ESG

Purpose led. People powered.

Environmental, social and governance report

for the year ended 31 August 2022

Redefine Properties

We're not landlords. We're people.

Welcome to our 2022 environmental, social and governance report

for the year ended 31 August 2022

Our ESG report is our opportunity to share our strategic progress and plans as we work to transform our business to create the Redefine of tomorrow.

About Redefine

Redefine Properties Limited (Redefine, the group or the company) is a South African Real Estate Investment Trust (REIT). Our primary goal is to grow and improve cash flow to deliver quality earnings, underpinning growth and sustained value creation for all stakeholders.

We are listed on the JSE

We actively manage a **diversified property asset platform** with a value of **R88.9 billion** comprising South African and Polish property assets

We **differentiate ourselves** by placing **people and purpose** at the heart of what we do

INTEGRATED THINKING

Sustained value creation does not happen in isolation. Our approach to embedding integrated thinking in our organisation is continuous and considers the relationship between the capitals we use or affect and the potential trade-offs inherent in our strategic choices. We are also committed to continuously progressing our risk and opportunity management with regard to ESG factors that have the potential to impact our business, which ultimately enhances our ability to create value in the long term. We strive to report transparently, reflecting the value we create, preserve and erode. By understanding how these elements interact, we are better able to deliver sustained value for all stakeholders in the short, medium and long term.

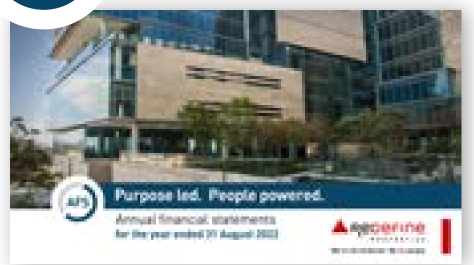
To understand our integrated business value creation approach, refer to page 4.

Our reporting suite

IR

Integrated report (IR)
Our **IR** is our primary report to stakeholders. It shows the relationship between the interdependent elements of our value-creation.

AFS



Group annual financial statements (AFS)
Our **AFS** provide a comprehensive overview of Redefine's financial position and enable our stakeholders to understand our financial performance.

ESG

Environmental, social and governance (ESG) report
Our **ESG** report is a detailed account of our sustainability performance for the year and includes our **remuneration report** as well as social, ethics and transformation committee report.

CRR

Climate risk report (CRR)
Our **CRR** provides an overview of our long-term approach to climate-related risk and opportunity management, in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.

AGM

Notice of annual general meeting (AGM)
The **AGM** provides supporting information for shareholders to participate in the AGM.

Form of proxy

Redefine is committed to reporting openly and honestly to our broad range of stakeholders. Our reporting suite is available on our website www.redefine.co.za

Our reporting suite is in compliance with and has applied the following frameworks

- International Integrated Reporting Framework (Integrated Reporting Framework)
- The Companies Act, No 71 of 2008, as amended (Companies Act)
- JSE Limited (JSE) Listings Requirements
- King IV Report on Corporate Governance™ for South Africa 2016 (King IV™)*
- International Financial Reporting Standards (IFRS)

Navigating our reports

We use icons throughout our reporting suite to show connectivity between sections and Redefine's INTEGRATED THINKING.

Key icons are on page 4.

Feedback

Your feedback is important to us. We welcome your input to enhance the quality of our reporting.

Please visit www.redefine.co.za or email investorenquiries@redefine.co.za

Our theme

Purpose led. People powered.

In an ever-changing world, real estate companies face an increasing barrage of competing pressures, with short-term demands clashing with long-term goals.

As the complexities evolve, we remain inspired by our 10-year moonshot vision – *in this decade to deliver the smartest and most sustainable spaces the world has ever known.* This vision is an embodiment of our purpose and is brought to life through strategic pathways that flow throughout our business. These pathways enable the realisation of our moonshot and, ultimately, the delivery of our purpose, which is to manage spaces in a way that changes people's lives.

We know that this bold goal will require more from us than ever before. Harnessing the **power of our purpose to lead our people** has allowed us to navigate and embrace these complexities and work daily to deliver on our strategic priorities.

Guide to our report

160
GREEN STAR SA CERTIFICATIONS

Introduction

Kwena Square, Gauteng, South Africa

Boundary and scope

This report covers the period ending on 31 August 2022. Any notable or material events after this date and up to the date of approval of this report are included and noted accordingly.

In line with King IV™, and the recently released JSE Sustainability Disclosure Guidance, which we have taken a progressive approach to applying, we aim to continuously enhance the quality and availability of information for our investors and broader stakeholders, covering disclosure on sustainability-related risks and opportunities that affect financial performance and our impacts on the economy, society, and the environment. Moreover, we align our business activities with the global climate change goals set out in the Paris Agreement and conduct and verify an annual carbon footprint assessment, following the Greenhouse Gas (GHG) Protocol and ISO 14064-3 International Standard for GHG verifications. Our environmental disclosure aims to meet the International Sustainability Standards Board (ISSB) draft IFRS S2 Climate-related Disclosures Appendix B: Industry-based disclosure requirements – Volume B36 – Real Estate (based on the Sustainability Accounting Standards Board (SASB) Real Estate and Infrastructure Standard). These standards assist companies in disclosing decision-useful information.

In our social section, we apply the principles from the International Labour Organization (ILO) Tripartite Meeting of Experts on the Measurement of Decent Work. Where appropriate, some of our human capital numbers are presented taking into account the Global Reporting Initiative (GRI) recommendations. We have also disclosed our broad-based black economic empowerment (BBBEE) scores which were independently verified by Honeycomb, an accredited BBBEE verification agency. The ethics-related scores have been determined independently by The Ethics Institute. In our governance section, we apply King IV™ principles as well as the ISO 37000 framework.

In this reporting suite, we disclose our climate-related risks and opportunities. In addition, we indicate which frameworks or standards were used, guided by the TCFD recommendations for voluntary, consistent, climate-related financial risk disclosures.

Our ESG reporting boundary covers the impact of our operations on the following as well as its impact on our operations

Environmental (page 11)

Social (page 29)

Governance (page 71)

Stakeholder engagements (page 30)

FINANCIAL REPORTING BOUNDARY

Aligns with our financial statements reporting boundary and includes

Subsidiaries	Associates	Joint ventures

Assurance

In line with our objective to continuously improve our ESG reporting and the terms of our 2021 sustainability-linked bond, limited assurance has been provided on the following selected sustainability metrics:

SELECTED SUSTAINABILITY INFORMATION	UNIT OF MEASUREMENT	BOUNDARY
Solar energy	Megawatt peak (MWp)	South African operations for buildings under the operational control of Redefine Properties
Scope 1 and 2 GHG emissions	tCO_2e	
Total water withdrawn	Megalitres (ML)	

In FY2022, we concluded our takeover of EPP N.V. (EPP) and own 95.5% of EPP. The reorganisation of EPP transformed our asset platform, and as a result, our South African and Polish operations account for 66.3% and 33.7% of our property asset platform, respectively. For FY2022, we disclose financial information related to our South African and Polish operations over which we have operational control. Non-financial information primarily relates to our South African operations due to the management control exercised in the full year under review. In FY2023, we will provide a more integrated view of non-financial information, including our EPP portfolio.

EPP's full ESG report is available on their website.

2 Lake Road, Gauteng, South Africa

INTEGRATED THINKING is central to how we make strategic choices. It drives our value creation and informs our integrated reporting.

Our integrated approach to business and value creation

To achieve our purpose, we believe we must have a robust business model and a responsive and progressive strategy. This requires more than a business-as-usual approach, it necessitates an integrated approach to value creation.

Our **purpose** is to create and manage spaces in a way that changes lives

Our **vision** is to be the best South African REIT

MOONSHOT
In this decade to deliver the smartest and most sustainable spaces the world has ever known

ESG IS AT THE HEART OF OUR VALUE CREATION

ESG extends to every aspect of what we do, as it ensures our long-term business resilience and creates sustainable stakeholder ecosystems.

Our embedded ESG approach informs our strategic decisions and operations – ensuring our choices align with our values and strategic priorities to enable long-term value creation while ensuring transparency and accountability for our actions.

We're not landlords. We're people.

Our relationship-centric approach enables us to create and sustain meaningful value for our stakeholders.

Property is our commodity and people are our business.

Building a quality, diversified property portfolio in both South Africa and Poland.

We actively manage a diversified portfolio in both South Africa and Poland. Our South African portfolio comprises mainly retail, office and industrial properties, complemented by retail and logistics property investments in Poland.

We allocate capital where we believe the best market opportunities lie and reduce risk by diversifying our portfolio both sectorally and geographically.

Our **BEST VALUES** are what connects us and guides our behaviour

CREATING VALUE | **Value for us means meeting our stakeholder goals** | **CREATING VALUE**

We assess our context

Operating context IR:21
Geopolitical events, socioeconomic challenges arising where we operate, and emerging and existing megatrends determine the environment that informs our value-creation process.

Stakeholder relationships IR:24
Our comprehensive engagement strategies enable us to prioritise what each key stakeholder values most and what value Redefine strives to receive from each relationship in return.

Risks and opportunities IR:30
Our business model is the primary lens through which we analyse our operating environment, stakeholder relationships and resource dependency. From this universe, we derive our top-of-mind risks and opportunities that are continuously updated.

We consider our material matters

We adopt an integrated approach to identify matters that could influence our ability to create value in the short, medium and long term. These matters inform our strategy to mitigate the risks and maximise the opportunities that present themselves. Collectively, these are grouped into five themes that represent the megatrends we need to consider in our operating context.

Materiality themes IR:40

We integrate our strategy into our business model

Business strategy IR:10
Investing in a long-term asset class, we make strategic choices with lasting outcomes. Driven by our moonshot pathways, we embed integrated thinking into our business strategy, channelled by our strategic priorities to enable sustained value creation. These are the critical levers that affect our ability to create value in the short, medium and long term.

Moonshot pathways IR:44
- Delivering diversity, equity and inclusion
- Being bionic
- Being a force for good
- Creating ecosystems
- Being explorers and innovators

Strategic priorities IR:18
- GR Grow reputation
- IS Invest strategically
- OC Optimise capital
- OE Operate efficiently
- ET Engage talent

Business model IR:10
We actively manage our activities and measure their impacts to ensure we enhance the positive and minimise the adverse outcomes of our business model, thereby sustaining value for all our stakeholders.

Our **mission** is to create sustained value for all our stakeholders

Our **primary goal** is to grow and improve cash flow

Stakeholder goals IR:25

Investors	Source of sustained growth in total returns
Funders	Reliable source of returns on debt funding
Tenants	Provider of differentiated and relevant space
Employees	Employer of choice
Suppliers	Source of business opportunity and growth
Property brokers	Preferred business partner
Shoppers	Provider of a safe and innovative shopping experience
Communities	Responsible community participant

We aim to deliver broader societal and environmental value through our commitment to the United Nations Sustainable Development Goals (UN SDGs)

Our primary UN SDGs IR:46
3, 5, 7, 8, 9, 11, 12, 13, 16

Our secondary UN SDGs IR:46
4, 6, 10, 17

Throughout this report, we have highlighted the relevant UN SDGs to which the content contributes by using an icon alongside.

These areas are underpinned by the six capitals that we use or affect

- IR:61 FC Financial capital
- IR:66 MC Manufactured capital
- IR:85 HC Human capital
- IR:91 SRC Social and relationship capital
- IR:98 IC Intellectual capital
- IR:102 NC Natural capital

13.5%

INCREASE IN INSTALLED SOLAR PV CAPACITY

Overview

6 ESG performance overview

8 Our approach to ESG

2 Pybus Road, Gauteng, South Africa

ESG performance overview

We aim to become an ESG leader in the South African real estate sector. In addition, we aim to build the most sustainable REIT that aims to deliver value through market cycles. Our target-based approach to ESG drives our performance in this regard.

ENVIRONMENT

2022 at a glance

Renewable energy*

13.54% increase in installed capacity 29.89MWp (2021: 26.3MWp)

Energy efficiency

21.7% reduction in consumption of grid-supplied energy (2021: -6.3%)

Carbon footprint*

9% increase in **Scope 1 and 2 emissions**
0.0095 tCO_2e per m^2 (gross lettable area (GLA))(2021: 0.0088 tCO_2e per m^2)

Water*

0.4% reduction in water withdrawn from municipal and groundwater (borehole) sources
Municipal: 2 286ML (2021: 2 292ML)
Groundwater: 47.8ML (2021: 60.6ML)

Waste

39% of our properties are covered by internal waste management initiatives

20% of our waste is diverted from landfill at properties covered by internal waste management

Green buildings

160 Green Star SA certifications (2021: 123), including **37** new certifications and **35** recertifications

- 13 Building Research Establishment Environmental Assessment Methodology (BREEAM) certifications in EPP portfolio, including:
  - 70% EPP retail
  - 85% EPP office and
  - 80% of ELI completed portfolio has been BREEAM certified
- **S&J Industrial Estate Certified EcoDistrict(TM)** (2021: 0)
- Three properties submitted for **Net Zero Carbon Certification: Level 2** (Operational)
- **Three properties** submitted for the **WELL Health-Safety Rating**

Wonderboom Junction, Gauteng, South Africa

Our environmental performance in context

- Restrictive regulation has proved to be a significant barrier for private energy suppliers in helping to resolve South Africa's electricity challenges, along with challenges concerning ageing infrastructure. Our participation in the energy wheeling pilot project in the Western Cape is reflective of our continued efforts to work with local government to deliver mutually beneficial solutions
- In implementing a critical business continuity measure, our stationary combustion grew by 103% due to the increased use of diesel generators during heightened loadshedding and electricity supply interruptions. We continue to explore environmentally friendly alternatives to diesel generators to meet our shopper and tenant needs while addressing our environmental ambitions
- To achieve our long-term environmental targets, we must reduce our Scope 3 indirect emissions, which, within real estate, are primarily driven by tenant emissions. Heightening our engagement with tenants and rolling out green leases in each sector are therefore critical as a vehicle to mutually agree on appropriate carbon emission reduction goals as well as other sustainability-related interventions on site

* *Aligned with the pre-agreed targets in Redefine's sustainability-linked bond, measured from 31 August 2022 onwards*

ESG performance overview continued

SOCIAL

2022 at a glance

Social performance: key metrics per stakeholder

Level 1 BBBEE contributor level (2021: level 1)	**Permanent employee turnover 11%** (2021: 12.0%) **58% female employees** (2021: 57%)	▪ **R3.5 billion** total GDP annual contribution in South Africa (2021: not recorded)[1] ▪ **€451 million** total GDP annual contribution in Poland (2021: not recorded)[2]	**R14.5 million total training investment** (2021: R11.4 million)
R7.8 million non-profit organisation (NPO) investment (2021: R4 million)	82% of promotions were African, Coloured and Indian (ACI) employees (2021: 85%)	**27 076 employee-hours invested in training** (2021: 18 672)	**Employment status ratio: 87% permanent** (2021: 90.3%) **13% temporary** (2021: 9.7%)
Overall net promoter score (NPS) from shoppers 60/100 (2021: not recorded)	**1 520 brokers participating in the Reach Incentive Programme with a total deal value of R1.39 billion** (2021: 1 292 brokers with a deal value of R957 million)		**15 suppliers** participated in our inaugural supplier sustainability self-assessment
	Scoring against the Women Empowerment Principles (WEPs): **47%** (2021: 30%)	**50%** of executive committee members are female	
	100% of tenants were reached through ESG-specific tenant communications		R1.79 million youth development investment (2021: R1.3 million)

[1] Source: JLL socio-economic impact study on Redefine South Africa, 2022

[2] Source: JLL socio-economic impact study on EPP, 2022

Our social performance in context

- Heightening stakeholder needs within a constrained economic climate present a growing social stability risk. Through a stakeholder-inclusive approach to corporate social investment (CSI), we seek to ensure that our properties are integrated into in the community-based ecosystems in which we operate, helping to alleviate the risk of social unrest
- The war for talent remains a central challenge but one we are actively addressing through our refreshed people strategy and enhanced employee value proposition (EVP)
- The psychological stressors of the pandemic have endured despite the lifting of restrictions during the year. Recognising this, we actively support employees to manage their physical, mental, spiritual, financial and social wellbeing. We also actively monitor health, safety and wellness to proactively identify risks and swiftly address them

GOVERNANCE PERFORMANCE

2022 at a glance

Achieved an 88th percentile overall ethical culture ranking from the ethics risk survey (2021: 88th percentile)	98.68% approval of our remuneration policy and 98.71% approval of our implementation report at the AGM held on 17 February 2022 (2021: 96.2 and 96.9)	**70:30 ratio of independent non-executive directors to executive directors (2021: 70:30), thus maintaining a diverse and balanced board**
67% internal organisational health metric score (2021: 61%)	ESG building scoring matrix was approved and applied to all South African assets under our operational control (2021: not applicable)	**South African core digital ratio of 14.45% (2021: 5%)**
100% of ISO 37001 principles have been satisfactorily applied to our refreshed governance framework (2021: not applicable)	**Bolstered our property skills at board level with the appointment of Simon Fifield and Cora Fernandez**	Exceeded board gender and racial diversity targets (2021: achieved)
Average age of board members: 54 years	Issued a R1.5 billion use-of-proceeds-related green bond, with the International Finance Corporation as anchor investor	**Finalised our first sustainable finance framework, allowing us to enter into green, social and sustainability bonds and loans across the group**
Average tenure of board members: 4.2 years	**138% overall performance score on the short-term incentives (STIs) (2021: 128%)**	▪ Whistle-blower reports received through the hotline ▫ 2022: zero (2021: eight)

Our governance performance in context

We have made significant process in improving the gender representation levels at executive committee level. We will continue our efforts to promote gender equality within our organisation and our value chain more broadly.

