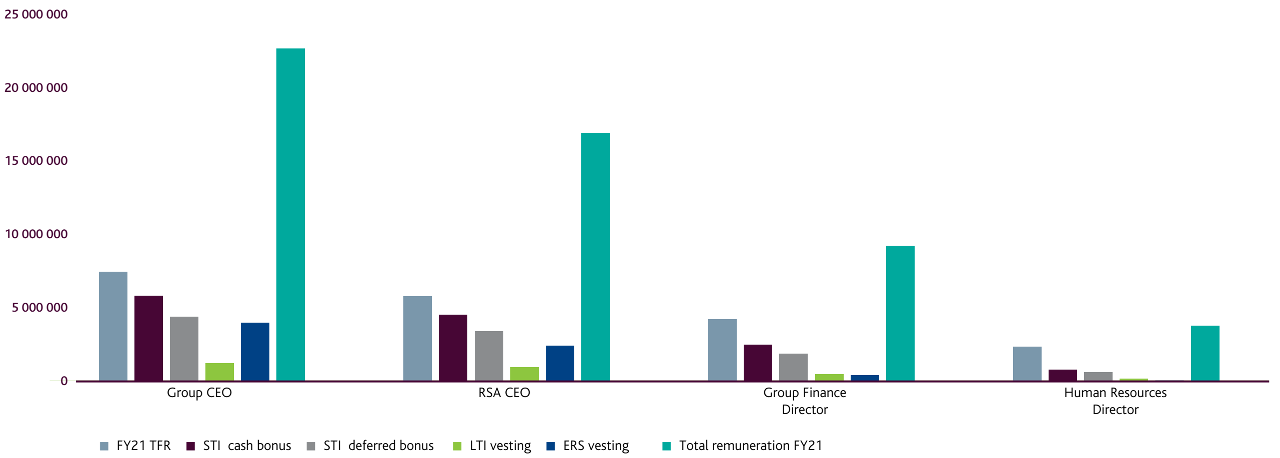
(1) *Calculated at 100% of TFR at the time of the award for Norbert Sasse and Estienne de Klerk, 75% of FY22 TFR for Gerald Völkel and 40% of FY22 TFR for Olive Chauke with the ratio of Group to personal measures at 85%:15% for all Executive Directors except the Group Human Resources Director whose ratio is 50%:50%. Based on FY21 performance and the TFR at the time of the award and paid in cash in FY22.*

(2) *Deferred STI zero-cost share options issued at 75% of the cash bonus. Based on FY21 performance and the TFR at the time of the award, and awarded in FY22, vesting equally over three years in FY23, FY24 and FY25.*

(3) *October 2018 LTI awards that vest at 37.62% on 1 October 2021 based on FY19, FY20 and FY21's performance valued at R14.90, the closing price on 30 June 2021.*

(4) *10% of the initial ERS awards granted in April 2014 vested in FY21. Due to the Covid-19 pandemic ERS participants were allowed to defer their April 2020 vesting to April 2021 which participants elected to do. This number reflects only the actual value of the FY21 vesting and not the FY20 awards which were deferred.*

FY21 remuneration



Executive Directors' single figure remuneration

The single figure remuneration is intended to enhance the transparency of Executive Director remuneration disclosure by consolidating all relevant information relating to current performance into a single table. This table provides a summary of all remuneration that was received or receivable for the FY21 reporting period, and all the remuneration elements that it comprises, where applicable, disclosed at fair value.

Name	TFR[1] R	STI annual cash bonus	STI deferred bonus – one-third[2] R	STI deferred bonus – two-thirds[3] R	Total remuneration R
2020					
Norbert Sasse	7 304 850	6 064 000	2 021 333	4 042 667	19 432 850
Estienne de Klerk	5 673 794	4 668 000	1 556 000	3 112 000	15 009 794
Gerald Völkel	4 098 600	2 252 000	750 666	1 501 334	8 602 600
Olive Chauke	2 283 831	694 000	231 333	462 667	3 671 831
2021					
Norbert Sasse	**7 304 850**	**5 696 000**	**1 424 033**	**2 848 067**	**17 272 950**
Estienne de Klerk	**5 673 794**	**4 424 000**	**1 106 070**	**2 212 140**	**13 416 004**
Gerald Völkel	**4 098 600**	**2 406 000**	**601 536**	**1 203 074**	**8 309 210**
Olive Chauke	**2 283 831**	**730 000**	**182 470**	**364 941**	**3 561 242**

(1) *TFR is made up of basic salary plus provident and medical aid.*
(2) *The STI deferred bonus comprises one-third of deferred STI awarded in respect of FY21 that will vest a year after the award date with no further performance conditions.*
(3) *The STI deferred bonus comprises the remaining two-thirds of the deferred STI awarded in respect of FY21 that will vest more than one year after the award date with no further performance conditions.*

Executive Directors' table of unvested awards and cash settlement

This table details all unvested and outstanding awards under the deferred STI, LTI and ERS at FY21. It also details the cash value of all awards made under variable remuneration, deferred STI and ERS awards that vested in FY21.