An important vehicle for doing so is the Redefine Empowerment Trust, which has never been able to trigger any capital repayments on the Redefine loan and by extension create value for its intended class of beneficiaries. We are proceeding with a resolution to restructure the trust in the February 2023 AGM that will allow it to achieve its core objectives.

From a remuneration perspective, the lingering effects of the pandemic on the local real estate sector meant that only 35% of the November 2019 LTI awards will vest in the participating executives. This will necessitate the remuneration committee (REM) considering whether or not the executive team is sufficiently locked in and remunerated within the organisation, taking into account the fair and responsible remuneration policy.

In line with this, the restructure of the Redefine executive incentive scheme that includes the share purchase scheme is considered necessary, given the fact that the participants bought in at the peak of the share cycle, the outstanding debt is currently R77.3 million, and the credit loss due to the depressed share price is estimated at R42.78 million. The financial burden is punitive on the participating employees, therefore we will approach the shareholders with a request to wind up the share purchase scheme and waive the unpaid debt.

Our approach to ESG

Responding to external drivers and our own goals to transform our business, we have accelerated our quest to embed ESG into every aspect of what we do.

A global and local need

Faced by the heightening challenges of pervasive inequality, environmental degradation, climate change, conflict, political instability and economic recession, organisations of all sizes have been forced to rethink business models to consider the needs of broader stakeholders and not just shareholders.

The heightening need for embedded ESG within the real estate sector

Our assets are physical and immovable, which makes them vulnerable to any environmental and socioeconomic factors that affect the area or region in which they are located. Beyond risk mitigation, we have long incorporated ESG factors into our business processes, recognising the opportunity to future proof our business and increase resilience.

Our transformative strategy

Our **moonshot vision** requires that we drive bold ambitions – going beyond the brick and mortar of what exists today to what could be tomorrow. In line with this thinking, we are committed to evolving our business model, decarbonising our value chain, increasing transparency, and utilising robust **ESG** reporting frameworks and standards. We aim to **move beyond** incremental progress to **transformative change** – unlocking business value, building resilience and enabling long-term growth. This is a strategic and moral imperative.

Our ESG strategy

Approach

Our ESG strategy is anchored in Redefine's purpose, embraces the **UN SDGs as an overarching framework,** and maps out what we want to achieve by 2030. It sets high-level goals for incorporating ESG into our investment processes, day-to-day operations, and stakeholder engagements.

Furthermore, the group's approach to ESG factors, related risks and opportunities is considered in respect of the geographical contextual span of our business. As such, our subsidiaries also take steps to incorporate ESG into their investment frameworks. Our ESG strategy applies to all the properties over which Redefine has operational control and promotes applicable practices across our value chain. In FY2023, following the integration of EPP as a fully owned subsidiary, our ESG strategy will apply to our EPP portfolio.

Objectives

The objectives of the strategy are to

- Ensure that ESG forms an integral part of our day-to-day business operations and decision-making processes throughout the life cycle of our properties
- Drive delivery of Redefine's moonshot strategy, i.e. for Redefine to own the smartest and most sustainable buildings the world has ever known by 2030
- Pursue opportunities to contribute towards solving societal challenges through business innovation and collaboration
- Promote the creation of sustainable partnerships not only within our value chain but also within the real estate industry and with the public sector
- Create a pathway to net zero carbon emissions throughout the portfolio by 2050

Identification of UN SDGs

We conducted an updated materiality analysis for our South African operations during 2022 across all 17 UN SDGs to identify the areas of business or society where we can make the most significant impact. For each UN SDG, these impacts have been grouped per stakeholder, in accordance with our updated stakeholder engagement strategy (see our social landscape from page 29).

As Poland's overall progress against the 17 UN SDGs is significantly better than South Africa's progress, according to SDG Tracker for South Africa and Poland, the identification of the appropriate UN SDGs for EPP has been conducted separately by EPP and is incorporated by reference into our group ESG strategy. More detailed reporting on EPP's progress against the UN SDGs is set out on page 34 of the 2021 EPP ESG report.

ESG benchmarks and frameworks – guiding our integration of global best practice

Our strategy is further supported by a comprehensive set of targets based on international best practice reporting, which we monitor internally. We use international frameworks, standards and benchmarks most relevant to real estate as guidance on current and forward-looking developments on ESG and gauge how they will affect us as a REIT.

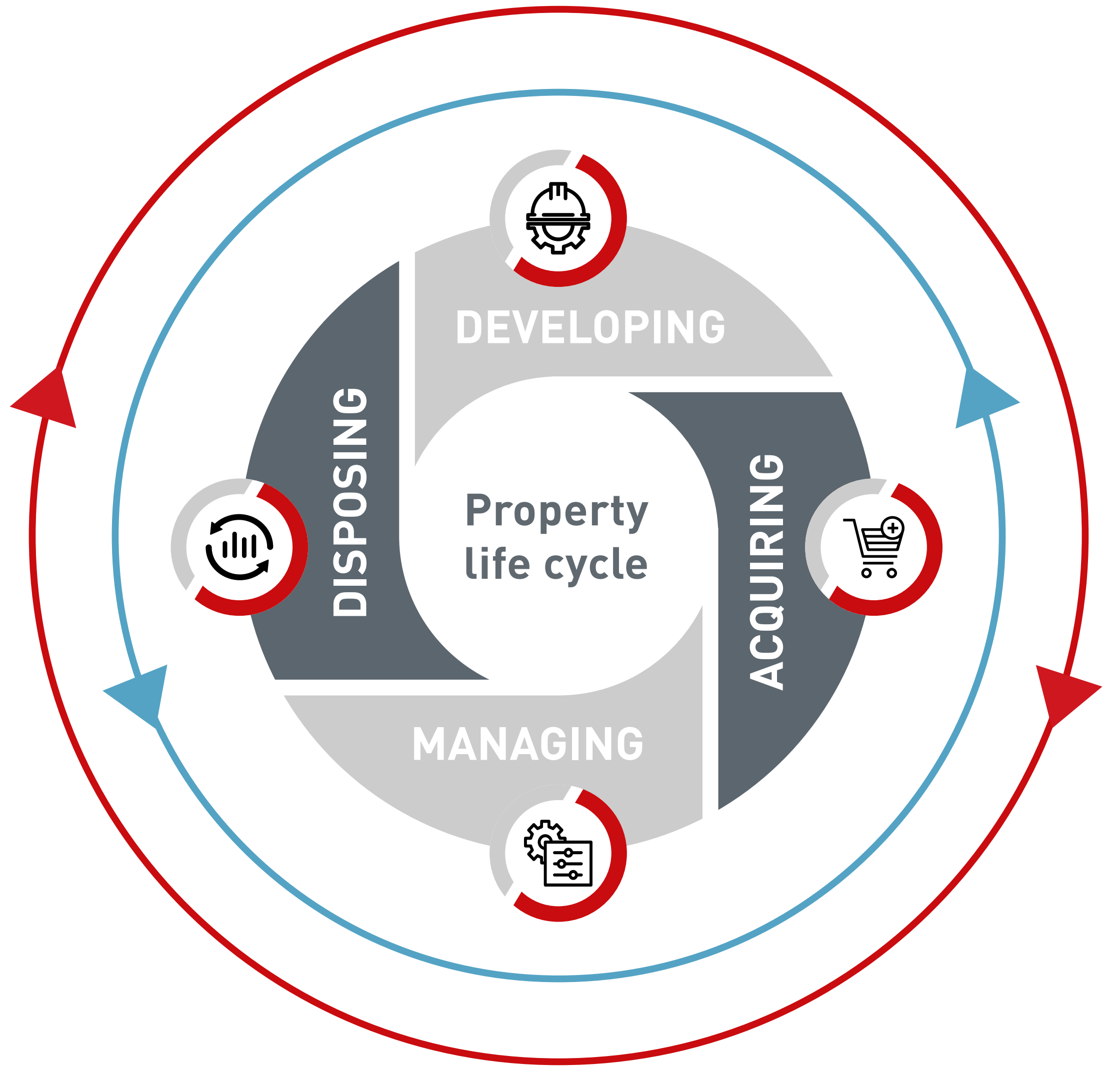
We are taking steps to incorporate the following into our business processes and disclosures

- ISSB guidelines, including real estate industry-based disclosure requirements
- JSE Sustainability Disclosure Guidance
- UN Principles for Responsible Investment (PRI), as they relate to real estate
- The recommendations of the TCFD

Our approach to ESG continued

Responsible investment approach

We believe that a holistic investment approach factors long-term sustainability and embeds ESG at each stage of our investment life cycle. As such, we are developing an enterprise approach to responsible investment to ensure that each asset management decision, from development or acquisition to disposal or demolition, considers ESG factors every step of the way.



ENABLING SERVICES

The activities that grow our property portfolio value are underpinned by support services that enable the business to function in a manner that creates value in the short, medium and long term.

CAPITAL MANAGEMENT

We have a dynamic approach to capital management. In an environment of scarce and costly capital, we evaluate the prospective returns of each capital deployment opportunity to determine our capital allocation. Supporting our business activities are the choices we make about sourcing, deploying, managing and, at times, recycling our manufactured capital in line with our investment strategy to generate sustained cash flow.

Driven by demand, opportunity and the need to remain relevant, we develop innovative, operationally efficient and cost-effective buildings and redevelop existing properties to extend value creation.

We actively manage our diversified portfolio to enhance efficiency and aim to deliver risk-adjusted returns.

Our strategy is to grow and improve the quality of our portfolio by acquiring high-quality buildings with long-term leases, offering secure cash flows and negligible vacancy rates.

We sell assets at the end of their investment cycle and recycle the capital into opportunities that have better long-term capital growth prospects once all other alternative uses for them have been exhausted.

The measurement criteria for our life cycle approach in the context of ESG are set out below. The achievement thereof will be measured at the end of FY2025.

UN SDG 12.4

Life cycle approach

Ensure that life cycle assessments are conducted on our properties to optimise their performance and long-term sustainability.

Measurement method

The development of life cycle metrics per sector that optimise the reusability of our assets once they reach the end of their life cycle.

Benchmarking our progress against our peers

We benchmark our performance against our peers – nationally and internationally – to inform our strategy and adopt international sustainability best practices across our organisation. Please refer to our website for more detail on our performance in terms of the Dow Jones Sustainability Index, Global Real Estate Sustainability Benchmark (GRESB) and the FTSE4Good Emerging Markets Index.

Our approach to ESG continued

ENVIRONMENT

We assess the performance of our acquired assets against environmental sustainability measures, including the incorporation of low-carbon building facilities and equipment.

- Entrenching ESG in the development of our buildings increases their appeal, efficiency and long-term sustainability
- Developing and managing green buildings in line with Green Building Council of South Africa (GBCSA) guidelines
- Increasing renewable energy generation and reducing grid-supplied energy consumption through energy management and efficiency initiatives (such as solar photovoltaic (PV) projects and sensors)
- Ensuring suitable sanitation and hygiene in our buildings

The following areas are being established and embedded into our business, in line with our environmental management system, climate change policy (including long-term decarbonisation targets), and risk management strategy:

- Implementing green leasing and green tenant guidelines, including water resource and waste management with various technologies (such as monitoring, leak detection and smart shut-off valves)
- Ensuring that responsible water and waste management takes place, intended to reduce consumption

- We will incorporate an environmental considerations due diligence process in our disposals
- We assess the ability of the building to be converted from one use to another during the development phase
- More sophisticated criteria, including site-use re-evaluation criteria, are being developed

SOCIAL

- We conduct human rights and community impact due diligence assessments
- We appoint a community liaison officer for new developments
- We allow community members to collect leftover building materials once the development is complete
- Contractors receive on-site health and safety training and briefings

Our key social initiatives in the development phase include:

- Upgrading facilities and infrastructure for socioeconomic development
- Promoting human rights and decent working conditions, which includes supporting women-owned businesses and other vulnerable groups
- Taking steps to ensure equal pay for work of equal value
- Implementing a health, safety and wellbeing strategy for our key stakeholders
- Improving our BBBEE contributor level
- Focusing on employee health and safety at each stage of the life cycle
- Implementing our supplier code of conduct that incorporates ESG factors
- Creating a pipeline of future suppliers, tenants and employees through our social investments and enterprise and supplier development (ESD) programmes

Our key social initiatives during the management of our properties include:

- Delivering CSI initiatives and community engagement
- Striving to raise sustainability awareness among stakeholders, with a focus on tenants and suppliers
- Promoting human rights and decent working conditions, which includes supporting women-owned businesses and other vulnerable groups
- Taking steps to ensure equal pay for work of equal value
- Investing in our employees through our Learnership Programme and skills development, including giving them operational experience at an asset level
- Focusing on employee health and safety at each stage of the life cycle
- Implementing our supplier code of conduct that incorporates ESG factors
- Creating a pipeline of future suppliers, tenants and employees through our social investments and ESD programmes

Human rights and community impact assessments will be performed in respect of property transactions, where appropriate, in future.

GOVERNANCE

The risk, compliance and technology committee (RCT) will oversee the incorporation and monitoring of ESG-related risks and opportunities (as they appear throughout the asset life cycle) into the enterprise risk management (ERM) framework. The investment committee (IC) will ensure that ESG due diligences are conducted for potential acquisitions.

The audit committee (AC) oversees the internal controls and scope of external assurance applied to non-financial reporting, including the information contained in the integrated reporting suite.

The remuneration committee (REM) ensures that any ESG-related key performance indicators (KPIs) are aligned with the company's long-term ESG strategy and drive the incorporation of ESG into each aspect of the asset life cycle.

The IC oversees the investment strategy and ensures that we uphold business continuity and ethical conduct. Anti-bribery and corruption measures and conflict of interest management are observed throughout the deal-making phase. Our delegation of authority framework provides guidance when entering key transactions.

Our **board** oversees our responsible corporate citizenship with the social, ethics and transformation committee (SET), ensuring that our business conduct is ethical and governed adequately by focusing on (among others):

- Social and economic development
- Ethical conduct
- Sustainability
- Stakeholder engagement
- ESG across our value chain

Refer to page 71 for our governance landscape for details. For detailed policies, refer to our website under the governance landscape.

- The IC oversees our disposal strategy and ensures that it is conducted ethically
- The SET ensures that we generate and distribute economic value appropriately among our key stakeholders
- The impact of a disposal on the company's overall ESG profile and performance and the potential socioeconomic impact are incorporated into disposal motivations

A more sophisticated ESG matrix for application to acquisitions and disposals has been developed

Acquiring | Managing | Developing | Disposing

Investors | Funders | Tenants | Employees | Suppliers | Property brokers | Shoppers | Communities

21.8%
REDUCTION IN CONSUMPTION OF GRID-SUPPLIED ENERGY

Our environmental landscape

190 Barbara Road, Gauteng, South Africa

We assess our environmental impact to enable meaningful action towards our stewardship goals.

The environmental in ESG

Why it matters

To manage the most sustainable spaces the world has ever known, it is imperative that Redefine remains a force for good. We believe that our long-term sustainability is dependent on how well we embrace ESG. Environmental responsibility continues to rise in prominence, with companies needing to respond with agility to meet growing key stakeholder expectations. The real estate sector is no different. With buildings accounting for approximately 40% of annual global carbon dioxide emissions[1], we recognise our critical role in supporting the transition to a lower-carbon economy.

Our environmental stewardship is driven by a need to ensure our long-term business sustainability and an ethical obligation to South African society. To deepen our understanding of, and minimise our impact on, the natural environment, we must acknowledge the part we play and keep our operations resilient in the face of environmental risks while reducing our assets' contribution to climate change. Furthermore, we consider how to meet the increased expectation of tenants, occupiers and shoppers that we will provide them with environmentally friendly and responsible spaces.

Macroeconomic context

The World Economic Forum has flagged climate action failure as the highest impact risk of the next decade[2]. The South African government has reinforced its commitment to reducing its carbon footprint by updating its nationally determined contributions during 2022. As electricity costs continue to escalate amid supply constraints, the need to increase the energy efficiency of our buildings and transition to renewable energy sources is further heightened. Additionally, the country's water resources remain at a level of concern due to recurring droughts, degrading infrastructure, waste, pollution, and persistent loadshedding affecting electrical and water supply infrastructure. These challenges inform our identification of strategic short- and long-term environmental priorities.

Within our Polish market, rapidly changing environmental regulations due to climate change, as well as the escalating cost of energy in 2022, continue to drive investment in innovative and low-carbon technologies. We believe this presents an opportunity for responsible investment, benefiting economic stability through improving the energy supply, social wellbeing and climate neutrality.

[1] Architecture 2030, "Why the building sector?", https://architecture2030.org/why-the-building-sector/
[2] WEF Global Risks Report 2022, www.weforum.org/reports/global-risks-report-2022

Governing our environmental approach and performance

Our board has oversight of our approach to environmental matters. The board is supported by various committees in governing matters that fall under each environmental category, including:

Understand the impact of environmental change on our business and drive behavioural change

OUR ENVIRONMENTAL FOCUS AREAS

Climate change	Carbon reduction and energy	Water management	Waste management	Green building
RCT SET AC IC REM	RCT SET IC	RCT SET IC	RCT SET IC	SET IC
page 19	page 19	page 22	page 24	page 26

In addition, the executive committee oversees the implementation of our environmental approach and performance, and a dedicated department provides guidance to the business in terms of ESG strategic direction.

OUR APPROACH TO THESE ENVIRONMENTAL FOCUS AREAS

Climate change	Carbon reduction and energy	Water management	Waste management	Green building
Introduce a net zero pathway to guide our business's approach to transitioning to a low-carbon economy, addressing energy, water, and waste management**	Improve the consistency and comparability of our environmental reporting**	Continue reviewing potential future-proofing opportunities that target strategic assets**	Continue reviewing potential future-proofing opportunities that target strategic assets**	Continue pursuing long-term Green Star and other appropriate building certifications*
Maintain and improve performance in terms of sustainability disclosure indices and benchmarks*		Focus on smart electricity and water meters, including practical ways of monitoring and improving asset-level energy and water efficiency*		Continue focusing on tenant and customer health and wellbeing, including through other measures such as WELL Building certifications**
Introduce a climate change risk management framework to help us identify our most material climate change risk exposures and corresponding opportunities**	Incorporate environmental considerations into tenant and supplier engagement**	Focus on improving the coverage of our green lease framework across the portfolio**		

Energy page 19

Invest in renewable and energy-efficient solutions across the portfolio*	Focus on smart electricity and water meters, including practical ways of monitoring and improving asset-level energy and water efficiency*	Focus on improving the coverage of our green lease framework across the portfolio**

Biodiversity page 28

Identify and manage our biodiversity-related risks and opportunities

* Short-term priorities
** Medium- to long-term priorities

Our approach

Environmental stewardship requires collective effort and responsibility. Our environmental approach is therefore guided by our ESG strategy, with individual strategies, policies and accountability across our critical environmental focus areas, including climate change and resilience, energy, water, waste, green buildings, and disclosure. In each focus area, we aim to understand our impact, create awareness, and influence responsible behaviours among our employees, suppliers and tenants.

Alignment with international best practice standards and frameworks

We continue to progress in implementing, and aligning with, the TCFD framework and SASB standards, both of which are being incorporated into the ISSB Sustainability Disclosure Framework. In addition to our journey to comply with the SASB Real Estate Standard, our performance in tenant engagement and portion of green leases or addenda by GLA directly affect our sustainability disclosure scores. Our asset management and leasing teams are adapting our green lease addendum to consider each subsector's operational realities. Where these have been finalised, several negotiations are underway with our tenants to implement the green leasing frameworks. We have also formalised our approach to measuring, incentivising and improving tenants' sustainability impacts by implementing a tenant awareness programme to explain the benefits of our sustainability projects.

SASB activity metrics

		RETAIL		OFFICE		INDUSTRIAL		SPECIALISED/OTHER	
		2022	2021	2022	2021	2022	2021	2022	2021
Number of assets (IF-RE-000.A)		**66**	68	**100**	104	**93**	99	**1**	1
Leasable floor area (IF-RE-000.B)	m^2	**1 230 319**	1 277 181	**1 137 751**	1 231 400	**1 783 928**	1 788 600	**12 817**	12 817
	ft^2	**13 243 149**	13 747 574	**12 246 757**	13 254 793	**19 202 203**	19 252 489	**137 962**	137 962
Percentage of indirectly managed assets by floor area (IF-RE-000.C)	%	**3**	4	**21**	25	**64**	68	**100**	100
Average occupancy rate (IF-RE-000.D)	%	**88**	81	**77**	92	**92**	96	**100**	0

521 942
TOTAL SCOPE 1, 2 AND 3 tCO_2e IN 2022 CARBON FOOTPRINT

REPORTING BOUNDARIES

For more information on our reporting boundaries regarding our 2022 annual carbon footprint assessment, which uses the operational control approach, and our ongoing alignment with SASB, refer to our website.

Please note that numbers reported using the SASB Real Estate Standard may vary from those using the operational control approach related to our carbon footprint reporting.

Prioritising climate change resilience

We are committed to investing in a sound climate strategy as we firmly believe it safeguards our real estate investments and enables sustainable value creation.

For more detailed reporting on climate change, please see our CRR.

Our position on climate change

We believe climate change should no longer be considered a low-probability business risk. Instead, we have a responsibility to deepen our understanding of climate change by defining how it impacts our business and how our business contributes to long-term climate change. We recognise that our business activities in the built environment create negative impacts through energy usage, carbon emissions, water consumption and waste production. To ensure our approach and disclosure align with best practice, we align with internationally recognised frameworks and standards to identify and measure our impacts and find ways to mitigate our adverse effects while bolstering our positive contributions by finding innovative pathways to achieve net zero carbon, water and waste. Likewise, we seek to understand the financial impact of climate change-related risks on our ability to create value in the long term under different climate scenarios.

Bolstering our resilience

To improve our portfolio's climate change resilience, we align our related risk management processes with the TCFD recommendations. This helps us understand how and where our business and assets are vulnerable. In practice, Redefine's new developments are designed with long-term climate change risks in mind, and we explore opportunities to improve climate change resilience in our existing buildings. Furthermore, we encourage the development of real estate building codes and standards to meet the demand for climate-resilient building design, including the C40 Cities commitment entered into by several South African municipalities.

Our ESG strategy includes our holistic green building approach (refer to pages 26 to 27). It addresses primary and secondary impact areas while aligning with international green building best practices. Green building practices form part of this strategy – a necessity for long-term value creation. Our climate change-related risk management processes consider our properties' life cycles when assessing future environmental impacts as well as the interventions required to manage the increase in extreme weather events and chronic weather changes. Therefore, from initial acquisition or development to disposal, we ensure that our management approach considers our environmental goals.

Prioritising climate change resilience continued

Forging the path to net zero

We have set ambitious targets to respond to the environmental crisis, aligning our business to a 1.5°C climate scenario, with a target for all new buildings to achieve net zero by 2030 and existing buildings by 2050.

NET ZERO JOURNEY

NET ZERO JOURNEY (South African portfolio)

PHASE 1

Short-term portfolio-wide milestone targets (year on year)

- Renewable energy capacity installations: 3MWp
- Reduction in water withdrawn: 70ML reduction
- Waste reduction: 5% reduction in waste to landfill

Long-term targets

- Set decarbonisation targets to reduce Scope 1, 2 and 3 GHG emissions – South African portfolio only. Aim to achieve a 21% reduction by 2025

PHASE 2

Key focus areas

- Define boundaries of net zero commitment (geographical boundaries, approach to landlord and tenant emissions, and embodied carbon)
- Convert selected buildings to net zero carbon/water/waste as a pilot (from 2023 onwards)
- Analyse the portfolio of buildings that can be converted to net zero and develop an insetting and offsetting framework (including on the voluntary carbon market) for the buildings that cannot be converted
- Identify buildings that can potentially be converted to net positive carbon/water/waste (in the long term)

PHASE 3

2030 goal

- All **new buildings** are net zero
- 42% reduction in Scope 1, 2 and 3 emissions

PHASE 4

2050 goal

- All **existing buildings** are converted to net zero
- 90% reduction in Scope 1, 2 and 3 emissions

Energy (Scope 1/2/3 GHG emissions)

Energy Performance Certificates; Energy-efficient installations, for example, heating, ventilation and air conditioning (HVAC), and lighting	Energy efficiency
Maximising solar PV installations on available roof space	On-site renewable energy
Exploring wheeling opportunities with service providers. However, municipalities and grid infrastructure remain a challenge	Off-site renewable energy
As a last resort, where wheeling is not possible, and energy efficiency is maximised	Carbon offsets

Net zero carbon

Water (included in Scope 3 GHG emissions)

Installing water-efficient toilets and taps, HVAC, and equipment	Water efficiency
Rainwater harvesting, grey water reuse and xeriscaping	On-site water reuse
Water-saving projects off-site but within the value chain (for example, for tenants or suppliers)	Off-site water reuse
Supporting balancing projects, e.g. off-site water efficiency or reuse projects	Water offsets

Net zero water

Waste (included in Scope 3 GHG emissions)

Waste stream audits	Waste efficiency
On-site sourcing and recycling and internal waste management initiatives	On-site waste recovery
Supporting waste management projects within the value chain	Off-site waste reuse
Balancing projects, for example, tenant waste management projects	Waste offsets

Net zero waste

Prioritising climate change resilience continued

We identified three buildings eligible for the GBCSA's Net Zero Carbon Certification: Level 2 (Operational), based on their energy efficiency and anticipated energy performance certification (EPC) ratings. We aim to achieve at least three pilot net zero certifications during the first quarter of 2023 to inform our future certification projects. To achieve this on a pilot basis, we will purchase a limited number of carbon credits to offset carbon emissions during the period under assessment (which was backwards-looking from June 2021 to June 2022). The carbon offset is a commitment valid for three years, which is why further energy-efficient interventions, including optimising the building management systems, will be introduced at these buildings to reduce the total carbon offset required for years two and three.

One of the interventions we implemented at 90 Rivonia Road in 2022 was LED lighting retrofits in the parking areas, which is expected to save an estimated 264 832kWh in 2023. More interventions will be introduced at all three buildings to optimise the energy performance of the buildings, in line with the recommendations set out in the benchmark report and focusing on the operational building management systems of each asset. We will also engage with the tenants in each building to encourage them to reduce their energy consumption.

Climate change-related governance and environmental risk management

The board is the ultimate custodian of governance and recognises that integrating climate risks and opportunities into business results in responsible corporate citizenship and sustainable development. Therefore, our values, strategy, strategic objectives and KPIs aimed at prioritising climate-related risks and opportunities are approved by the board. In line with this focus, board members undergo an induction process that includes familiarising themselves with the company's ESG strategy, and relevant members participate in ongoing professional development to keep them abreast of sustainability trends and continuously develop their competence to lead effectively.

The board is conscious of and active in its role of aiding the achievement of the UN SDGs. The achievement of the UN SDGs is a cornerstone of our ESG strategy, and there is considerable overlap between the TCFD framework and the goals, objectives and targets set within the strategy.

Our goal- and target-setting processes define necessary governance frameworks to monitor and evaluate performance against set targets. Moreover, during the year, we developed an asset-level due diligence process for application to all developments, acquisitions and disposals in South Africa. Critically, this process allows for the assessment of asset-level ESG impacts. In 2023, we will investigate the application of this assessment to our Polish assets. The ESG due diligence process is informed by ESG rating agencies' reports, the SASB standards, and the TCFD framework.

To better understand investors' ESG-related concerns and priorities, we sought their input during our inaugural Capital Markets Day and conducted surveys and questionnaires to gauge their expectations in this regard. The identification of assets in our portfolio that cannot transition to net zero as well as our plans for those assets were questioned by investors; we will be in a better position to determine which assets cannot transition once we have obtained Energy Performance Certificates on all eligible buildings. We were also asked about our plans regarding wheeling renewable energy; while we are actively exploring the integration of off-site renewable energy sources, our ability to do so at scale will depend on the cooperation of municipalities and public investment into the maintenance of grid infrastructure.

Management's role in assessing and managing climate-related risks and opportunities

Management reports specific climate change-related issues to the SET, including benchmark considerations, green building progress monitoring, and climate change-related risks. Our executive leadership team oversees the TCFD framework, including risk mitigation plans to integrate the TCFD framework into the company's ERM processes and strategy for submission to the SET and RCT.

Incentives

Redefine includes incentives for the management of sustainability-related matters through management KPIs. The achievement of the KPIs is rewarded in monetary terms when allocating annual bonuses based on company and individual performance, measured against a predetermined set of goals, as well as long-term incentive awards from FY2022 onwards. The incentive awards are governed by the company's remuneration strategy and policy (see page 105 for more detail).

How we manage climate change-related risks and opportunities

Redefine's climate-related risk and opportunity identification process forms part of the organisation's ERM framework, which is applied consistently across all business units. The ERM framework incorporates the identification and assessment of risks at an asset and company level, and going forward, we will further align the climate-related elements of the ERM framework with TCFD recommendations.

During the year, two employees (one recruited and one retrained) were commissioned to work on our decarbonisation plan. We engaged with our South African tenants to drive uptake of and alignment with our climate change efforts on topics that include LED lighting retrofits, solar PV, and water and waste management.

The TCFD framework has guided us to explore climate scenario planning for climate-related risks and opportunities across the following time frames:

Short term (2025)

Medium term (2035)

Long term (post-2050)

A review of all risks identified, and possible new risks, will be conducted biannually by executive leadership from FY2023 onwards. We will also annually revise our risks and opportunities within the above time frames to cater for the latest climate science and internal research and development.

Prioritising climate change resilience continued

Measuring our environmental impact: metrics and targets

We use widely adopted measures to communicate our environmental performance to our stakeholders and provide comparability and context. We benchmark and disclose our performance through public platforms, such as the Carbon Disclosure Project (CDP) Climate Change and Water Security disclosure platforms, GRESB, and S&P Global Corporate Sustainability Assessment. The primary measure of our environmental impact is our annual carbon footprint assessment. In this way, we ensure that we remain relevant in the context of global environmental protection efforts.

We use various metrics to measure our progress on material issues. These metrics align with international standards, such as the TCFD and SASB. Year-on-year performance benchmarking indicates whether we have satisfactorily mitigated the identified risks.

CLIMATE CHANGE ADAPTATION METRICS PER SASB

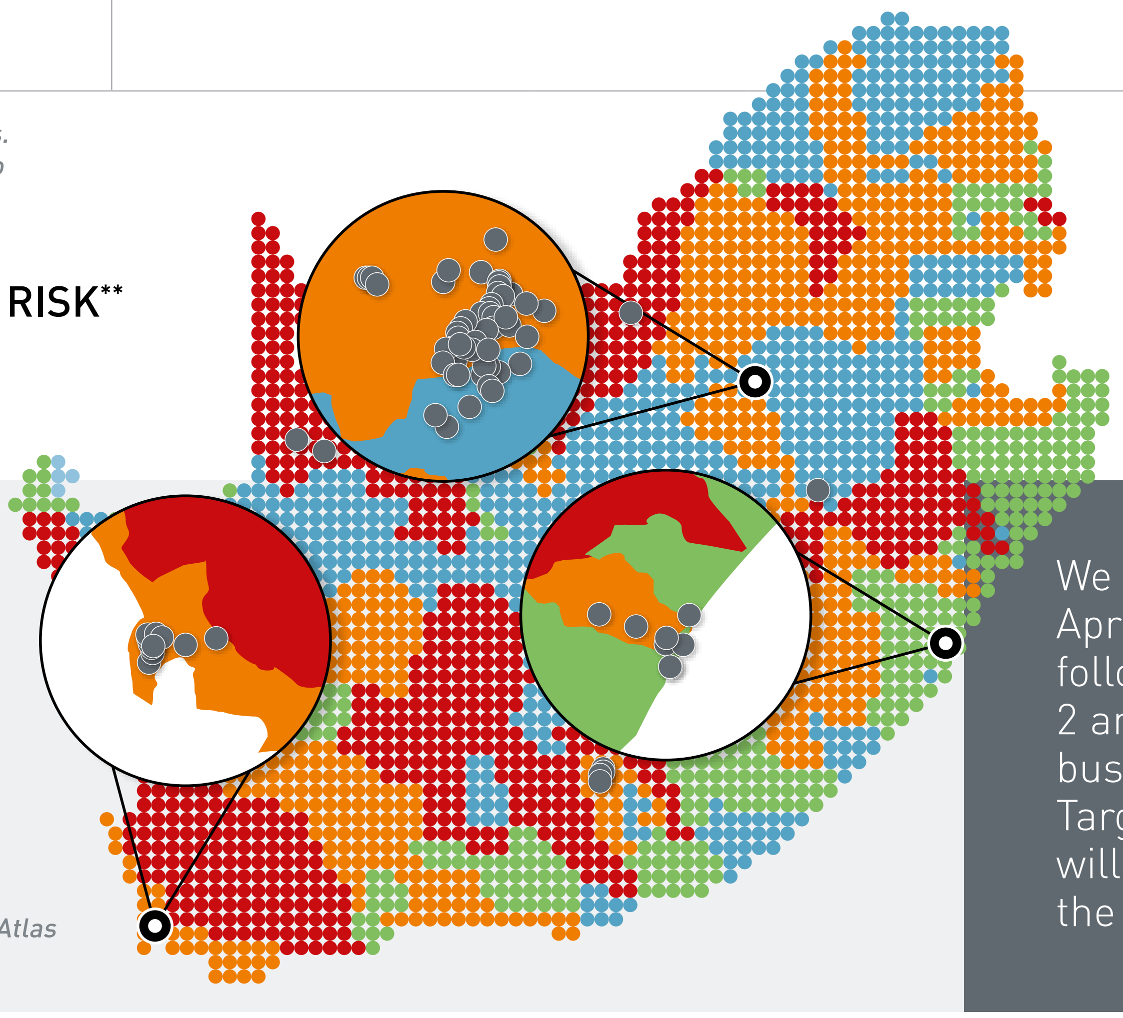
Activity metric	INDUSTRIAL		OFFICE		RETAIL		SPECIALISED/ OTHER	
	2022	2021	**2022**	2021	**2022**	2021	**2022**	2021
Area of properties located in 100-year flood zones (IF-RE-450a.1)*	**12%**	12%	**1%**	2%	**2%**	3%	N/A	0%
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks (IF-RE-450a.2)	We address our exposure to climate change risks, as well as the risk degree of systematic portfolio exposure and strategies for mitigating risks in our CRR.							