	Award date	Share price on grant R	Opening number on 1 July 2020	Options deferred	Granted during FY21	Vested during FY21	Closing number at 30 June 2021	Cash value of settlements during FY21	Estimated closing value at 30 June 2021
Norbert Sasse									
ERS									
2014 ERS	1 April 2014	22.86	800 000	–	–	(400 000)	400 000	3 891 330	4 529 884
LTI									
FY19 LTI[1]	1 October 2018	24.93	209 296	–	–	–	209 296	–	1 173 181
FY20 LTI	1 October 2019	23.12	236 965	–	–	–	236 965	–	2 137 031
FY21 LTI	1 October 2020	13.32	–	–	411 309	–	411 309	–	824 215
STI									
Deferred bonus zero-cost share options									
FY17 Deferred STI	1 September 2017	23.99	82 946	–	–	(82 946)	–	982 946	–
FY18 Deferred STI	1 September 2018	24.74	183 710	–	–	(91 854)	91 856	1 088 470	1 368 654
FY19 Deferred STI	1 October 2019	22.53	363 737	–		(121 244)	242 493	1 436 741	3 613 146
FY20 Deferred STI	1 October 2020	12.26	–	–	505 755		505 755	–	7 535 750
Total							**2 097 674**	**7 399 487**	**21 181 861**

(1) *These awards vested post FY21 based on FY19, FY20 and FY21's performance, and as such are included in the Executive Directors FY21 total remuneration table on page 62 and valued at the closing share price as of 30 June 2021 at R14.90.*

	Award date	Share price on grant R	Opening number on 1 July 2020	Options deferred	Granted during FY21	Vested during FY21	Closing number at 30 June 2021	Cash value of settlements during FY21	Estimated closing value at 30 June 2021
Estienne de Klerk									
ERS									
2014 ERS	1 April 2014	22.86	480 000	–	–	(240 000)	240 000	2 334 803	2 999 096
2015 ERS	1 September 2015	27.12	360 000	120 000	–	(120 000)	360 000	–	2 854 198
LTI									
FY19 LTI[1]	1 October 2018	24.93	161 793	–	–	–	161 793	–	906 918
FY20 LTI	1 October 2019	23.12	184 055	–	–	–	184 055	–	1 659 871
FY21 LTI	1 October 2020	13.32	–	–	319 470	–	319 470	–	640 181
STI									
Deferred bonus zero-cost share options									
FY17 Deferred STI	1 September 2017	23.99	62 462	–	–	(62 462)	–	742 072	–
FY18 Deferred STI	1 September 2018	24.74	141 998	–	–	(70 999)	70 999	843 546	1 057 885
FY19 Deferred STI	1 October 2019	22.53	279 361	–	–	(93 119)	186 242	1 106 254	2 775 006
FY20 Deferred STI	1 October 2020	12.26	–	–	389 324	–	389 324	–	5 800 928
Total							**1 911 883**	**5 026 675**	**18 694 083**

	Award date	Share price on grant R	Opening number on 1 July 2020	Options deferred	Granted during FY21	Vested during FY21	Closing number at 30 June 2021	Cash value of settlements during FY21	Estimated closing value at 30 June 2021
Gerald Völkel									
ERS									
2016 ERS	1 September 2016	25.88	560 000	70 000	–	(140 000)	490 000	346 976	5 066 819
LTI									
FY19 LTI[(1)]	1 October 2018	24.93	72 861	–	–	–	72 861	–	408 409
FY20 LTI	1 October 2019	23.12	86 422	–	–	–	86 422	–	779 383
FY21 LTI	1 October 2020	13.32	–	–	150 005	–	150 005	–	300 593
STI									
Deferred bonus zero-cost share options									
FY17 Deferred STI	1 September 2017	23.99	27 944	–	–	(27 944)	–	328 912	–
FY18 Deferred STI	1 September 2018	24.74	64 020	–	–	(32 010)	32 010	376 758	476 949
FY19 Deferred STI	1 September 2019	22.53	126 631	–	–	(42 209)	84 422	496 800	1 257 888
FY20 Deferred STI	1 September 2020	12.26	–	–	187 823	–	187 823	–	2 798 563
Total							**1 103 543**	**1 549 446**	**11 088 604**

(1) *These awards vested post FY21 based on FY19, FY20 and FY21's performance, and as such are included in the Executive Directors FY21 total remuneration table on page 62 and valued at the closing share price as of 30 June 2021 at R14.90.*

	Award date	Share price on grant R	Opening number on 1 July 2020	Options deferred	Granted during FY21	Vested during FY21	Closing number at 30 June 2021	Cash value of settlements during FY21	Estimated closing value at 30 June 2021
Olive Chauke									
ERS									
2019 ERS	1 October 2019	22.42	305 600	–	–	–	305 600	–	1 574 459
LTI									
FY19 LTI[1]	1 October 2018	24.93	22 881	–	–	–	22 881	–	128 259
FY20 LTI	1 October 2019	23.12	25 930	–	–	–	25 930	–	233 846
FY21 LTI	1 October 2020	13.32	–	–	45 008	–	45 008	–	90 191
STI									
Deferred bonus zero-cost share options									
FY17 Deferred STI	1 September 2017	23.99	3 891	–	–	(3 891)	–	48 494	–
FY18 Deferred STI	1 September 2018	24.74	20 075	–	–	(10 036)	10 039	123 342	149 581
FY19 Deferred STI	1 October 2019	22.53	37 062	–	–	(12 353)	24 709	153 918	368 164
FY20 Deferred STI	1 October 2020	12.26	–	–	57 882	–	57 882	–	862 442
Total							**492 049**	**325 754**	**3 406 942**

[1] *These awards vested post FY21 based on FY19, FY20 and FY21's performance, and as such are included in the Executive Directors FY21 total remuneration table on page 62 and valued at the closing share price as of 30 June 2021 at R14.90.*

PART 4: NON-EXECUTIVE REMUNERATION

The following principles apply to the remuneration of Non-executive Directors:

- The fee structure is recommended to the committee by executives and independent advice is sought if required
- Fees are structured as an annual retainer component plus an attendance fee for scheduled meetings
- Fees are reviewed annually and proposed at AGMs for approval
- Fees are benchmarked annually to the same comparator group used for Executive Directors.