** Based on WRI Aqueduct Water Risk Atlas. The portion of our South African portfolio that is affected is relatively minor*

OUR PROPERTIES' WATER RISK**

Water risk

- Low
- Low to medium
- Medium to high
- High
- Extremely high
- Our properties



*** Based on WRI Aqueduct Water Risk Atlas (overall water risk)*

Climate-related lobbying activities

During the year, we participated in the following climate-related lobbying activities aligning with the objectives of the Paris Agreement and/or Glasgow Climate Pact through the South African Property Owners Association (SAPOA), the SA REIT Association (SA REIT) and the GBCSA:

- SAPOA expressed support for the department of energy's efforts to promote and encourage transparency on energy consumption data through the display of Energy Performance Certificates. However, SAPOA has submitted concerns regarding Energy Performance Certificates and the limited number of accredited inspection bodies available to certify buildings, resulting in an extension of the compliance deadline to 2025
- SAPOA sent a letter to the president to challenge the prescribed limitation by municipalities on the maximum size of energy generation facilities, in line with the governmental lifting of the 100MW restriction. SAPOA urgently requested that municipalities amend their existing approval criteria and ensure approvals are granted within six months
- The GBCSA made technical submissions regarding the Climate Change Bill and the EPC regulations
- SA REIT is in the process of developing an ESG Disclosure Best Practice Recommendation to provide guidance on how REITs can, *inter alia*, disclose and demonstrate their climate-related risks and the mitigation thereof

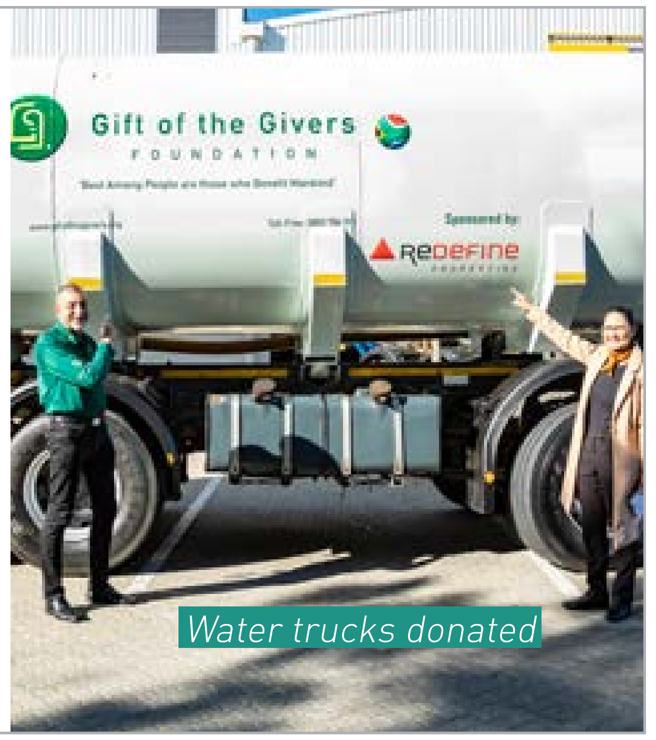
Supporting our people and communities impacted by climate change

During the year, we undertook five climate-related training initiatives for our people to ensure we can respond to the needs of our stakeholders with agility, as we are increasingly faced with the impacts of climate change.

Providing relief for our valued stakeholders

We believe it is essential to support communities, economies, and the people of South Africa in the face of climate change and related humanitarian threats. Therefore, in our ongoing drive to provide drought relief across South Africa, we donated two water tankers to Africa's largest disaster relief and humanitarian organisation, Gift of the Givers. In recent times, Gift of the Givers has responded to the drought in KwaZulu-Natal, Free State, Limpopo, Northern, Eastern and Western Cape – with work being ramped up in the drought-stricken Nelson Mandela Bay region. We are pleased to contribute to their valuable efforts.

Redefine further provided relief to communities in KwaZulu-Natal affected by severe weather events driven by climate change. Further detail can be found in the social section on page 66.



Water trucks donated

We have internally assessed and developed preliminary decarbonisation targets, which were developed in line with the science-based target methodology as at April 2022. As part of this process, we considered all assets under our operational control and covered Scope 1, 2 and 3 emissions. The GHG Protocol standard was followed for all emissions calculations, and external assurance of these emissions was obtained. To facilitate target setting, we used our 2019 base year Scope 1, 2 and 3 emissions to determine the necessary decarbonisation rate to achieve our 2035 and 2050 objectives, as 2020 and 2021 were unusual years with significant business interruptions due to COVID-19 and the associated lockdowns. This approach will be reviewed in due course in light of the changes to the Science-Based Targets initiative methodology. We aim to have our science-based targets validated, pending the assessment of our newly acquired EPP portfolio. Once validated, we will formalise our group-wide decarbonisation strategy, both in the near and long term. We will continue refining our climate scenario planning and risk analysis with the latest climate science, including exploring our assets' net zero certification journey.

Carbon footprint reporting (GHG emissions)

We collect non-financial data on energy, water, waste, refrigerant gases and travel in our annual carbon footprint assessment. Our carbon footprint is externally verified in terms of a year-on-year review of our activity data.

Unpacking our carbon footprint

Although COVID-19 restrictions were lifted during FY2022, we have found that trading conditions have not fully normalised in all sectors, which has affected the electricity and water demand for some of our assets. However, electricity remains the most significant contributor to Redefine's carbon footprint, accounting for 98% of all our emissions (Scope 3 included). Therefore, our 2022 carbon footprint is benchmarked against our 2019 performance, as this was the last year in which trading and occupancy levels were considered to be within a normal range.

As a result of our refrigerant replacement policy, fugitive emissions related to the refrigerants have reduced by 69% compared to 2021. Operating conditions as a result of the significant impact of loadshedding has resulted in increased running hours of our diesel standby generators. As a result, we have seen a 102% increase in our Scope 1 emissions relating to stationary combustion (diesel) as compared to 2021. We remain committed to exploring the use of alternative fuel sources and technologies to reduce our reliance on diesel as a standby power source.

Our combined Scope 1 and 2 emissions intensity (tCO_2e/m^2) increased by 9.3% from 0.0088 tCO_2e/m^2 in 2021 to 0.0096 in 2022. We did not meet our year-on-year emissions reduction target of 5% on Scope 1 and 2 emissions intensity measured in tCO_2e/m^2. This is due to various factors, such as the adverse effect of loadshedding. Nevertheless, we remain committed to reviewing our emissions target-setting methodology to better align with international best practice and provide greater transparency regarding our impacts on an asset-level basis.

Our 2022 carbon footprint assessment was conducted following the operational control approach, accounting for emissions from operations under our direct control.

UNPACKING OUR CARBON FOOTPRINT: SOUTH AFRICA

	2022	2021	2020	2022 vs 2021 (% change)
Diesel (litres)	1 507 020	742 560	979 987	103%

	Scope 1 Direct emissions (tCO_2e)	Scope 2 Indirect emissions (tCO_2e)	Scope 3* Indirect emissions (tCO_2e)	Total	Non-Kyoto gases
2022	4 458 1%	+ 33 261 6%	+ 484 224 93%	= 521 942	1 352
2021	3 265 0.6%	+ 34 300 6.1%	+ 528 790 93.4%	= 566 354	1 547
2020	3 684 0.6%	+ 29 543 5.1%	+ 548 056 94.3%	= 581 283	1 923

Total tonnes of carbon dioxide equivalent (tCO_2e)

2022 vs 2021 % change			
37%	-3.0%	-8.4%	-13%

Total tCO_2e emissions (Scope 1, 2 and 3) **= -7.84%**

** In line with the carbon footprint verification report, the FY2021 Scope 3 emissions have been reported as 528 790 tCO_2e*

The Towers, Western Cape, South Africa

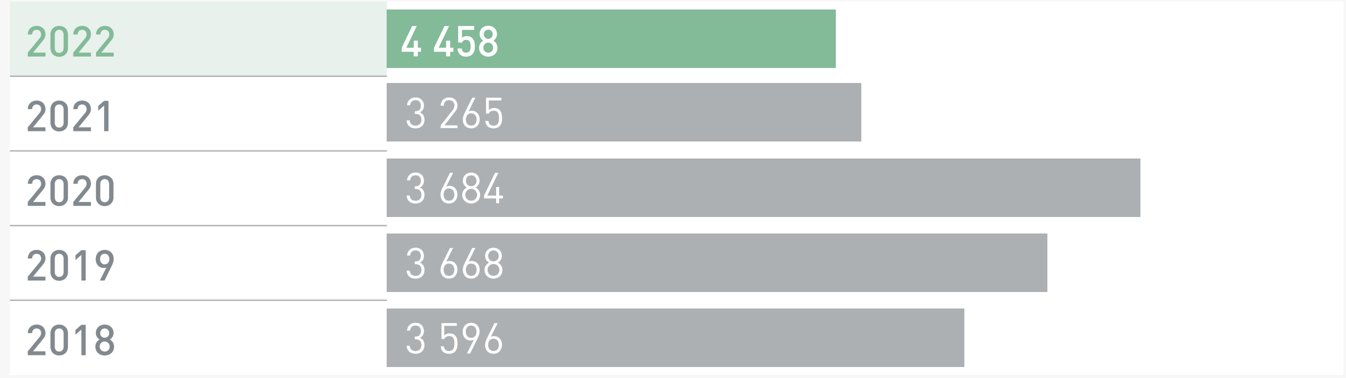
Carbon footprint reporting (GHG emissions) continued

SCOPE 1 DIRECT EMISSIONS (tCO_2e)

Mobile combustion, stationary combustion and refrigerant gases

Total emissions

2022	2021	2020
4 458	3 265	3 684
1%	0.6%	0.63%



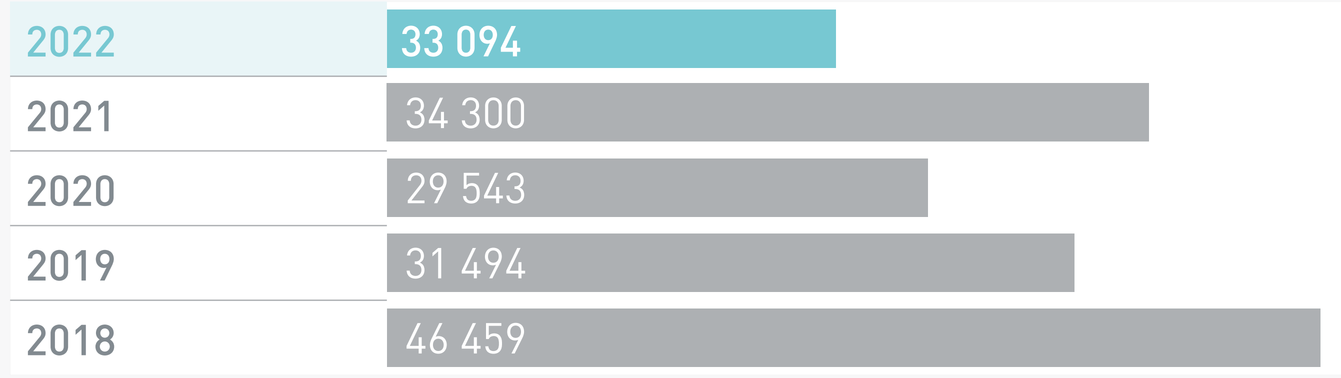
	2022	2021	2020	2019	2018
Mobile combustion	4	4	3	5	3
Stationary combustion (diesel generators)	4 067	2 009	2 634	1 803	587
Fugitive emissions (refrigerants)	387	1252	1 047	1 860	3 007

SCOPE 2 INDIRECT EMISSIONS (tCO_2e)

Electricity consumption

Total emissions

2022	2021	2020
33 261	34 300	29 543
6%	6.1%	5.08%



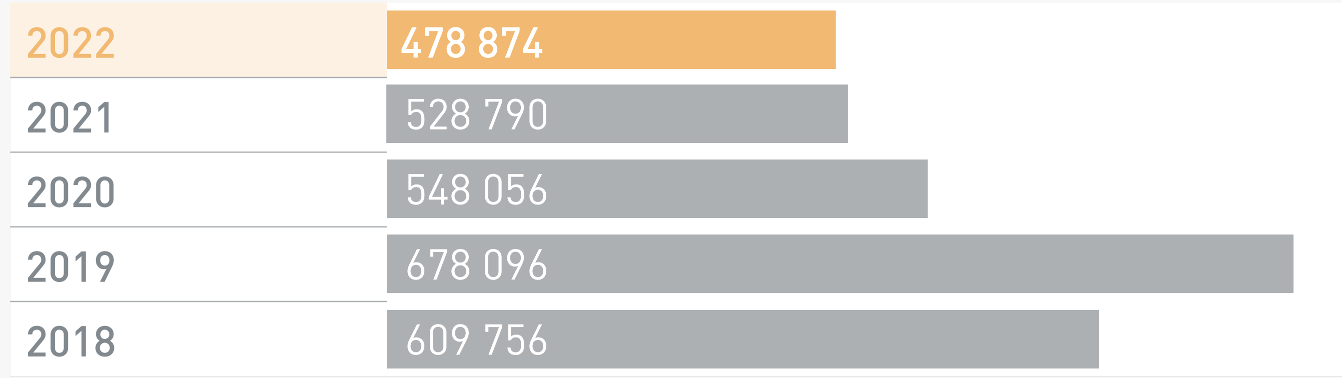
	2022	2021	2020	2019	2018
Location-based: Emissions from electricity (Redefine)	33 094	34 300	29 543	31 494	46 459
Emissions from renewable energy	–	–	–	–	–

SCOPE 3 INDIRECT EMISSIONS* (tCO_2e)

Electricity sold to tenants and emissions from business travel and employee commuting

Total emissions

2022	2021	2020
484 224	528 676	548 056
93%	93.4%	94.3%



	2022	2021	2020	2019	2018
Electricity sold	484 224	523 982	542 050	671 040	603 871
Employee commute	783	702	606	944	920
Business travel	138	91	192	309	328
Water	2 115	2 120	2 345	2 829	2 826
Waste to landfill	1 369	1 709	2 808	2 916	1 761
Waste recycled	64	73	55	58	49

* *In line with the carbon footprint verification report, the FY2021 Scope 3 emissions have been reported as 528 790 tCO_2e*

TOTAL SCOPE 1, 2 AND 3 EMISSIONS (tCO_2e)

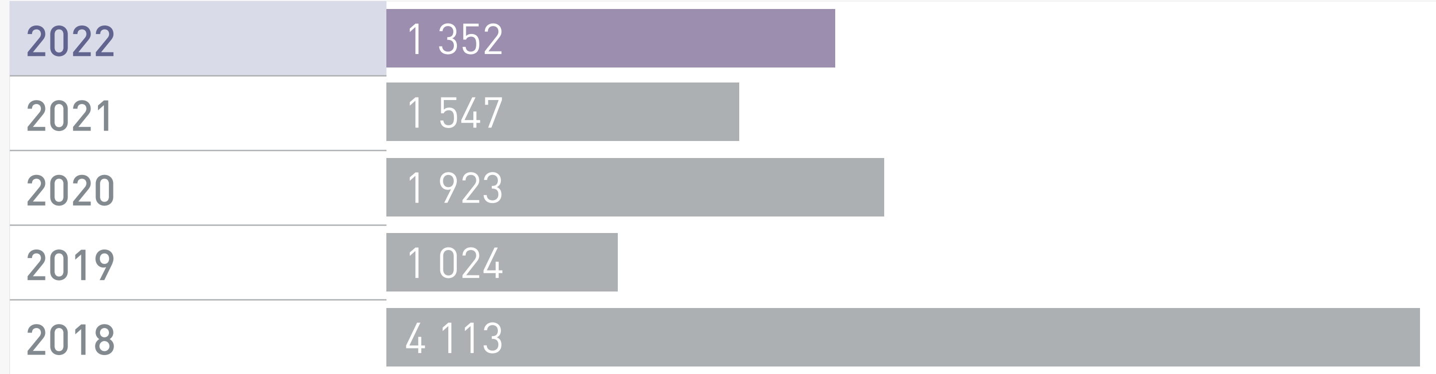
2022	2021	2020
521 942	566 354	581 283
-7.8%	-2.6%	-5.1%

8% reduction

NON-KYOTO GASES (total tCO_2e emissions)

Total emissions

2022	2021	2020
1 352	1 547	1 923



OUR PERFORMANCE IN TERMS OF THE CDP CLIMATE QUESTIONNAIRE

Our 2022 carbon footprint assessment report can be found on our website

Energy

Managing our energy consumption and the source of our energy supply remains critical to ensure the long-term resilience of our buildings and our mitigation of climate risks.

Loftus Park, Gauteng, South Africa

Our energy strategy focuses on

- **Reducing our consumption of energy from the national grid**
- **Assisting our tenants in reducing energy consumption and cost**
- **Focusing on improving renewable energy generation for self-use and monitoring the pace of energy liberalisation in South Africa**

We continuously seek opportunities to reduce energy consumption across all three strategic focus areas by focusing on energy efficiency. We use solar PV installations to reduce our bulk demand and common area use. We usually only partially recover common area consumption and, as such, efficiency initiatives generally benefit Redefine and our tenants. Where possible, we assist tenants in their energy efficiency endeavours, as this helps us reduce our Scope 3 emissions. We are also looking to deploy renewable energy storage solutions, where feasible, to achieve further reductions.

As environmental legislation evolves, our buildings' energy efficiency may be prescribed by regulations, such as municipal green building guidelines or national energy efficiency standards, regardless of whether the energy is sourced from on-site renewables or the power grid.