The FY21 comparator group is disclosed on page 49:

- The remuneration of Non-executive Directors is targeted between the median and the upper quartile of the comparator group given the level of responsibility, time and competence required, complexity of the business, Growthpoint's growing international footprint and size
- Non-executive Directors do not participate in the company's annual bonus plan or in any of its long-term incentive plans
- None of the Non-executive Directors has a contract of employment with the company. Their appointments are made in terms of the company's Memorandum of Incorporation and are confirmed at the first AGM of shareholders following their appointment, and thereafter at three-yearly intervals when they retire by rotation in terms of the Memorandum of Incorporation.

Annual assessments of independence and performance are conducted in respect of the Non-executive Directors, details of which can be found on page 114 of the IAR.

Policy statements on Non-executive Director fees

1. The attendance fees for scheduled meetings shall be as agreed by shareholders on the Board's recommendation, at the AGM (held in November each year)
2. Each Non-executive Director will be obliged to attend, without compensation, the first two unscheduled meetings in any financial year, whether these are Board meetings or committee meetings
3. The Board's annual off-site strategy conference, whether spanning one or more days, will be regarded as one Board meeting and will be remunerated on that basis
4. The Audit Committee meeting each year to review and approve the company's annual integrated report, shall be regarded as a scheduled meeting and committee members in attendance shall be remunerated accordingly
5. Subject to point 2 hereof, for an unscheduled meeting involving the Board or any meeting that lasts for more than one consecutive day, the respective attendance fees shall be paid for each day
6. Subject to points 2 and 5 above, attendance at meetings of any special-purpose committee appointed by the Board *ad hoc* shall be remunerated on the basis applicable to an existing committee whose purpose most closely relates to that of the special-purpose committee
7. Fees for special assignments, including any shareholder engagement required or property due diligence inspections, by one or more tasked members of the Board or of any committee, which may also include travel on business locally or abroad, are to be agreed upfront with the Chairman of the Board. Travel and fares and reasonable subsistence shall be in line with Growthpoint's relevant policies as they apply to Executive Directors.

Annexure 8 *continued*

Remuneration report *continued*

The following fees are proposed for FY22 for Non-executive Directors at an average increase of 4%:

Schedule of retainer fees and fees payable per meeting

	FY21	FY22
Basic fee (pa)		
Chairman[1]	**1 385 700**	850 000
Deputy Chairman/Lead Independent Director	**178 500**	185 600
Director	**66 400**	69 000
Attendance fee (x5)		
Board		
Chairman	**231 900**	241 100
Director	**74 400**	77 300
Audit Committee (x5)		
Chairman	**69 700**	72 400
Members	**49 500**	51 400
Risk Management Committee (x4)		
Chairman	**62 100**	64 500
Members	**41 700**	43 300
Property and Investment Committee (x4)		
Chairman	**69 700**	72 400
Members	**49 500**	51 400
Social, Ethics and Transformation Committee (x4)		
Chairman	**54 000**	56 100
Members	**34 300**	35 600
Human Resources and Remuneration Committee (x4)		
Chairman	**61 800**	64 200
Members	**41 500**	43 100
Governance and Nomination Committee (x4)		
Chairman	**54 300**	56 100
Members	**34 400**	35 600

(1) *For FY21, in addition to his duties as Chairman of the Board and member of the Remuneration Committee, the Chairman, without any additional remuneration, attended the Risk Management Committee meetings. He also served as a director of the V&A Waterfront and attended the V&A Waterfront Remuneration Committee meetings for which he was not remunerated; the equivalent remuneration would have been R443 668. For FY22 when Rhidwaan Gasant replaces Francois Marais as Chairman, his remuneration will be adjusted to R850 000, he will also earn R592 723 from the V&A Waterfront where he will serve as a Board member and also Chairman of the Audit and Risk Committee.*

Actual fees paid to Non-executive Directors for FY21

The fees paid to Non-executive Directors for FY21 were paid on the basis presented in the tables on page 48 of the AFS, as approved by the committee and by the Board, on authority granted by shareholders at the AGM held on 8 December 2020.

	Directors' fees FY21 R	Directors' fees FY20 R
FM Berkeley (Property and Investment Committee Chairman, Audit Committee, Human Resources and Remuneration Committee, Governance and Nomination Committee)	**1 627 700**	1 124 600
MG Diliza[(2)] (Social, Ethics and Transformation Committee Chairman and Property and Investment Committee)	**497 700**	880 900
R Gasant (Board Deputy Chairman, Audit Committee Chairman and Risk Management Committee)	**1 359 700**	182 200
JC Hayward[(4)] (Lead Independent Director, Human Resources and Remuneration Committee Chairman, Governance and Nomination Committee and Risk Management Committee)	**1 148 900**	1 207 700
KP Lebina[(3)] (Risk Management Committee and Audit Committee)	**777 600**	–
JF Marais[(1)] (Board Chairman, Governance and Nomination Committee Chairman and Human Resources and Remuneration Committee)	**3 746 000**	3 105 100
PS Mngconkola (Social, Ethics and Transformation Committee and Property and Investment Committee)	**1 005 800**	816 900
R Moonsamy[(1)] (Social, Ethics and Transformation Committee and Property and Investment Committee)	**498 400**	798 600
NBP Nkabinde (Social, Ethics and Transformation Committee and Human Resources and Remuneration Committee)	**890 800**	816 900
AH Sangqu[(3, 4)] (Social, Ethics and Transformation Committee Chairman, Audit Committee and Governance and Nomination Committee)	**771 500**	–
FJ Visser[(2)] (Human Resources and Remuneration Committee and Risk Management Committee)	**757 500**	921 000
JA van Wyk[(4)] (Risk Management Committee Chairman, Property and Investment Committee, Audit Committee and Governance and Nomination Committee)	**1 472 300**	883 600
Total	**14 553 900**	12 972 700