Energy management in our existing buildings, aligned with net zero principles, is typically based on a bottom-up approach

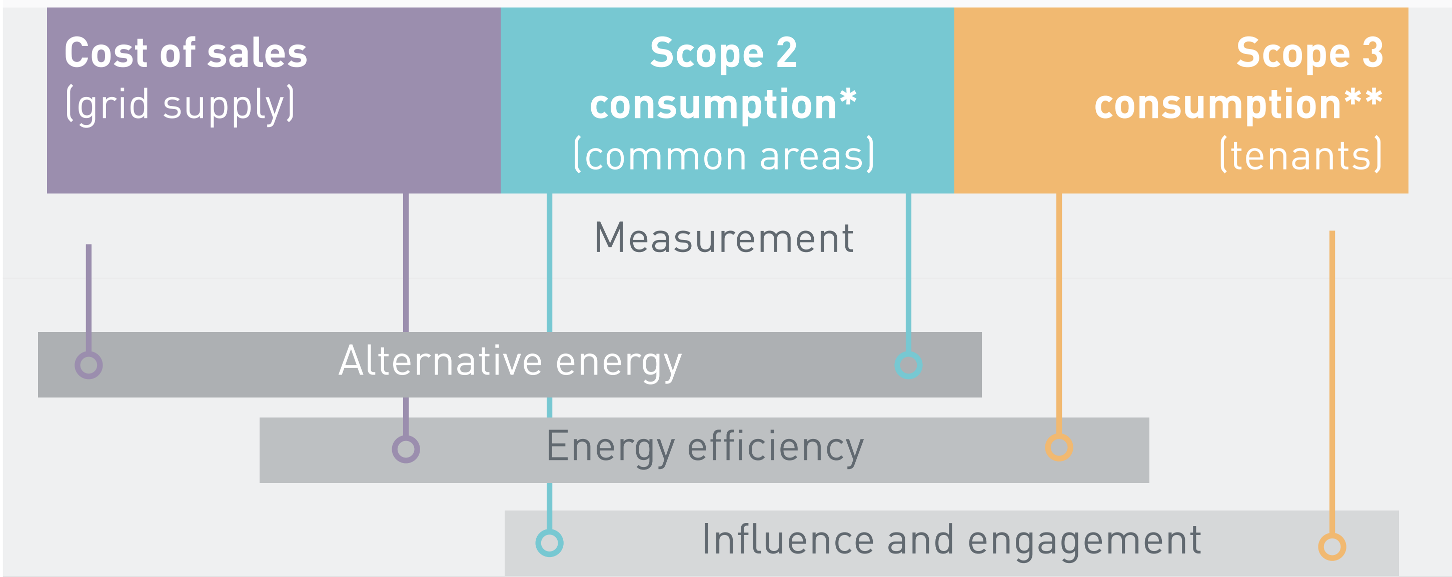
1. Passive design principles
2. Energy efficiency (reduce operational demand)
3. Eliminate fossil fuels
4. On-site renewables and storage
5. Off-site renewables
6. Carbon offsets

Additional forward-looking considerations for properties in the development stage

- Embodied carbon
- Life cycle emissions

Our energy strategy aims to implement alternative and/or renewable energy sources and reduce consumption in energy-intensive buildings.

ENERGY FRAMEWORK



* Indirect emissions
** Indirect (tenant) emissions, water emissions (landlord and tenant) and waste

ABSOLUTE ELECTRICITY CONSUMPTION (MWh)		
2022	483 976	8.1% decrease
2021	526 680	

SCOPE 2 LIKE-FOR-LIKE ENERGY CONSUMPTION (MWh#)		
2022	29 212	6% decrease
2021	31 197	

\# Excludes acquisitions, disposals and developments

With the introduction of our group-level ESG strategy, aligned with our adoption of the above UN SDGs, our focus is shifting to reconsider decision-making frameworks for implementing our initiatives. By introducing efficiency-first principles (instead of focusing solely on renewable energy), our approach to reducing carbon emissions aligns with global best practice principles regarding net zero carbon.

Optimising energy use

South Africa's electricity costs continue to increase amid heightened supply constraints with significant implications for our business and tenants. The prolonged periods of loadshedding also result in increased use of generators and therefore further diesel consumption, with prices increasing by 55.61% during FY2022. Eskom's average increase to direct consumers was 9.61% in 2022 against the National Energy Regulator's guideline of 9.27% for municipalities. This affects our electricity recovery ratios and increases our tenants' occupation costs.

Our green lease framework is a vehicle that aims to increase awareness among tenants and change behaviour to encourage tenants to become energy efficient. Pleasingly, our green lease framework for our commercial properties has been completed, and our retail lease is currently being finalised. We also focus on potential lighting retrofit projects to reduce our Scope 2 emissions and electricity consumption in common areas. LED lighting retrofit projects undertaken during the year have resulted in an estimated direct saving of **7 046 785kWh** of energy consumption and reduced energy costs by **R5.1 million.**

Energy continued

MWh SAVINGS PER GRESB CATEGORY#	2022	2021	2020	2019	2018
High-efficiency equipment	7 046	304	431	3 409	7 182
On-site renewable energy	34 706	35 315	32 948	33 245	19 879
Total	**41 752**	**36 619**	**33 379**	**36 654**	**27 061**

 # Energy efficiency projects included in this table, per GRESB category, are disclosed once-off and renewable energy is cumulative

ENERGY SAVINGS ACROSS OUR ENERGY PROJECTS

Total savings	FY2022: Projected PV generation***	FY2023: Projected LED savings
(PV and LED) **54 070 114kWh *** **	(projected annual production for plants added during FY2022) **10 313 686kWh**	(full project rollout) **9 541 840kWh**
This is equivalent to		
the power to run **6 008 households***	57 314 tonnes **total CO_2 reduction**	the CO_2 emissions of **12 460 passenger vehicles****

** Average household consumption calculated to 9 000kWh/annum*
*** Average passenger vehicle consumption calculated as 4.6 tonnes*
**** PV projections exclude Mall of the South*

Energy efficiency

We achieved a combined energy reduction in consumption of 54.1MWh in 2022 (2021: 36.6MWh) through optimisation and renewable energy projects – a 47.7% increase, due to the lifting of the cap on embedded generation.

During 2022, we identified properties where we could generate significant energy savings by improving the lighting in parking areas and common areas. The total energy saving realised through these projects is 9 541 840kWh.

We will be focusing on energy efficiency interventions such as energy-efficient lighting installations, efficient operation of air-conditioning systems, baseload management, and peak demand management.

Based on the outcome of the EPC process, our goal is to rank the commercial portfolio into high performing and low performing assets. High performing assets will be eligible for next steps to net zero. Low performing assets will be identified for energy efficiency improvements. An appropriate methodology will be adapted for the industrial and retail portfolios, respectively.

ENERGY USE PER SASB: SOUTH AFRICA

Accounting metric		RETAIL		OFFICE		INDUSTRIAL		SPECIALISED/ OTHER	
		2022	2021	**2022**	2021	**2022**	2021	**2022**	2021
Energy consumption data coverage as a percentage of floor area (IF-RE-130a.1)	%	**100**	100	**98**	100	**100**	100	**100**	100
Total energy consumed by portfolio area with data coverage (IF-RE-130a.2)	GJ	**1 102 628**	1 159 159	**565 385**	596 017	**459 139**	496 402	**9 671**	10 360
	MWh	**306 286**	316 292	**157 135**	165 554	**129 336**	136 001	**2 686**	2 878
Percentage grid electricity (IF-RE-130a.2)	%	**87**	89	**94**	96	**99**	100	**100**	100
Percentage renewable (IF-RE-130a.2)	%	**9.19**	10	**3.43**	3	**0.90**	0.10	**0**	0
Like-for-like percentage change in energy consumption for the portfolio area with data coverage by property subsector (IF-RE-130a.3)	%	**0**	-2	**-3**	-11	**-2**	-1%	**-7**	-4
Percentage of the eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR by property subsector (IF-RE-130a.4)	% EPC rating	**N/A**	–	**25%**	–	**N/A**	–	**N/A**	–
		We actively pursue Green Star SA certifications for our properties in South Africa.							
Description of how building energy management considerations are integrated into property investment analysis and operational strategy (IF-RE-130a.5)	To incorporate energy management considerations into our property investment analysis and operational strategy, we: ▪ Benchmark our energy consumption per building through monthly portfolio sustainability meetings with our asset management teams to review performance and address operational efficiencies ▪ Identify and pursue further optimisation opportunities, such as replacing common area lighting with LEDs, where possible ▪ Roll out smart electricity metering systems to better inform our operational strategies ▪ Embed energy management as part of our property investment analysis								

Energy continued

OUR SOLAR PV INSTALLATIONS

Our solar PV fleet generated **10.7%** of our total energy demand,

producing 44.5MWh in 2022, equates to supplying electricity to more than **6 008 households**.[1]

Total capacity of **29.9MWp** (excluding Mall of the South)

(9% of energy use)

PV plants under construction, with a PV capacity of **13.33MWp**

Our total installed solar PV capacity increased to 29.89MWp (2021: 26.33MWp), and new plants have been commissioned for completion during 2023/24. The plants currently under construction will add 13.33MWp further capacity, and a pipeline of additional installations will add 9.76MWp. These new installations are anticipated to increase our total annual saving to 34 720 510kWh with a first-year return of 18.19%. Three buildings were disposed of in the 2022 financial year, which resulted in our installed fleet reducing in capacity of 2.95MWp.

Expanding our solar PV footprint

Following the lifting of the legislated 1MWp cap on embedded generation in June 2021, we commissioned an external service provider, Terra Firma Solutions (that we previously partnered with), to add an additional 23.9MWp to our solar PV footprint.

This would bring our total installed solar capacity to 48.38MWp, equal to powering 8 796 households. By 31 August 2022, we had commenced with the installations and installed 11.6MWp solar PV plants that were fully operational, pending final project commissioning.

To date, we have invested approximately R500 million in solar PV generation. As a result, our carbon emissions have reduced by 93 160 tCO_2e, which is equal to eliminating the typical emissions of 20 252 passenger vehicles. Our solar PV fleet produced 17.76% of our total electricity consumption (including electricity used by tenants).

The following table sets out the percentage of solar PV energy consumption of the total South African portfolio that is attributable to existing renewable energy generation as well as the percentage attributable to new generation capacity that will be added during 2022 and 2023. It also indicates the estimated carbon emissions that will be saved as a result thereof.

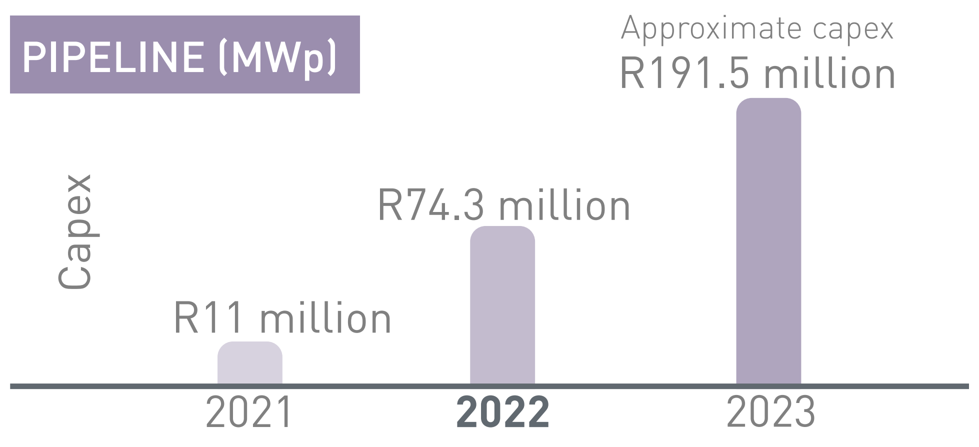
	kWh	tCO_2e	Percentage to total energy requirement
Existing generation	34 214 588	36 267	6.9%
New generation	10 313 686	10 933	2.1%
Total generation	44 528 274	47 200	9%
Total energy use	**494 813 190**		

We are investigating the business case for energy storage projects and battery technology with several high-level viability studies concluded on buildings in our portfolio.

The studies have yielded positive results, indicating that we could save costs through energy storage by charging batteries during off-peak tariff periods and releasing stored energy during peak tariff periods.

At Kwena Square shopping centre, for example, we could not secure the total required power supply from the local supply authority. We therefore installed a rooftop solar system with integrated battery storage to assist the building with capacity during peak demand hours. However, the installed battery system does not act as a back-up solution that would substitute a generator during loadshedding.

As we cannot yet purchase renewable energy through most of the municipal electricity grid in South Africa, we are exploring opportunities to maximise the utilisation of space on existing rooftops and to wheel energy from Eskom-located sites. With the lifting of the 1MWp embedded generation limit, we have materially expanded our solar PV fleet. The primary impediment is regulatory uncertainty at a municipal level regarding wheeling renewable energy.



As we exhaust our rooftop capacity for solar PV installations, our ability to access further renewable energy opportunities through wheeling will become increasingly dependent on municipal cooperation.

The table, at the right, sets out the distribution of the assets amongst the energy supply authorities that affect the bulk of the South African assets under our operational control (as at April 2022). This will determine which of our assets can be identified as offtaker sites for wheeling purposes, depending on Eskom's or the relevant municipality's cooperation.

		Eskom	30
City of Johannesburg	88	City of Cape Town	30
City of Ekurhuleni	41	Ethekwini	11
City of Tshwane	35	City of Matlosana	5

Our approved solar PV project pipeline for 2023 includes a combined installed capacity of 9.76MWp, which amounts to a total capital expenditure (capex) of R114 million (note that these figures are indicative and may change depending on business requirements). These new installations will generate an annual 14 942 018kWh saving and a first-year return of 19.13%. The table above shows our estimated feasible installation pipeline for the next two years. Due to the increased regulatory limit, if the entire pipeline is achieved by 2023, our solar PV installations will save approximately 221 928 tCO_2e per annum.

We continue exploring opportunities in the wheeling and energy trading space to increase potential revenue streams from renewable energy while reducing our carbon emissions and securing renewable energy sources for our buildings at more affordable rates. For example, we have been approved to participate in the City of Cape Town wheeling pilot project. This will entail the construction of a 6.3MWp solar PV plant on the Massmart DC roof, with energy wheeling to the selected offtake sites, namely Blue Route Mall and Kenilworth Centre. This is encouraging progress, and we anticipate using this as a test case to determine the best way forward for future initiatives.

Impact on our carbon footprint

We significantly reduced our carbon emissions through solar PV installations in our buildings. In 2022, we achieved a saving of 36 267.46tCO_2e (2021: 38 494tCO_2e), with another 10 932.51 tCO_2e in projected savings from the plants installed during FY2022. The impact of these renewable energy sources on our Scope 2 emissions over the past five years (if we could include savings absorbed in our Scope 3 emissions) is shown below.

Scope 2 indirect emissions (tCO_2e)

	2022	2021	2020	2019	2018
With solar	**33 261**	34 300	29 543	31 494	46 459
Without solar	**45 058**	46 158	40 682	45 744	59 994

Please refer to our website for more information on the growing imperative of renewable energy, the renewable energy produced by each of our solar PV plants, and the resulting carbon emission savings.

Water

Recognising that the majority of our South African buildings are located in water-stressed regions, we carefully manage our impact on water resources and remain mindful of the effect of water scarcity on our tenants and communities.

Propelair demo unit

Our water strategy

Focusing on the security and safety of supply and optimising our consumption, our water strategy pursues water-efficient building equipment, followed by water harvesting, treatment and storage facilities in line with regulated water-use licences.

Water security addresses the risk of ailing water and sanitation infrastructure and services supplied by municipalities with initiatives that ensure safe operating environments at our properties. Water optimisation initiatives align with our climate action objectives and the responsible use of water as a scarce resource.

Our water consumption is mainly determined by tenant and visitor behaviour at our properties. We are implementing several water-saving technologies at our properties. To encourage responsible water use, we are improving our engagement with these stakeholders, over and above existing initiatives in Green Star SA certified buildings. Our smart management approach to water-use efficiency is based on regular equipment maintenance and key measurements that enable early leak detection. As a result, in 2022, our total water withdrawn reduced by 0.41% (2021: 10.26%).

WE HAVE INCLUDED GROUNDWATER EXTRACTION SOURCES, SUCH AS BOREHOLES, IN MEASURING OUR WATER FOOTPRINT SINCE 2019.

We have developed a policy for the commercial portfolio that articulates our commitment to water conservation and our strategy to support this commitment, taking into account 100-year flood zones and the needs of our properties located in water-stressed areas, the affordability of water-saving technologies, and the water-use patterns of assets in each of our core portfolios. The policy for the retail and industrial portfolios will be finalised in FY2023. A separate policy for EPP will be developed in FY2024, which will take into account the water risk exposure of our Polish portfolio. The full description of our water risks, and the strategic response thereto, is set out in our CRR.

WATER FRAMEWORK

Measurement

SECURITY AND SAFETY OF SUPPLY

- Water harvesting, recycling and storage
- Influence and engagement
- Groundwater and wastewater treatment facilities
- Green Star SA certifications

WATER USE OPTIMISATION

Installation of water-efficient equipment and facilities
- Low-flush toilets
- Water-efficient taps
- Review of air-conditioning equipment and installations

Water-efficiency interventions
- Smart management
- Leak detection
- Automatic shutdown valves
- Targeted equipment replacement

METERING AND EARLY LEAK DETECTION SYSTEMS

Total water withdrawal (kl)	Total municipal water withdrawal*	Total withdrawal from groundwater sources
2022	2 286 394	47 836
2021	2 295 702	60 638
2020	2 534 933	86 554

Like-for-like comparison*	kl	kl/GLA
2022	2 184 075	0.61
2021	2 114 046	0.58
% increase	3%	7%

*Like-for-like comparison excludes extrapolated data, acquisitions, disposals and developments, and values shown for the 2022 reporting period may differ from values shown in the previous year's report

Water continued

Water footprint

To ensure that we manage water resources effectively, we have implemented improved measures to account for all our water sources. We have separately accounted for water withdrawal from municipal and groundwater sources during the past two years. We are also improving our accounting for other withdrawal and recycled sources. Water discharges are not typically separately metered and accounted for in the local property sector.

MEASURING WATER USE (ALIGNED WITH SASB): SOUTH AFRICA

Accounting metric		Retail		Office		Industrial		Specialised	
		2022	2021	2022	2021	2022	2021	2022	2021
Water withdrawal data coverage as a percentage of total floor area (IF-RE-14 0a.1)	%	100	100	97	100	100	100	100	100
Water withdrawal data coverage as a percentage of floor area in regions with high or extremely high baseline water stress (IF-RE-14 0a.1)	%	100	100	97	100	100	100	100	100
Total water withdrawn by portfolio area with data coverage (IF-RE-14 0a.2)	m^3	1 335 495	1 336 707	655 042	606 482	601 472	625 932	16 496	19 746
Percentage of water withdrawn in regions with high or extremely high baseline water stress (IF-RE-14 0a.2)	%	60.3	68	90.5	95	42	42	100	100
Like-for-like percentage change in water withdrawn for portfolio area with data coverage (IF-RE-14 0a.3)	%	-0.1	0	8	-20	-4.9	1	-16	-11
Description of water management risks and discussion of strategies and practices to mitigate those risks (IF-RE-14 0a.4)	▪ Water management risks include flooding, drought and infrastructure failure, among others ▪ Practices to mitigate these risks include backup water assessments in our inland office portfolio, improving operational efficiency in the Western Cape portfolio, and installing storm water drainage systems in our properties in flood-prone areas. The full explanation of our water risk exposure is set out in our CRR								

CDP water security

We are committed to carefully managing water as a scarce and critical resource. Our annual water footprint submission to the CDP reflects our performance in this regard. For more information, please refer to our website.