(1) *In addition to his duties as Chairman and member of the Remuneration Committee, the Chairman, without any additional remuneration, attended the Risk Management Committee and the Social, Ethics and Transformation Committee, served as a Director of the V&A Waterfront, and attended the V&A Waterfront Remuneration Committee meetings in FY21.*
(2) *Retired from the Board at the AGM on 8 December 2020.*
(3) *Appointed to the Board on 21 September 2020.*
(4) *Appointed Chairman of relevant committee on 24 February 2021.*

In addition to the above meetings, Non-executive Directors attended an additional two Board meetings during the year for which they were not remunerated. One special Human Resources and Remuneration Committee meeting and one special Audit Committee meeting were held for which Non-executive Directors were also not remunerated.

Annexure 9

Social, Ethics and Transformation Committee report

The Social, Ethics and Transformation (SET) Committee continues to provide an oversight which ensures that Growthpoint carries out its statutory obligation relating to social and economic development, good corporate citizenship, commitment to transformation, the environment including climate change, health and safety, labour and employment. This is in line with the responsibilities set out in section 72 of the South African Companies Act, No 71 of 2008, as amended and regulation 43 of the Companies Regulations, 2011, issued in terms of the Act and international benchmarks.

1. Committee initiatives

1.1 Environmental, social and governance

We embrace ESG as a business imperative and are proud of the strides we have taken to further embed the issues across our operations. A major achievement was the formulating of our ESG strategy for South Africa which received approval from our Board and we have developed an ESG position statement for Growthpoint.

ESG position statement for Growthpoint

With integrity, ethics and our values guiding our governance, we have provided space to thrive in environmentally sustainable buildings, while improving the social and material wellbeing of individuals and communities.

Value proposition

- Corporate responsibility
- Future proof assets and tenant benefit
- Value beyond compliance
- Investor requirements
- Legal compliance
- Risk management

ESG

Environmental

All buildings within direct control of the organisation to operate at net zero carbon by 2030, and all buildings by 2050.

Social

Labour

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.

Community

Driving sustainable impact for the communities in which we operate. Our core-focus areas have been supporting education initiatives, entrepreneurship development and staff engagement.

Governance

To give all stakeholders confidence that Growthpoint is a well-governed and well-conducted business.

Growthpoint continues to participate in various ESG disclosure indices such as;

- FTSE/JSE Responsible Investment Index
- Dow Jones Sustainability Index universe
- Global Real Estate Sustainability Benchmark (GRESB)
- Carbon Disclosure project

1.2 ENVIRONMENT

As Growthpoint, we have an environmental policy which guides our activities in several key areas, namely climate change, carbon emissions, biodiversity and the nexus consisting of energy, renewable energy, water and waste. We continue to pursue our policy of "value creation through sustainability" and apply this with our six-step sustainable change governance framework.

We have assessed our approach and targets to ensure they are aligned with our strategy of being relevant for our business, impactful for Growthpoint and our tenants, and beneficial for the natural environment and the societies where we operate. We refined our environmental approach and a significant development was that of a carbon neutral strategy with a target of being carbon neutral by 2050. An extensive climate risk assessment was also completed for the business and a climate risk mitigation plan is developed.

Priorities and targets

The following are key priorities for Growthpoint:

- Energy efficiency and green building certification
- Renewable energy investment
- Waste: zero organic waste to landfill
- Net zero carbon buildings
- Refrigerant management
- Water efficiency
- Water: borehole registration
- Audit of waste service providers
- Indoor environmental quality
- Biodiversity: complex focus over the next two years
- Green building guidelines for Growthpoint and property sector.

Growthpoint has long been committed to ensuring responsible operations when it comes to our impact on the environment.

1.3 SOCIAL AND ECONOMIC DEVELOPMENT

During the period under review, Growthpoint invested R47.9 million (FY20: R44 million) in corporate social responsibility (CSR) initiatives. Growthpoint's societal purpose is to make sustainable impact in South Africa through the support of education initiatives and entrepreneurship development. We strive to create an inclusive society where we as a business has taken up the responsibility to play an active role and leadership in making a difference for both communities at large as well as our staff. 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.

We use our existing resources to work with historically disadvantaged communities to encourage more social inclusiveness. 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.

Annexure 9 *continued*

Social, Ethics and Transformation Committee report *continued*

Pillar	Targeted level/ area of impact	Our investment and focus	Beneficiary organisations	Outcomes
Education Tertiary	Early childhood development	R4.6 million Rental subsidies, teacher training and development	Scatterlings, Education Africa Fieldband, Ntataise Lowveld, Midlands -Community College, Alladin	Qualified and competent ECD practitioners trained for under-resourced communities
	Primary school	R12.6 million Literacy and numeracy performance scholarships	Growsmart Growthpoint GEMS	Wider reach of literacy and numeracy programmes Better quality education for our staff's children
	Secondary school	R4.6 million Maths and science performance and career exposure	PROTEC Christel House Growthpoint GEMS	Ensure that supported students produce quality matric results
	Tertiary	R5.4 million Formal qualifications	Bursary programme Growthpoint GEMS SAPOA bursary fund	Provision of formal qualifications in order to make a meaningful contribution to the world of work
	Skills development	R1.4 million Property related training	React training, National Business Initiative	25 youth have been trained in artisan skills
Staff engagement	Staff volunteerism through our G-Squared initiative	R635 000	Engaged staff volunteering in their communities	Various community projects Covid-19 relief
Enterprise and supplier development	Entrepreneurship development Economic inclusion Job creation	R21.3 million	Property Point, SME development Gauteng, Western Cape, KwaZulu-Natal, and North West	R1.81bn cumulative access to markets 2 707 jobs created

Our societal purpose is intrinsically linked to our long-term sustainable impact within the business and community engagement. Our purpose is to ensure that our corporate responsibility is based on:

1.4 TRANSFORMATION

Growthpoint is committed to transformation and as is the case in a time of uncertainty, commitments are often challenged. The Covid-19 pandemic has placed pressure on Growthpoint's commitment and response to socio-economic and transformation challenges. Transformation at Growthpoint extends beyond a tick box or scorecard exercise but is a strategic imperative reinforced by interventions to bring about real change and impact. We have proved this by attaining a level 1 B-BBEE rating on the property sector charter scorecard. As per our transformation strategy we continue to identify the gaps within the scorecard and put in place necessary mitigating actions to maintain an optimal score. The intention is for us to disclose an updated transformation strategy for our business by the end of December 2021. This will replace the current strategy developed in 2017.

Growthpoint has submitted its annual B-BBEE compliance report to the B-BBEE Commission and the JSE in terms of the B-BBEE Act and the report is available on the company's website.

1.5 HUMAN RESOURCE

Our HR team strives to manage the organisation's talent and ensure Growthpoint's sustainability through employee development, succession management and transformation. We aim to create a positive work experience for each of our employees while protecting the organisation's interests and meeting its objectives. We continually endeavour to make Growthpoint an employer of choice.

We achieved this objective while complying with various legislation which impacts on our people and our business, including the Basic Conditions of Employment Act, the Labour Relations Act, the Employment Equity Act, the Skills Development Act and others.

Employee statistics	FY21
Number of employees	
• full-time employees	**611**
• contractors	**32**
Net property income per employee (R)	**9 981 997**
Average tenure of employees (years)	**8**
Annualised attrition rate for full time and contracted employees (%)	**11.6**
Average age of employees (years)	**45**
Minimum CTC – lowest level of employee (R pa)	**143 100**
Total cost of employee training (Rm)	**4.7**

1.6 HEALTH AND SAFETY AND INSURABLE RISK

Our dedicated Health and Safety Forum proactively monitors and report concerns to ensure that our work environment remains incident-free as far as possible. The primary focus this past year was limiting the spread of Covid-19, and much was done to protect the lives of our employees. We also evolved these efforts as more information about the pandemic unfolded, best practices advanced and regulations were updated accordingly.

While infectious disease prevention and protective protocols and measures were a priority, we also kept the Occupational Health and Safety Act (OHSA), No 85 of 1993 in mind and our compliance with all elements of the national health and safety regulations and requirements remained non-negotiable.

Growthpoint undertakes all its activities in accordance with our Health and Safety Policy, which is aligned with the OHSA. This policy is for the health and safety of our employees at work.

Proactive risk management incorporates, among other things, the following:

Day-to-day operations

Risk Information Management System (RIMS)

- An online software programme focused on property operations, which facilities management personnel complete for each building, on a quarterly basis. The results are analysed to identify issues that need management's attention.

Risk Officer

A dedicated Risk Officer ensures compliance with building and fire compliance regulations as well as the OHS Act by:

- Regularly performing independent visits to buildings
- Liaising with tenants when conducting building inspections
- Liaising with facilities and property management personnel
- Liaising with insurers.

Independent insurer reviews

- Growthpoint's insurers undertake inspections of buildings each year to ensure that the insurable cover is commensurate with the insurable risk that they have underwritten.

1.7 GOVERNANCE

Growthpoint remains committed to operate in a manner consistent with the following national and international guidelines and best practices:

- Task Force on Climate-related Financial Disclosures recommendations (TCFD)
- The 10 principles set out in the United Nations Global Compact
- The Organisation for Economic Co-operation and Development's (OECD) anti-corruption guidelines
- International Labour Organisation (ILO) protocol on decent work and working conditions
- The Employment Equity Act, No 55 of 1998
- The Broad-Based Black Economic Empowerment Act, No 53 of 2003
- AA1000 Accountability Principles of Inclusivity
- International Standard ISO14064-3 - specification with guidance for the validation and verification of greenhouse gas assertions.

All business practices are conducted in an ethical manner and in adherence with the South African legislation, the guidelines and best practices set out above. In fulfilling its functions, the SET committee has received and reviewed reports detailing Growthpoint's compliance with the international guidelines and best practices as well as South African legislation.