Water optimisation

We use smart water meters for accurate water consumption measurement, leak detection, and valuable insight into water distribution in our networks. To date, we have installed smart metering at 44 properties, five properties have smart valve systems, and the restrooms at 13 properties have sensors. Due to a global shortage of smart meters, our smart meter rollout was delayed in 2022 and will be carried over to the 2023 financial year.

During the year, we piloted our water-efficient toilets at five selected properties. The pilot has produced pleasing results, with Golden Walk Shopping Centre, for example, experiencing a 43% reduction in water usage in August 2022. We are also rolling out aerator tap installations at 21 high-water-consumption properties, reducing flow rates on taps from 12 litres/minute to 1.3 litres/minute. Aerators work by mixing air into the flow and thus reducing the amount of water passing through the spout.

We continue reviewing opportunities to maintain water security, including auditing existing groundwater installations and boreholes in our portfolio. We are also investigating the feasibility of treating groundwater for conversion into a practical, usable state (subject to detailed site investigations and water-use licences) with a pilot project completed at Clearwater Office Park.

For water optimisation in 2022, we reviewed our strategy to incorporate additional opportunities such as high-efficiency equipment retrofits, landscaping and irrigation solutions, wastewater treatment and recycling, and HVAC efficiency assessments. We addressed capacity constraints, funding requirements, and standard operating procedures to reduce water consumption. By accelerating our bulk check water metering rollout, we aim to identify abnormal and high-intensity water-use patterns. We are also considering comprehensive water audits in high-risk buildings to identify optimisation opportunities. We have recently piloted a successful rainwater and groundwater installation project at Wonderboom Junction. The case study can be accessed on our website.

Improving water efficiency with Propelair technology

During the year, we commenced the pilot phase of our project to implement Propelair water-efficient toilet technology at our properties. The pilot includes the installation of 902 units across five properties and is expected to save 65Ml of water per year. Each toilet utilises air-powered flushes to remove waste and airborne germs in a single flush with just 1.5 litres of water, compared to the usual 7.5 to 9 litres per flush in a normal toilet. This results in an 80% water saving per flush.

The installations for Golden Walk and Stoneridge Centre were completed by the end of August 2022, with Golden Walk Shopping Centre, recording a monthly a 43% reduction in water consumption for the comparative month (August 2021).

Based on the success of the first phase of the pilot, the Propelair technology will be rolled out to a further 14 buildings. Details of the second phase of the project are provided in the below table.

PROPELAIR ROLLOUT: SECOND PHASE

14 buildings	**882** Propelair installations	Annual water consumption **509.4ML**	Projected annual water saving **84.06ML**
Water saving on 2021/2022 carbon footprint **16.5%**	Capex investment **R18 827 200**	Year one financial saving **R1 567 573**	Year one return on investment **8.3%**

Waste

We responsibly manage waste generated on our properties, influencing tenant and supplier behaviour to promote the responsible production and management of waste.

Sustainable waste project, Blue Route Mall, Western Cape, South Africa

We conduct audits of waste streams at numerous office and retail properties and implement improved recycling measures with waste management service providers. However, recycling efforts remain primarily dependent on consumer behaviour, highlighting the importance of awareness initiatives for our tenants and their customers.

Our waste management strategy

Our waste management strategy follows best practice guidelines, starting with understanding our waste footprint and introducing measures to reduce waste to landfill by implementing projects that increase the recycling, reuse and reduction of generated waste.

WASTE MANAGEMENT STRATEGY

Waste footprint

Our waste footprint includes waste generated during the construction or refurbishment of our properties, through our day-to-day operations, and at the end of our properties' life cycles. One of the challenges we face in effective waste management is that the use of independent contractors increases our tenants' operating costs.

In 2022, we assessed our waste footprint for the sixth year. We recycled 3 025 tonnes of waste (2021: 3 412 tonnes), accounting for 41% of internally managed waste removal (2021: 48%). Our efforts in recycling also significantly contribute to our Green Star SA certification journey. During the year, our internally managed waste remained constant at 39% of our total GLA (2021: 39%).

As municipal waste management services are not transparent, which makes the quantification of waste challenging, we have chosen to internalise this service. In this way, we are able to measure and categorise waste (as outlined in the waste footprint) to gain greater insight and reduce waste to landfill.

Our internal waste management system encourages recycling and leverages waste reuse opportunities. We influence behaviour by engaging with our stakeholders to promote awareness and drive the efforts of tenants and visitors – there is potential to develop this initiative by incentivising good behaviour.

By reducing the production of single-use items, especially plastics, we increase awareness and reduce waste production. In addition, we have piloted a wet waste recycling initiative at two of our regional offices through the use of Bokashi bins as well as wet waste recycling projects in several of our Western Cape properties to adhere to recently promulgated provincial regulations in this regard.

Our earthworks and demolition contractor and contractor waste management plan adhere to an integrated management system policy to retain ISO 9001:2015 and ISO 14001:2015 certification, and recycle no less than 70% of generated waste.

In line with our waste management system, we completed a full waste stream assessment at Centurion Mall in 2021 to better understand the volumes and categories of waste generated on the property. The evaluation was followed by a feasibility study of a composting facility to reduce the volume of wet waste and turn this waste stream into a reusable product.

We are conducting a supplier rationalisation exercise to identify a preferred private waste management service provider across the portfolio. The preferred service provider will perform a feasibility exercise across 91 properties to see which ones can be serviced by internal waste management initiatives.

Waste continued

WASTE MANAGEMENT METRICS: SOUTH AFRICA

Metric	Retail		Office		Industrial		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Total waste produced (kg)	**4 730 298**	6 250 483	**1 149 250**	1 126 500	**141 608**	271 853	**9 605 858**	7 648 836
Percentage of waste diverted (%)	**43**	44	**34**	36	**24**	28	**43**	48
Recycled (kg)[1]	**Retail**		**Office**		**Industrial**		**Total**	
	2022	2021	2022	2021	2022	2021	2022	2021
Paper	**1 457 178**	1 726 773	**258 621**	332 684	**24 891**	75 436	**1 740 690**	58%
Plastic	**323 512**	412 954	**65 925**	38 840	**5 983**	1 236	**395 420**	12%
Glass	**142.56**	185 777	**57 059**	13 637	**1**	–	**200 585**	5%
Scrap metal	**39 993**	49 176	**14.77**	3 884	**1 489**	–	**55 649**	1%
Tetrapak	**5 149**	6 018	**4 441**	1 360	**0.2**	–	**9 756**	0.2%
Other	**32 782**	823 418	**7 053**	20 650	**0.0**	–	**39 868**	23%

[1] *This information covers 54 properties where the detailed breakdown of waste recycled by type is available*

HAZARDOUS WASTE: SOUTH AFRICA

Metric	Retail	Office	Industrial	Total
	2022	2022	2022	2022
Hazardous waste generated (tonnes)	0.3	0.2	0	0.5
Hazardous waste directed to disposal, including landfill and incineration (%)	0	0	0	0
Hazardous waste diverted from disposal, e.g. reuse, recycling and recovery (%)	100	100	0	100

Cultivating sustainable trendsetters through our recycling build-a-thon at Blue Route Mall

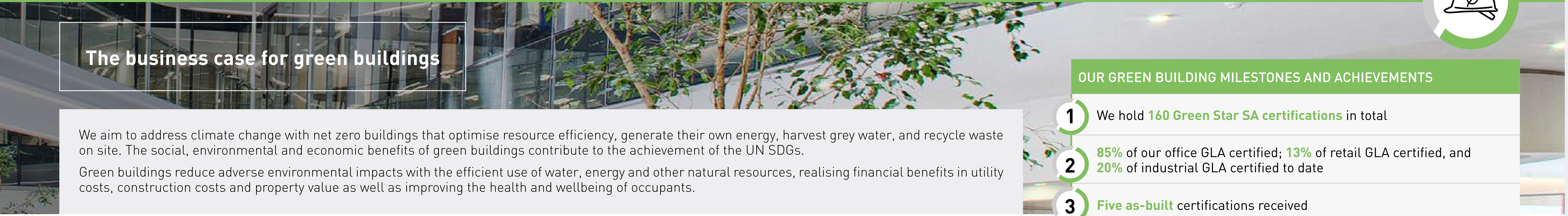
South Africans generate roughly 54.2 million tonnes of general waste per year, of which a maximum of 10% is recycled. In light of this, consumers are making more thoughtful purchasing decisions, aligning their values with where they shop and the brands they choose. At Redefine, we recognise that we can make a significant contribution and are continually developing our ESG programmes and adopting new practices that will continue to deliver positive outcomes for our communities

Blue Route Mall, situated in the southern suburbs of Cape Town, is one example of how we are engaging with our communities to forge a more sustainable future. We have made significant operational changes over the last few years, from working towards being a plastic-free mall to notable improvements to our building and operating procedures. The mall recycles an average of 85% of the waste generated on site, including glass, tin, plastic and cardboard. Hazardous waste is disposed of within the regulations and with the required certification.

Blue Route Mall also works closely with several schools in the local community. This is how the idea for sustainable trendsetters was born – an idea that combines our sustainability philosophy with a practical initiative for school children, namely a recycling build-a-thon, which was endorsed by the Two Oceans Aquarium. The initiative created the opportunity for local schools to win by simply collecting their recyclable items, which they then used to create functional, structural sculptures. By encouraging these children to recycle in a fun and interactive way, they learned about sustainability in a practical setting, rather than just theoretical learning.

The winning school was Muizenberg Junior School, whose learners created functional artwork that is not only gorgeous but also functional. A R15 000 sponsorship was secured as prize money. R10 000 for the winning school, with the remaining four schools receiving R1 250 each. Our partner in this initiative, the Two Oceans Aquarium, will be conducting their Smart Outreach Programme at each participating school, with a further sponsorship of over R24 000.

Our green building journey



The business case for green buildings

We aim to address climate change with net zero buildings that optimise resource efficiency, generate their own energy, harvest grey water, and recycle waste on site. The social, environmental and economic benefits of green buildings contribute to the achievement of the UN SDGs.

Green buildings reduce adverse environmental impacts with the efficient use of water, energy and other natural resources, realising financial benefits in utility costs, construction costs and property value as well as improving the health and wellbeing of occupants.

OUR BUSINESS CASE FOR GREEN BUILDINGS

Developer	Landlord	Tenant
Why build a green building? ▪ Ability to secure preferential finance ▪ Rapid return on investment ▪ Increased market value ▪ Reduced vacancies	**Why own a green building?** ▪ Tenant attraction ▪ Lower operating costs ▪ Compliance with legislation and corporate social responsibility requirements	**Why lease a green building?** ▪ Reduced downtime ▪ Lower operating costs ▪ Lower maintenance costs ▪ Improved occupier health and wellbeing ▪ Targeted equipment replacement

In 2022, we participated in the Morgan Stanley Capital International (MSCI) Global Green Building Index for the fifth time, and our data formed part of the results. Below are some quantifiable impacts on the bottom line across the sector.

MSCI GLOBAL GREEN BUILDING INDEX

	Green Star SA certified Prime and A Grade offices		Non-Green Star SA certified A Grade offices	
	2022*	2021	**2022***	2021
Net operating income (NOI) growth	-6.3%	-5.8%	-7.4%	-10.1%
Net income per m² per month	R144.5	R149.2	R111.2	R109
Vacancy rate	15.6%	12.7%	16.3%	14.9%

** Impacted by COVID-19. MSCI data is reflected for the 12 months ended June of each year*

OUR GREEN BUILDING MILESTONES AND ACHIEVEMENTS

1. We hold **160 Green Star SA certifications** in total
2. **85%** of our office GLA certified; **13%** of retail GLA certified, and **20%** of industrial GLA certified to date
3. **Five as-built** certifications received
4. **105** of our office buildings registered under the existing building certifications
5. **10** design certifications received
6. Awarded runner-up for **best quality submission at the GBCSA 2020 awards** for 82 Maude
7. Awarded runner-up for highest certified building at the GBCSA 2019 awards for Collingwood, Black River Office Park
8. Awarded **runner-up** for best quality submission at the GBCSA 2019 awards for Building 3, Clearwater Office Park
9. Awarded **runner-up** for property investor/owner with highest number of certifications at the GBCSA 2018 Green Star SA Leadership Awards
10. Developed **tenant green guidelines,** as part of our Green Star SA certification journey, to encourage energy and the use of water-efficient equipment
11. Received **16 office Existing Building Performance (EBP) recertifications** and **24 new EBP certifications,** representing the largest bulk Green Star EBP certification from any one commercial property owner to date
12. All new office developments built to minimum **4 Star Green Star SA certifications**
13. Member of the **GBCSA** since 2013

Our green building journey continued

Green Star SA certifications

We proudly hold 160 (2021: 123) Green Star SA certifications, with 85% of office GLA, 20% of industrial GLA and 13% of retail GLA; with 37% of total GLA certified.

Market maturity and tenant demand do not drive our approach towards obtaining Green Star SA certifications. In line with our ESG strategy, we are continuing to pursue value-adding certifications; in line with this commitment, we have registered 29 new certifications and 25 recertifications for 2023. A potential challenge to reaching our targets will be the vacancy rates in some of our rated buildings and buildings eligible for accreditation, as occupancy levels must be at least 70% for a Green Star rated building to obtain and retain its rating. We have also recorded a recertification from a 6 Star Green Star rating to a 5 Star Green Star rating on three of our buildings, and one certification level is to be reduced to a 4 Star rating. Please refer to page 21 of our IR for more information regarding the factors that influence our current vacancy rates.

160 GREEN STAR SA CERTIFICATIONS (2021: 123)

10 design certifications	**five** as-built certifications	**142** existing building certifications	**one** interior certification	**20%** industrial GLA
one custom industrial certification	**one** public and education building	**85%** office GLA	**13%** retail GLA	**37%** of our total GLA has been issued Green Star certificates

NUMBER OF CERTIFICATIONS PER CATEGORY

Star rating	Certifications
2	Six certifications
3	25 certifications
4	104 certifications
5	25 certifications

As using building certifications allows us to benchmark the sustainability performance of our properties in their journey to net zero, we are taking advantage of the newly developed EBP rating tools by the GBCSA for application to the retail and industrial sectors.

Please refer to our website for more information on our holistic green building approach.

Building materials

As we transition to a low-carbon economy, our overarching ESG strategy includes environmentally friendly building materials, especially in new developments. Our cradle-to-grave approach currently focuses on reducing carbon emissions during the operational life of the building and explores circularity principles, including the end-of-life assessment. Going forward, our approach will include implementing life cycle impact assessments. It will focus on measuring the embodied carbon of our activities and materials during the development phase of the life cycle of our properties. As part of this exercise, we have modelled our buildings' operational life cycle emissions to determine the decarbonisation journey at an asset level. We are also committed to improving our understanding and management of environmental risks associated with our building material supply chain.

Please refer to our website for more information on how we are incorporating environmentally friendly building materials into our business activities.

OUR DEVELOPMENTS WITH GREEN BUILDING MATERIALS

Massmart, Brackengate 2 — 50.1% owned by Redefine

- Mainly natural and sustainable Rheinzink cladding
- Locally produced Safintra Saflok 700 with lower emissions in manufacture and transport
- Slag and other materials in cement content reduce absolute cement of in situ and precast panels by 21% and less concrete in internal warehouse floors with reinforced steel fibre concrete saves 16.7%

Roche, Brackengate 2 — 50.1% owned by Redefine

- Exterior walls have double-skin cavity brick for good thermal conductivity
- Concrete roof insulation is 60mm DipsBoard in compliance with Green Star SA
- Single-glazed, low-emissivity glass complies with South African national building regulation XA on energy efficiency and environmental sustainability in building design
- Shading devices (horizontal louvres on façades) limit heat build-up within the building envelope (vertical louvres on the west façade shield against afternoon sun)

We use our supplier code of conduct as a vehicle of communication and engagement with our suppliers regarding materials or chemicals of concern. We have also piloted our supplier sustainability audit to understand the integration of ESG standards across our supply chain and will continue with this initiative in 2023. We ensure the use of green-rated cleaning products in our Green Star rated buildings, and all cleaning products are monitored and recorded on an ongoing basis.

We cover our building materials by a sustainability certification standard or formalised sustainability management programme when requested to do so by our tenants.

Biodiversity

We understand that a healthy natural environment that preserves biodiversity is critical to responsible environmental stewardship.

FIRST
IN SOUTH AFRICA

The project is the first of its kind in the South African property sector, being the first project outside North America, and the first in Africa, to secure an EcoDistricts™ Certified endorsement.

Wetland rehabilitation, S&J Industrial Estate, Gauteng, South Africa

Leading by example in protecting our biodiversity

We conduct due diligence assessments of new developments to ensure we do not harm vulnerable species or sensitive ecological systems on land earmarked for development. For example, we replace impermeable surfaces, bare ground and weed-infested areas with endemic plants to ensure that our landscaping contributes positively to preserving biodiversity and water resources. In addition, we are looking at innovative ways to protect the biodiversity of areas we impact. Please see below for more information.

R5 million was deployed during the year towards implementing measures to manage positive impacts and avoid, minimise, restore, rehabilitate and/or offset negative impacts on biodiversity and ecosystems.