1.8 HUMAN RIGHTS PRACTICES

Growthpoint believes human rights are sacrosanct and is committed to upholding them, including the right to freedom from discrimination of any kind. Consequently, we introduced a human rights policy in FY21. 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 respect for indigenous rights.

We do not prohibit employees from freedom of association. We stand against child labour and forced labour and all our employees are aged 18 years or above.

1.9 ANTI-CORRUPTION, ETHICS AND COMPLIANCE

The Code of Ethics statement aims to ensure that Growthpoint conducts its business in line with the highest ethical standards. The statement seeks, in particular, to ensure compliance with relevant legislation and regulations in a manner that is beyond reproach.

Growthpoint has engaged the Gordon Institute of Business Science (GIBS) to conduct an ethics risk assessment and, based on the results, will formulate an ethics strategy. Several policies must be read in conjunction with the Code of Ethics, for example the policies dealing with conflicts of interest, fraud and corruption prevention, anti-corruption and gift declaration policy, protection of personal information and supplier code of conduct. An essential feature of the strategy will be creating awareness of these codes and policies among employees and new entrants via various platforms. Monitoring and reporting to the Board will be via the Committee with Internal Audit providing assurance to the Audit Committee on the effectiveness of the ethics function.

Governance structures

1	2	3	4	5
Policies promoting ethical conduct	Compliance framework	Internal audit	Executive management committees	Board committees
Refer to page 120 of IAR for more information	Refer to page 114 of IAR for more information	Refer to page 93 of IAR for more information	Refer to pages 20 and 128 of IAR for more information	Refer to pages 20, 121 to 127 of IAR for more information

Governance of organisational ethics*

* *Framework adopted and developed in association with the Ethics Institute.*

Growthpoint's internal audit function investigates matters brought to the attention of the organisation, through the Tip-offs Anonymous Helpline operated by Deloitte and reports on the nature of the incidents and the resultant actions, if required, by executive management and the Audit Committee.

Growthpoint Properties Limited ANNUAL GENERAL MEETING NOTICE AND PROXY FORM AND SUMMARISED AUDITED FINANCIAL STATEMENTS 30 JUNE 2021

Directorate and administration

Directors
JF Marais (Chairman)
FM Berkeley^
NO Chauke (Human Resource Director)*
EK de Klerk (Chief Executive Officer South Africa)*
R Gasant^
M Hamman^
JC Hayward (Lead Independent Director)^#
KP Lebina^
SP Mngconkola
NBP Nkabinde^
AH Sangqu^
LN Sasse (Group Chief Executive Officer)*
JA van Wyk^#
G Völkel (Group Financial Director)*

^ *Independent*
* *Executive directors*
\# *British*

Auditor
Ernst & Young Inc.
Registered Auditor
102 Rivonia Road
Sandton
2196

Transfer secretaries
Computershare Investor Services (Pty) Ltd
(Registration number: 2004/003647/07)
Rosebank Towers
15 Biermann Avenue
Rosebank, 2196
Private Bag, X9000
Saxonwold, 2132

Sponsor
Investec Bank Limited
(Registration number: 1969/004763/06)
100 Grayston Drive, Sandown, Sandton, 2196
PO Box 785700, Sandton, 2146

Registered office
Growthpoint Properties Limited
(Registration number: 1987/004988/06)
The Place, 1 Sandton Drive, Sandown, Sandton, 2196
PO Box 78949, Sandton, 2146

Company Secretary
WJH de Koker
The Place, 1 Sandton Drive, Sandown, Sandton, 2196
PO Box 78949, Sandton, 2146

Management company
Growthpoint Management Services (Pty) Ltd
(Registration number: 2004/015933/07)
The Place, 1 Sandton Drive, Sandown, Sandton, 2196
PO Box 78949, Sandton, 2146

Audit Committee
R Gasant (Chairman)
FM Berkeley
M Hamman
KP Lebina
AH Sangqu
JA van Wyk

Risk Management Committee
JA van Wyk (Chairman)
R Gasant
JC Hayward
KP Lebina

Standing attendees
The following parties attend or are represented at Audit Committee and/or Risk Management Committee meetings:
E Binedell (Chief Operating Officer South Africa)
D Bouma (Corporate Treasurer)
NO Chauke (Head of Human Resources)
AL Davis (Chief Information Officer)
EK de Klerk (Chief Executive Officer South Africa)
WJH de Koker (Company Secretary)
SA Nizetich (Head of Internal Audit and Risk Management)
LN Sasse (Group Chief Executive Officer)
FJ Schindehütte (Chief Financial Officer South Africa)
D Swarts (Group Financial Manager)
G Völkel (Group Financial Director)

By invitation
JF Marais (Non-executive Director and Board Chairman)

The external auditor, Ernst & Young Inc., attend or are represented at all regular meetings and *ad hoc* meetings as required of the Audit Committee, as well as Risk Management Committee.

Property and Investment Committee
FM Berkeley (Chairman)
M Hamman
SP Mngconkola
JA van Wyk

Standing attendees
E Binedell (Chief Operating Officer South Africa)
EK de Klerk (Chief Executive Officer South Africa)
P Kollenberg (Head of Asset Management: Office)
WJH de Koker (Company Secretary)
S Mills (Management Accountant)
LN Sasse (Group Chief Executive Officer)
FJ Schindehütte (Chief Financial Officer South Africa)
N Schloss (Head of Asset Management: Retail)
L Seema (SA Finance)
C Shezi (Senior Assistant Company Secretary)
E Taylor (Head of Asset Management: Industrial)
G Völkel (Group Financial Director)

Directorate and administration *continued*

Social, Ethics and Transformation Committee
AH Sangqu (Chairman)
SP Mngconkola
NBP Nkabinde

Standing attendees
NO Chauke (Human Resources Director)
G Cruickshanks (Head of Sustainability and Utilities)
WJH de Koker (Company Secretary)
P Engelbrecht (National Development Head)
C Rennison (Head of Procurement)
C Shezi (Senior Assistant Company Secretary)
SD Theunissen (Head of CSR)
G Völkel (Group Financial Director)
N van der Bijl (Investor Relations)

Governance and Nomination Committee
JF Marais (Chairman)
R Gasant
FM Berkeley
M Hamman
JC Hayward
AH Sangqu
JA van Wyk

Standing attendees
LN Sasse (Group Chief Executive Officer)
EK de Klerk (Chief Executive Officer South Africa)
WJH de Koker (Company Secretary)

Human Resources and Remuneration Committee
JC Hayward (Chairman)
FM Berkeley
JF Marais
NBP Nkabinde

Standing attendees
NO Chauke (Human Resources Director)
EK de Klerk (Chief Executive Officer South Africa)
WJH de Koker (Company Secretary)
L Turner (Head of Investor Relations)
LN Sasse (Group Chief Executive Officer)
G Völkel (Group Financial Director)
PwC (independent adviser to the committee)

Group Executive Committee of Management (Group Exco)
LN Sasse (Group Chief Executive Officer) (Committee Chairman)
E Binedell (Chief Operating Officer South Africa)
D Bouma (Group Treasurer)
NO Chauke (Human Resources Director)
EK de Klerk (Chief Executive Officer South Africa)
WJH de Koker (Company Secretary)
X Hlatshwayo (Group Legal Counsel)
G Muchanya (Head of Corporate Finance)
L Turner (Head of Investor Relations)
G Völkel (Group Financial Director)

SA Executive Committee of Management (SA Exco)
EK de Klerk (Chief Executive Officer South Africa) (Committee Chairman)
E Binedell (Chief Operating Officer South Africa)
N Briers (Head of Marketing)
NO Chauke (Human Resources Director)
AL Davis (Chief Information Officer)
P Kollenberg (Head of Asset Management: Office)
FJ Schindehütte (Chief Financial Officer South Africa)
N Schloss (Head of Asset Management: Retail)
L Sigaba (Healthcare Fund Manager)
E Taylor (Head of Asset Management: Industrial)
SD Theunissen (Head of CSR)

Standing attendees
WJH de Koker (Company Secretary)
DS Stoll (Regional Head – Cape Town)
G Worst (Regional Head – Durban)

Standing invitees
All Group Exco members have a standing invitation to attend meetings of the SA Exco.

Proxy form

To be completed by only certificated and own-name shareholders of Growthpoint Properties Limited (Growthpoint)

I/We (Name in block capitals):

of (Address in block capitals):

being the registered holder of ordinary shares in Growthpoint, hereby appoint

of or failing him

of or failing him

of or failing him

the chairman of the meeting, as my/our proxy to attend, participate in, speak and on a poll, vote on my/our behalf at the annual general meeting of the company to be held by either electronic participation or strictly limited in-person attendance at The Place, 1 Sandton Drive, Sandown, Sandton, 2196 on Tuesday, 16 November 2021 at 09:00 or at any adjournment thereof, as follows:

Resolutions		In favour of	Against	Abstain
1.1	Election of Director appointed by the Board			
1.1.1	Mr M Hamman (Independent Non-executive Director)			
1.2	Election of Audit Committee members			
1.2.1	Mr M Hamman			
1.2.2	Mr FM Berkeley			
1.2.3	Mrs KP Lebina			
1.2.4	Mr AH Sangqu			
1.3	Re-appointment of EY as external auditor			
1.4.1	Advisory, non-binding approval of remuneration policy			
1.4.2	Advisory, non-binding approval of remuneration policy's implementation			
1.5	To place the unissued authorised ordinary shares of the company under the control of the Directors			
1.6	Specific and exclusive authority to issue ordinary shares to afford shareholders distribution reinvestment alternatives			
1.7	General but restricted authority to issue shares for cash			
1.8	To receive and accept the report of the Social, Ethics and Transformation Committee			
2.1	Special resolution: Approval of Non-executive Directors' fees for financial year ending 30 June 2022			
2.2	Special resolution: Financial assistance in terms of section 45 of the Companies Act			
2.3	Special resolution: Authority to repurchase ordinary shares			

My/our proxy has been instructed to vote in accordance with my/our wishes as indicated by the placing of a cross in the appropriate space above. Unless so instructed, my/our proxy may vote as he/she thinks fit.

Signed at this day of 2021

Signature/s of member/s

Telephone No Cell number Fax number

(State area code)

Notes to the form of proxy (which includes a summary of rights established by section 58 of the Companies Act, Act 71 of 2008, as amended).

1. A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote in his stead.

   A proxy need not be a shareholder of the company. Notwithstanding the appointment of a proxy by a shareholder who is a natural person, such shareholder may attend the AGM in person and vote thereat, to any exclusion of the appointed proxy.

2. A proxy form is provided with the booklet containing this notice. Additional proxy forms are obtainable from the company's Share Transfer Secretaries or may be reproduced by photocopying the proxy form provided in the booklet.