S&J Industrial Estate (S&J) wetland rehabilitation

The S&J precinct includes a wetland, and significant work has been done to ensure its rehabilitation. The rehabilitation has included the clearing and grubbing of 4.8 hectares of land. This included the removal of two specific alien species identified within the wetland area, the importing and use of rocks for attenuation structures, adding topsoil to the area, planting grass on the side slopes, and specialist landscaping of a total of 143 925m². As a result, the wetland was assessed as moderately modified (PESS class C). This means that although the change in ecosystem processes and loss of natural habitat and biota are great, some remaining natural habitat features are still recognisable. This is an improvement from the status recorded during the 2014 baseline assessment, namely seriously modified (PES class E).

There is a natural watercourse along the western boundary of the site. A flood line hydrology analysis has been prepared, and the 1:50-year and the 1:100-year flood lines have been determined as specified by the Water Act, No 36 of 1998, as required in terms of the Town Planning and Townships Ordinance, No 15 of 1986. Additionally, a specialist environmental consultant will need to determine the riparian zone, and no construction will occur within the area.

Wetland rehabilitation, S&J Industrial Estate, Gauteng, South Africa

S&J EcoDistricts™ project

S&J spans 210 hectares and caters for predominantly industrial use in Ekurhuleni. The estate gives businesses access to an efficiently designed, well-planned and well-managed secure industrial space. S&J developed a fit-for-purpose framework towards decarbonisation to obtain EcoDistricts™ certification. EcoDistricts™ aims to collaboratively integrate sustainable development objectives and reduce an urban area, region or neighbourhood's environmental footprint.

To this end, Redefine and Abland Property Developers (Abland) established the S&J Industrial Estate EcoDistricts steering committee in 2020 to create the initial framework to progress towards a model rooted in community sustainability, ecological awareness and conservation.

The committee engages through workshops and discussions to ensure that the goals of enhancing the estate's developmental focus, long-term performance and adoption of the EcoDistricts™ methodology of equity, resilience and carbon neutrality are aligned with the sustainability strategies and commitments of Redefine and Abland.

82.6%

OF PROMOTIONS WERE AFRICAN, COLOURED AND INDIAN DURING FY2022

Our social landscape

Learnership Programme, Alice Lane, Gauteng, South Africa

Our social landscape

Our stakeholders are vital to achieving our ESG strategy. We therefore focus on finding innovative ways to deepen these relationships to improve Redefine's ability to contribute to a more inclusive operating context.

The social in ESG

Why it matters

While property is our commodity, people are our business. We therefore take a stakeholder-centric approach to business, accounting for the relational capital we require to run our business while identifying the areas in society we can positively affect through our business activities and long-term strategy. We have integrated corporate citizenship into our business model to ensure that we actively contribute to a more sustainable operating environment for all our stakeholders.

Macroeconomic context

South Africa faces challenges such as extreme wage and wealth disparity, social unrest, gender and racial inequality, gender-based violence and unsustainable unemployment levels. Moreover, these systemic challenges are unfolding within a larger and more troubling context, where the country's significant exposure to climate risk is set to exacerbate existing inequalities – disproportionally impacting the most vulnerable in society.

These wide-reaching challenges require us to play our role and incorporate corporate citizenship principles and fundamental human rights considerations into our business approach to ensure business resilience and sustainability.

Governing our social approach and performance

Our board has oversight of our approach to social matters. The board is supported by various committees in governing matters that fall under each social submatter, including:

HUMAN RIGHTS	HUMAN CAPITAL	SUPPLIERS	COMMUNITIES	STAKEHOLDER ENGAGEMENT	BBBEE	TENANTS	HEALTH AND SAFETY
SET RCT IC	SET RCT NOM	SET AC RCT	SET NOM IC	SET RCT IC	SET	SET IC	SET RCT

In addition, the executive committee oversees the implementation of our environmental approach and performance, and the marketing and communications department provides technical and strategic guidance to the business regarding its social impact and how it fits into our overall ESG approach.

OUR APPROACH

From investment to involvement and innovation

Redefine's purpose is to create and manage spaces in a way that changes lives. To have a meaningful impact, we develop sustainable solutions to the social issues that affect our assets, our stakeholders, and the communities in which we operate.

For us, the social element of ESG comprises our entire stakeholder universe.

Embedding a stakeholder-centric approach to ESG page 8

Our unique and focused approach to relationships enables us to create and sustain meaningful value for our stakeholders

Responsible corporate citizenship page 97

Creating a pipeline of future suppliers, tenants and employees through our social investments and ESD programmes*	Further refining our human rights policy and monitoring framework*	Enhancing our health and safety strategy as it relates to our employees, tenants, suppliers and shoppers**	Introducing targeted human rights and conflict management training for our employees, focusing on diversity and non-discrimination**

* We continue focusing on these matters
** We are working towards these goals

Rosebank Link, Gauteng, South Africa

Embedding a stakeholder-centric approach to ESG

Our stakeholder-centric approach to value creation is based on understanding and responding to stakeholder needs and taking action in areas where we can positively impact long-term sustainability. We align our efforts across our portfolio to focus on sustainability and build long-term partnerships with key stakeholders.

Overview of our key stakeholders throughout the value chain

UPSTREAM

Long-term upstream ESG goal

- Mitigating ESG risks for our providers of capital
- Collaborate with and influencing tenants to positively contribute towards our social impact

COMPANY OPERATIONS

Long-term operational ESG goals

- Managing buildings that actively contribute to occupier health and wellbeing
- Prioritising diversity, equity and inclusion in all of our stakeholder relationships

DOWNSTREAM

Long-term downstream ESG goals

- Integrating circular economy principles
- Maximising positive social impact

	INVESTORS	FUNDERS	TENANTS	EMPLOYEES	SUPPLIERS	PROPERTY BROKERS	SHOPPERS	COMMUNITIES
WHO THEY ARE	Retail and institutional equity investors and rating agencies	Debt providers – debt capital markets and financial institutions – and associated analysts and rating agencies	Current and potential tenants across our entire portfolio – office, retail, industrial, and specialised	Employees, both temporary and permanent	Suppliers, who are often perceived as our employees or brand ambassadors, including our preferential suppliers and ESD programme participants	Brokers across our portfolio, who not only originate new deals but also negotiate renewals on behalf of tenants	Shoppers at our retail centres as well as online shoppers	The communities surrounding our buildings as well as NGOs, small, medium and microenterprises (SMMEs), youth and other important groups within those communities
STAKEHOLDER GOALS	Source of sustained growth in total returns	Reliable source of returns on debt funding	Provider of differentiated and relevant space	Employer of choice	Source of business opportunity and growth	Preferred business partner	Provider of a safe and innovative shopping experience	Responsible community participant
DELIVERING ON OUR GOALS THROUGH TAILORED VALUE PROPOSITIONS	Delivering sustained income and capital growth by strategically allocating capital and managing our funding through the cycles	Offering a secure source of returns to our funders by ensuring prudent balance sheet management, healthy credit risk metrics, and proactive risk management	Leveraging our differentiators – people-centricity, technology, environmental efficiency and insight – to provide tenants with resource-efficient spaces that remain relevant to their evolving needs	Releasing discretionary effort and promoting accountability through a focus on total reward. Financial rewards are crucial to attracting and retaining talent, and non-financial rewards are essential personal growth differentiators to deliver excellence that is aligned with Redefine's purpose, vision, mission and strategy	Collaborating with our suppliers to build a sustainable ecosystem of mutual benefit by supporting them to deliver a seamless service and ensuring that our values are fully aligned	Engaging actively and inclusively with our property brokers to create mutual value by enabling them and ensuring they align with our brand promise	Servicing shoppers' needs safely and conveniently while serving as a market and meeting place to attract and retain a loyal shopper base for our tenants and maintain our brand reputation	Uplifting and empowering communities by partnering with them to unlock their potential and deliver programmes that address systemic issues in innovative and sustainable ways
	page 36	page 38	page 40	page 43	page 53	page 55	page 57	page 60

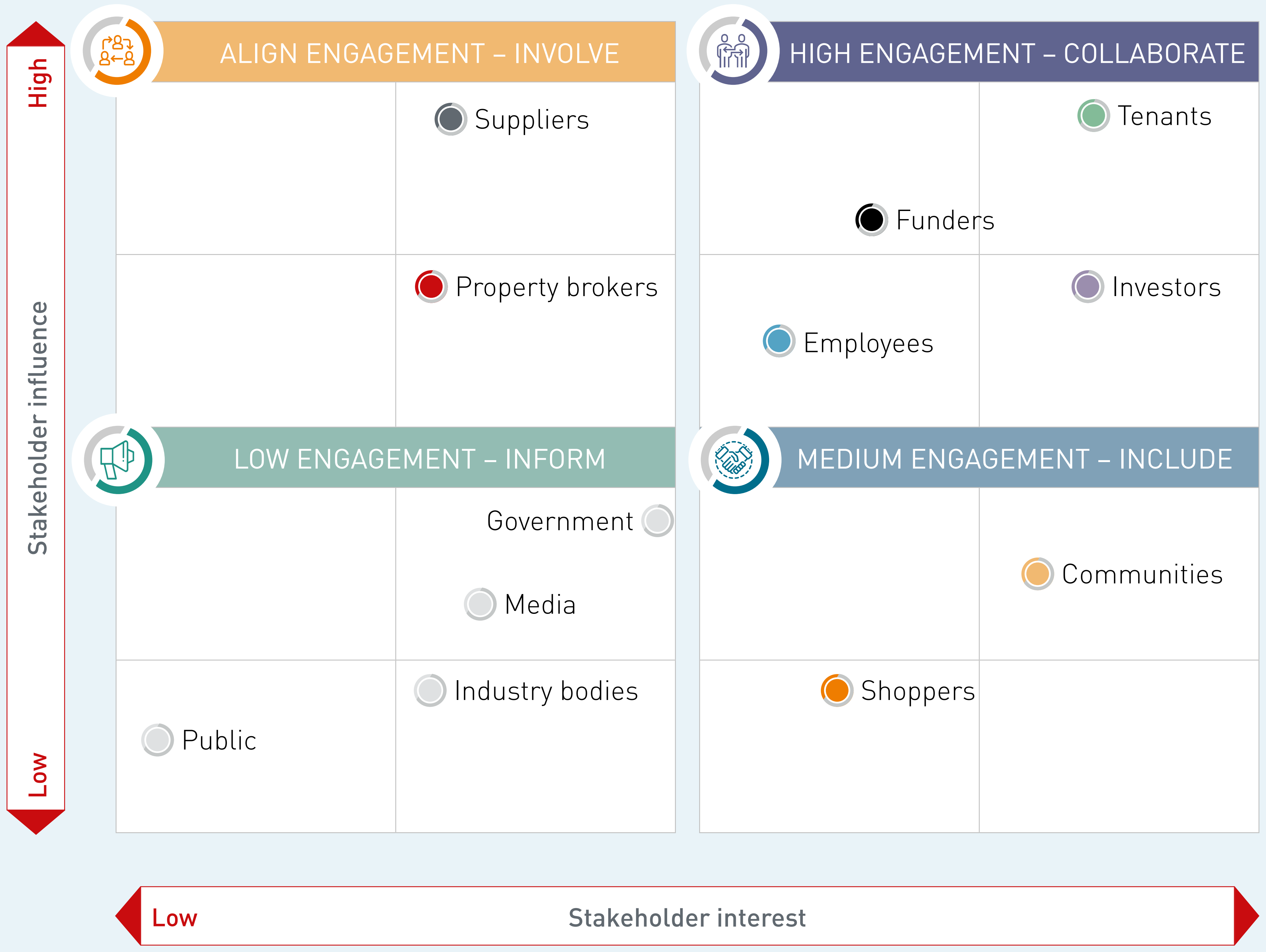
For more information on our other stakeholders, including government, media and industry bodies, see **page 67**

Embedding a stakeholder-centric approach to ESG continued

Analysis of Redefine's stakeholders

We group our stakeholders by their level of influence on us and our impact on them. We are committed to understanding their concerns and applying relevant inputs to our decision-making to ensure value creation. However, the operating context is changing rapidly, impacting on our stakeholders' needs and concerns and how we engage with them. Therefore, during the year, we undertook a stakeholder analysis to hone our focus on impact and outcomes per stakeholder group, ensuring we crafted mutually beneficial priorities through tailored stakeholder journeys.

Our stakeholder landscape continues to evolve as we align our stakeholder goals with our moonshot strategy.



Our stakeholder priority assessment process

1. **Develop a segmentation model** – Gather accurate information across segments, develop and safeguard an opted-in, segmented database, and implement a process to maintain accurate data
2. **Map out the life cycles** – Map out the life cycle/journey, taking into consideration various segments
3. **Research** – Research to determine stakeholder needs/ expectations
4. **Map needs** – Map stakeholder needs and expectations against our needs and expectations and identify key touchpoints and immediate gaps for improvement
5. **Develop a tailored strategy** – Develop an engagement strategy throughout their journey, including the acquisition, retention and conversion stages
6. **Implement** – Implement a process and engagement strategy
7. **Measure** – Measure outcomes and map areas of improvement on an ongoing basis

Collaborating to create impact

Our stakeholder strategy is designed to ensure that we have a systematic approach to stakeholder engagement.

This approach comes to life through the actions of our people.

Underpinned by our **BEST VALUES** (refer to page 4), our people bring our strategy to life through their ongoing engagements with our stakeholders across the business. Our employees are supported in these efforts by tailored engagement plans that map out why and how we engage with our stakeholders.

Between stimulus and response, our values guide how we choose to react.

Our socioeconomic impact in focus

We believe that embedding our properties in the communities in which we operate is one of the key bases of value creation. Therefore, understanding the broader impact of these properties and our portfolio as a whole is key to future decision-making. During the year, we commissioned an in-depth study of our South African and EPP portfolios to better understand the baseline from which we are working in seeking to continuously deliver sustained value to our stakeholders.

We assessed 273 of our South African assets that span the retail, office and industrial sectors. All impacts analysed pertain solely to the development, maintenance, upgrade and operation of the assets themselves and do not account for the operations of the tenants of the individual assets.

South Africa

Economic impact

For every **R1 invested** into the portfolio (capex and operational expenditure), **R0.94 was contributed to the GDP**, with a total annual contribution of **R3.5 billion**.

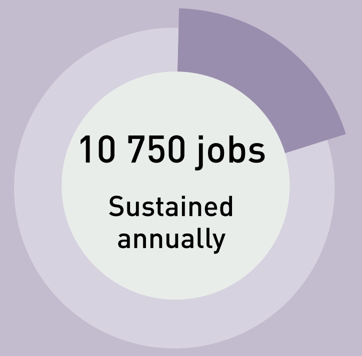
Taxation impact

A total of **R1.9 billion** in combined taxes (PAYE, VAT and production tax) was paid through the operations of the portfolio.

Source: JLL Redefine Economic Impact Report 2022

Employment impact

Approximately **12 850 employment** opportunities were created through our South African portfolio. Of these, 10 750[1] jobs were sustained annually in the economy.

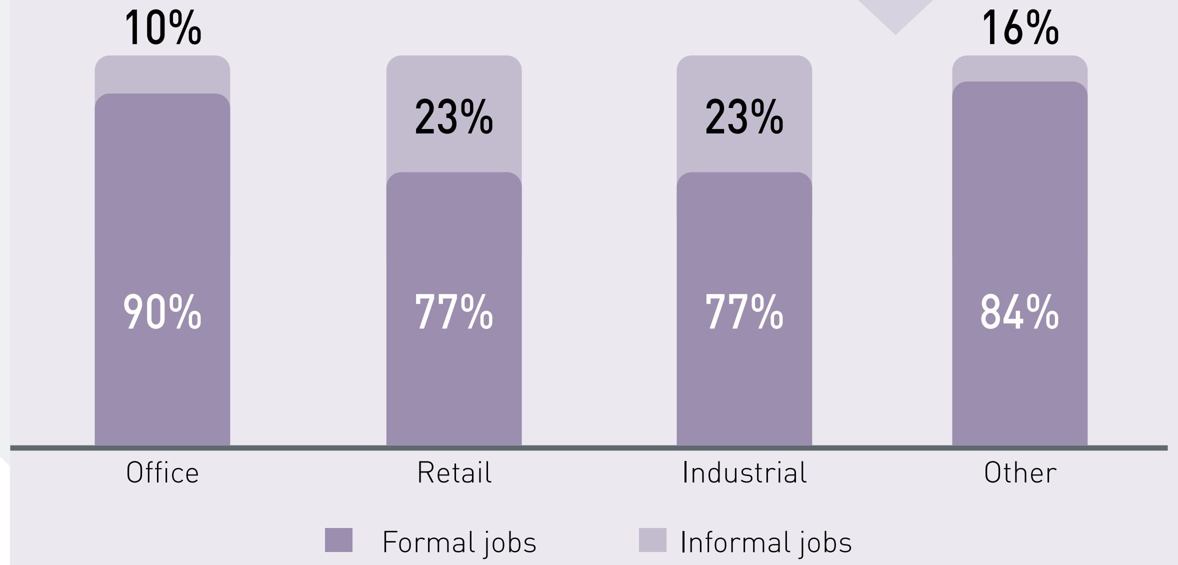


2 100 jobs once off

Gauteng – 9 721 jobs
Western Cape – 1 549 jobs
KwaZulu-Natal – 643 jobs
Other – 937 jobs

One job is created, on average, for every **R291 000** invested.

The **retail sector** is also where investment most easily translates into job creation, needing almost **R255 000** in investment (capex and operational expenditure) to create one job. This is nearly half the investment required in the industrial sector (R505 000 needed for one position).



Around **82%** of all the employment opportunities created through the portfolio are **formal sector jobs**. These employees are the ones who generally pay PAYE – further stimulating economic growth.

Two thirds (9 684 jobs) of all jobs created employ black workers.