3. The "record date" for the meeting in terms of section 62(3)(a) of the Companies Act shall be **Friday, 5 November 2021**.

4. All proxy forms or other instruments of authority must be deposited with the Transfer Secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132, email proxy@computershare.co.za) **so as to be received before the appointed time for the holding of the meeting** (excluding Saturdays, Sundays and public holidays) but for the sake of administrative good order shareholders are kindly requested to consider submitting their proxy forms by 12:00 on Friday, 12 November 2021.

5. If you are a **certificated** Growthpoint shareholder **or an own-name dematerialised Growthpoint** shareholder and are unable to attend the AGM of Growthpoint shareholders to be held at 09:00 on Tuesday, 16 November 2021 (the Growthpoint AGM), but wish to be represented thereat, you must complete the proxy form attached hereto in accordance with the instructions therein and return it to the Transfer Secretaries, Computershare Investor Services (Pty) Ltd, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold, 2132, email proxy@computershare.co.za) **so as to be received by the time of the meeting but preferably beforehand as proposed in item 4 above.**

6. If you are a beneficial owner of **dematerialised** Growthpoint ordinary shares and are not an own-name dematerialised Growthpoint shareholder, then you may instruct your CSDP or broker as to how you wish to cast your vote at the Growthpoint AGM in order for them to vote in accordance with your instructions. If you wish to attend the Growthpoint AGM in person, please request your CSDP or broker to issue the necessary letter of representation to you. This must be done in terms of the agreement entered into between the dematerialised Growthpoint shareholder (who is not an own-name dematerialised Growthpoint shareholder) and the CSDP or broker.

7. **It is a requirement in terms of section 62(3)(e)(iii) of the Companies Act, that attendees and/or participants at shareholders' meetings must provide satisfactory identification. Production of a valid ID document, valid passport or driver's licence upon arrival for the meeting and before signing of the attendance register at the meeting shall be acceptable.**

Electronic participation form

To be completed by shareholders who wish to participate electronically

1. Shareholders or their proxies who wish to participate in the AGM via electronic communication (participants) must deliver the form (the application) to TMS Pty Ltd via email to **proxy@tmsmeetings.co.za**.

2. Participants will be able to vote during the annual general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the general meeting, must provide TMS Pty Ltd with the information requested below.

3. Each shareholder who has complied with the requirements below will be contacted between 8 November 2021 and 12 November 2021 via email/mobile with a unique link to allow them to participate in the virtual meeting.

4. The cost of the participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her service provider.

5. The cut-off time, for administrative purposes, to participate in the meeting will be 11:00 on 5 November 2021.

6. The participant's unique link will be forwarded to the email/cell number provided below.

Application form

Name and surname of shareholder

Name and surname of shareholder representative (if applicable)

ID number

Email address

Telephone number

Name of CSDP or broker

Number of shares

IF SHARES ARE HELD IN DEMATERIALISED FORMAT

SCA number or broker account number

Signature

Date

Terms and conditions for the participation at the Growthpoint annual general meeting via electronic communication

1. The participant acknowledges that the telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies Growthpoint Properties Limited and TMS Pty Ltd against any loss, damage, penalty or claim arising in any way from the use or possession of the telecommunication lines/webcast/web-streaming, whether or not the problem is caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant acknowledges that he/she will have no claim against Growthpoint, JSE Limited and TMS Pty Ltd, whether for consequential damages or otherwise, arising from the use of the telecommunication lines/webcast/web-streaming or any defect in or from total or partial failure of the telecommunication lines/webcast/web-streaming and connections linking the telecommunications lines/webcast/web-streaming to the general meeting.

2. Participants will be able to vote during the general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the general meeting, must act in accordance with the requirements set out above.

3 Once the participant has received the link, the onus to safeguard this information resides with the participant.

4. The application will only be deemed successful if the application form has been completed and fully signed by the participant and emailed to TMS Pty Ltd at **proxy@tmsmeetings.co.za**. TMS Pty Ltd can also be contacted on +27 11 520 7951/0/2.

Contact details

Johannesburg office

Physical address:	The Place, 1 Sandton Drive, Sandown, Sandton, 2196
Postal address:	PO Box 78949, Sandton, 2146
Switchboard tel:	+27 (0) 11 944 6000
General fax:	+27 (0) 11 944 6005

Durban office

Physical address:	4th Floor, Lincoln On The Lake, 2 The High Street, Parkside Umhlanga Ridge, 4319
Postal address:	PO Box 1330, Umhlanga Rocks, 4320
Switchboard tel:	+27 (0) 31 584 5100
General fax:	+27 (0) 31 584 5110

Cape Town office

Physical address:	2nd Floor, MontClare Place, Main Road, Claremont, 7700
Postal address:	PO Box 44392, Claremont, 7735
Switchboard tel:	+27 (0) 21 673 8400
General fax:	+27 (0) 21 679 8405/06

Growthpoint Australia office

Physical address:	Level 22, 357 Collins Street, Melbourne, VIC, Australia, 3000
Switchboard tel:	+61 (0) 3 8681 2900
General fax:	+61 (0) 3 8681 2910

Email: info@growthpoint.com.au

Capital & Regional office

Physical address:	22 Chapter Street, London, SW1P 4NP, United Kingdom
Switchboard tel:	+44 (0) 20 802 5600

http://www.linkedin.com/company/growthpointlimited

@growthpoint

http://www.youtube.com/growthpointlimited

THE OAK TREE GROUP

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GROWTHPOINT
PROPERTIES