Women took up 46% of all jobs created through the portfolio.

Approximately **R2.8 billion** in **compensation** was paid to persons employed through the impact of the portfolio.

Average annual salary per employee

Office	285 720
Retail	108 921
Industrial	205 422
Other	108 769

Compensation per skill level

R2.8 billion skilled

R802 million semi-skilled

R696 million low-skilled

SMME impact

Office	2 755 jobs
Retail	4 525 jobs
Industrial	1 012 jobs
Other	61 jobs

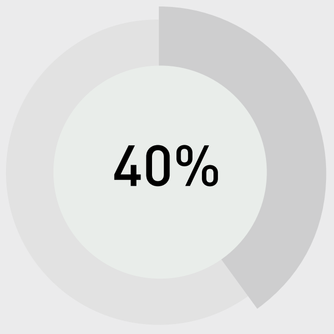
Around **12 850 employment opportunities** were created through our South African portfolio. Of these, 7 009 are jobs sustained annually in the economy.

Approximately **6 268 black-owned SMME opportunities** were created through our South African portfolio. Of these, 5 282[1] are sustained annually, with only 986[1] temporary, once-off employment impacts.

More than **two thirds (76%)** of all **black-owned opportunities** were created in our operations based in Gauteng.

The portfolio generated approximately **R3.3 billion** in new business sales from **SMMEs**, the majority (78% or R2.6 billion)[1] of which was generated by operational activities. Since operational impacts are sustained annually, this indicates a **sizeable economic contribution and a significant business stimulus**.

60% of all new business was generated by other business enterprises



40% of all new business sales was generated by SMME new business sales

Our socioeconomic impact in focus continued

EPP

Our EPP portfolio comprises 37 properties located throughout Poland. We assessed the impact of EPP's investment in each asset within the portfolio in 2021, based on capital and operational expenditures invested in the portfolio in 2021, totalling €94.6 million.

Source: JLL socio-economic impact study on EPP, 2022

Economic impact

Investment in the EPP portfolio has contributed a total of **€451 million to the national GDP**. Therefore, for every **€1 invested** in the portfolio, the GDP **increased by €0.2.**

Taxation impact

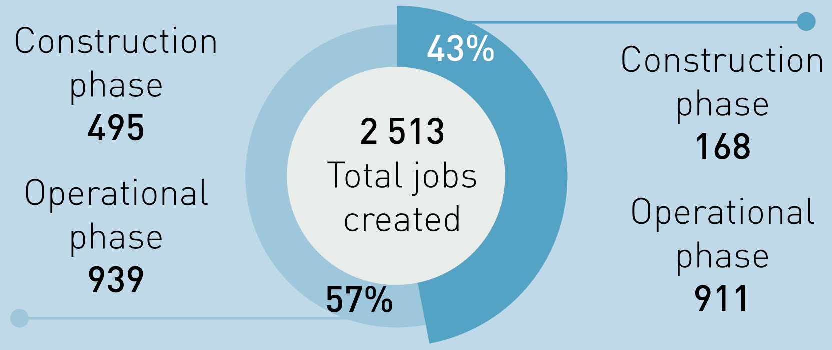
EPP contributed around **€12.3 million in property tax** to local municipalities. **Personal income tax** generated through EPP-stimulated employment totalled approximately **€5.7 million. VAT** for goods and services produced as a result of EPP's investment contributed around **€17.4 million**, translating into circa 0.04% of the 2021 total VAT revenue of the exchequer.

Employment impact

EPP created a total of **2 513 jobs** through direct, indirect and induced effects of the investments made in 2021. 663 of these were temporary jobs related to once-off capital investment. The remaining 1 850 jobs are more permanent, relating to annually sustained operational investment.

Among jobs generated by EPP investment, **43% were taken up by women** and **57% by men**. During the construction phase, the gender profile was considerably more skewed, with 75% of all jobs taken by males. However, for the operational phase, the split was almost even, with women accounting for 49.2% of employment.

Total jobs created (male vs female)

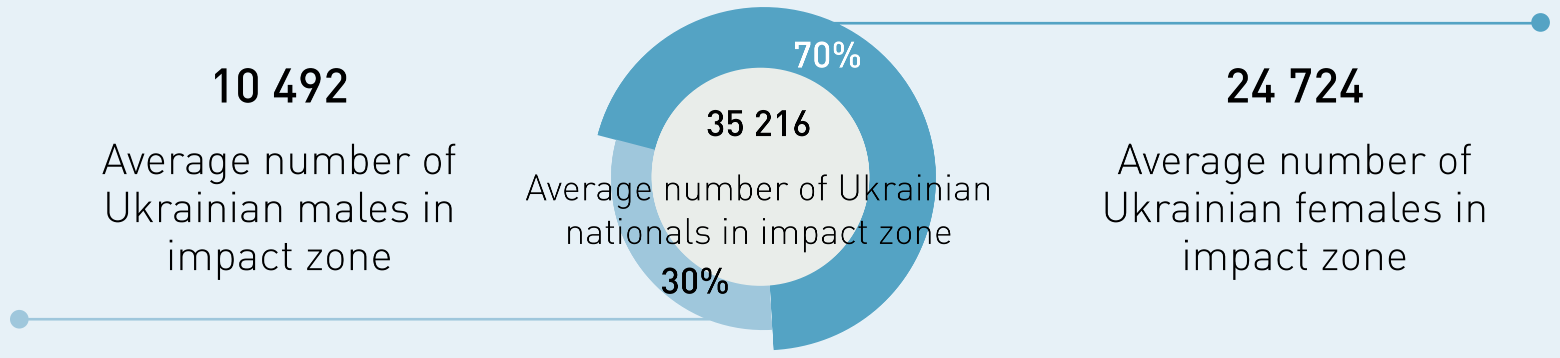


Total employment compensation was **€34.8 million**. This translated into an **average monthly salary of €1 150.5** against the national average of **€1 198.1**.

Social impact

Poland features a considerable and growing Ukrainian minority, which has long been driven by economic migration from Ukraine. Since February 2022, Poland has seen an unprecedented inflow of war refugees from Ukraine, primarily women and children. Some **564 000 Ukrainians live within the EPP assets' impact zones**, representing 41.7% of Poland's registered Ukrainian population.

Total Ukrainian jobs created (male vs female)[1]



(Refer to page 66 for more information on EPP's support for Ukraine)

Our socioeconomic impact in focus continued

Commerce Square, Gauteng, South Africa

Key

Quality of relationship indicator

Strong relationship of mutual benefit	●●●●●
Good quality, mutually beneficial relationship with some room for improvement	●●●●○
Relationship established, value-generating connection, but with room for improvement	●●●○○
Relationship established but much work to be done to improve the quality of the relationship	●●○○○
No existing relationship	●○○○○

Type of stakeholder engagement

- Align engagement – involve
- Low engagement – inform
- Medium engagement – include
- High engagement – collaborate

Owner

- Corporate finance
- Asset and property management
- Retail asset and property management
- Marketing and property management
- Human resources
- Procurement

On track | Requires focus | Work in progress

Our socioeconomic impact in focus continued

INVESTORS	Despite the challenges presented by our operating environment, we remain focused on delivering value for our investors through efforts to streamline our investment property asset platform to lower our loan-to-value ratio (LTV ratio) and improve our financial position, providing returns over the medium term	Investor perception survey ●●●●○
Value proposition Delivering sustained income and capital growth to our investors by strategically allocating capital and managing our funding through the cycles		**Goal** Source of sustained growth in total returns

Engaging with our investors

By understanding our investors' requirements and meeting their expectations of value creation, we grow trust in our organisation, strengthening our access to capital.

Our investors are therefore crucial to the growth and sustainability of our business.

WHY WE ENGAGE	By understanding our investors' requirements and meeting their expectations of value creation, we are better able to satisfy their needs, which strengthens our access to capital		Grow trust in our organisation		Access to capital at a cost-effective yield	
HOW WE ENGAGE	▪ Annual and interim results presentations ▪ Annual integrated reports and ESG reports ▪ Corporate website ▪ One-on-one meetings with executive management ▪ Stakeholder webcasts ▪ Investor perception surveys ▪ Equity roadshow		▪ Property tours and exposing investors to senior management		▪ SENS announcements and other channels	
IMPACT	Annual results webinar November 2021	207 attendees	ESG webinar September 2021	67 attendees	LTV ratio reduced to	40.2% (2021: 42.4%)
			Retail portfolio webinar September 2021	107 attendees		
	Interim results webinar May 2022	186 attendees	Property tour	15 attendees		
			Capital Markets Day 24 August 2022	111 attendees		
	2021 integrated report downloaded	8 000	Green bond roadshow	46 attendees		

OUR ENGAGEMENT STRATEGY

- Communicate our value proposition as an outflow from our brand promise
- Demonstrate delivery of our value proposition and strategy through reporting, communications and other suitable media platforms
- Engage in understanding issues/concerns and communicating how these have been addressed

KEY MATTERS RAISED

Creating broader value – rise of social responsibility	Importance of maintaining or enhancing existing assets to be defensive in the current economic environment			Building confidence – lowering the LTV ratio and delivering risk-adjusted returns are key
OUR STRATEGIC RESPONSE				
Increased focus on Redefine's socioeconomic impact on the South African economy	As the dynamics of office and retail spaces change dramatically (industrial to a lesser extent), investors expect REITs to mitigate the risk of asset obsolescence by repurposing and repositioning existing assets			Implemented and coordinated an investor engagement strategy, the inaugural combined South African and Polish portfolio Capital Markets Day was held in August 2022
Estimated GDP contribution of R3.5 billion*	Retail refurbishments ▪ Chris Hani ▪ Kwena Square ▪ Centurion Lifestyle Centre ▪ Oakfields Mall	Office refurbishments ▪ Hill On Empire ▪ Black River Office Park	Industrial refurbishments ▪ Brackengate 2 ▪ Atlantic Hills ▪ S&J Industrial Estate ▪ uShukela Industrial Park	LTV ratio reduced to 40.2% (2021: 42.4%)
Implementation of our ESG strategy with an emphasis on value creation				

KEY (refer to page 35)

Our socioeconomic impact in focus continued

COMMUNICATION PLATFORM							
One-on-one meetings with executive management and (where appropriate) non-executive directors		Corporate website		Breaking news alerts		Perception surveys	
MEASURING OUR ENGAGEMENT							
Annual results in November 2021	**25** meetings	Users	**149 707**	Breaking news	**12** alerts sent	ESG engagement survey October 2021	**10** participants
Pre-close in February 2022	**21** meetings						
Interim results in May 2022	**20** meetings	Sessions	**216 880**			Capital Markets Day pre-engagement survey July 2022	**16** participants
Green bond roadshow in June 2022	**25** meetings						
Capital Markets Day and pre-close in August 2022	**8** meetings						

UNDERSTANDING AND MEASURING THE VALUE EXPECTATIONS OF THE RELATIONSHIP	Value-creation outcome
	2022
Investor value expectation	
Distributable income per share increased by 1.4%	Requires focus
Non-recurring distributable income less than 5% of distribution	On track
Improvement of SA REIT LTV ratio to 40.2% (2021: 42.4%)	On track
Total return to shareholders of 10.8% (2021: 1.1%)*	On track
Moody's credit rating maintained – outlook improved from negative to stable	On track
Our value expectation	
Investors' advocacy for Redefine (engagement on LinkedIn/social media)	Work in progress
Access to more equity and liquidity	Work in progress
Improved sentiment (perception surveys)	On track

** Restated using SA REIT net asset value (NAV)*

On track | Requires focus | Work in progress

KEY (refer to page 35)

Evolving our insights-based engagement

We conduct an annual investor perception survey, and considering the feedback we receive and issues raised, we amend our engagement strategies on an ongoing basis. We have resumed in-person engagements since the lifting of **COVID-19** restrictions

This year's investor perception survey highlighted that overall, the strategic priorities are perceived to be clear and well received. The LTV ratio remains an important measure, as is the understanding that the business is actively addressing this. Furthermore, investors were supportive of our local and international exposure and the portfolio's overall performance.

The survey highlighted the following matters, among others

- Clarity on our strategy going forward, including our international strategy
- Ongoing interest in our capital management and, specifically, the reduction of LTV ratio
- Emphasis on the importance of quality disclosure and communication, including disclosure related to ESG and our strategy

Sharing our ESG goals at our inaugural Capital Markets Day – Purpose led. People powered.

As our ESG focus grows, it is increasingly important to engage with our stakeholders to ensure that they understand our goals and expectations of us, and that we are sharing information in a way that enables them to make informed decisions. To this end, we detailed our short-, medium- and long-term ESG ambitions during our inaugural Capital Markets Day held in August 2022 under the theme: Purpose led. People powered.

The presentation and Redefine's approach to ESG were well received.

Questions were raised regarding our ESG strategy's broad nature and forward-looking ESG targets, including our 2050 ambitions in terms of how we are approaching this target today to ensure consistent progress. Recognising that we operate in a long-term asset class, we believe that setting long-term ambitions is critical, but that these must be matched with short- and medium-term quantifiable goals to ensure we can measure and communicate our progress. These objectives are transparently communicated throughout this report.

Investors also raised queries regarding our energy strategy and potential opportunities, including alternative renewable energy sources through off-site generation and distribution. We continuously explore the technologies available and their viability within our properties. We believe our energy strategy will evolve in the run-up to 2050, as technological advances and changing government policies continue to enhance opportunities, and we will communicate any changes to our strategy as it progresses.

Our socioeconomic impact in focus continued

FUNDERS	The economic operating environment continued to present challenges. However, efforts to streamline our investment property asset platform to lower our LTV ratio and improve our financial position will continue to enhance our credit metrics and reduce our balance sheet risk.	Investor perception survey ●●●●○

Value proposition

Offering a secure source of returns to our funders by ensuring prudent balance sheet management, healthy credit risk metrics, and proactive risk management

Goal Reliable source of returns on debt funding

Engaging with our funders

Our access to debt funding is critical to our ability to fund our capital-intensive property portfolio and enhance equity returns.
Funders expect us to honour our agreements with them, which builds trust and supports our ongoing access to and cost of debt funding.

WHY WE ENGAGE	Access to debt funding is critical to our ability to purchase properties and build our portfolio	Funders expect us to honour our agreements, which in turn builds trust and supports our ongoing access to capital
HOW WE ENGAGE	▪ Annual and interim results presentations ▪ Annual integrated reports and ESG reports ▪ Corporate website ▪ One-on-one meetings with executive management ▪ Stakeholder webcasts ▪ Funder perception surveys	▪ Keep investors informed of breaking news through SENS announcements ▪ Funders and debt roadshow

IMPACT				
	Annual results webinar November 2021	207 attendees	ESG webinar September 2021	67 attendees
	Interim results webinar May 2022	186 attendees	Retail portfolio webinar September 2021	107 attendees
	2021 integrated report downloaded	8 000	Capital Markets Day 24 August 2022	111 attendees

OUR ENGAGEMENT STRATEGY

- Communicate our value proposition as an outflow from our brand promise
- Demonstrate the delivery of our value proposition and strategy through reporting, communications, and other suitable media platforms
- Engage in understanding issues/concerns and communicating how these have been addressed

KEY MATTERS RAISED

Managing EPP's liquidity challenges	Rise of sustainable funding	Lowering risk through simplifying the balance sheet and reducing the LTV ratio

OUR STRATEGIC RESPONSE

Capital Markets Day to unpack the take over and reorganisation of EPP	Issued a R1.5 billion green bond anchored by the International Finance Corporation (IFC) to refinance Green Star certified South African assets, promoting sustainability and climate-smart commercial real estate in our portfolio by placing ESG at the heart of everything we do	Improved interest cover ratio to 2.8x (2021: 2.6x) SA REIT LTV ratio reduced to 40.2% (2021: 42.4%) Asset platform and geographic diversification significantly simplified and repositioned for sustained growth

KEY (refer to page 35)

Our socioeconomic impact in focus continued

COMMUNICATION PLATFORM

One-on-one meetings with executive management and (where appropriate) non-executive directors	Corporate website	Breaking news alerts	Perception surveys	Editorial and thought leadership articles

MEASURING OUR ENGAGEMENT

One-on-one meetings with executive management and (where appropriate) non-executive directors	
AGM engagement in January 2022, including remuneration	**6** meetings
Pre-close in February 2022	**21** meetings
Interim results in May 2022	**20** meetings
Green bond roadshow in June 2022	**25** meetings
Capital Markets Day and pre-close in August 2022	**8** meetings
Annual results in November 2022	**19** meetings

Corporate website	
Users	**149 707**
Sessions	**216 880**

Breaking news alerts	
Breaking news	**12** alerts sent

Perception surveys	
ESG engagement survey October 2021	**10** participants
Capital Markets Day pre-engagement survey July 2022	**10** participants
Investor survey October 2022	**10** participants

Editorial and thought leadership articles	
LinkedIn posts (May to August 2022, equating to 12 posts per month)	**48**
LinkedIn followers	**6 200**
Press releases generated (September 2021 to August 2022)	**37**

UNDERSTANDING AND MEASURING THE VALUE EXPECTATIONS OF THE RELATIONSHIP	Value-creation outcome 2022
Funder value expectation	
Establishing a new funding source	✓
Renewal of debt facilities of R23.3 billion (2021: R3.8 billion)	✓
Margins on debt maintained	●
No covenant breaches	✓
Access to undrawn facilities and cash of R6.2 billion (2021: R5.8 billion)	✓
Our value expectation	
Access to debt funding is critical to support our sustained growth	✓
Partnering with our key funders to develop our sustainable finance framework	✓
Ongoing engagement and support of early refinances to extend debt maturity profile	●

✓ On track ● Requires focus ● Work in progress

KEY (refer to page 35)

Embracing ESG in our funding model

Investing in a long-term asset class, we make strategic choices with lasting outcomes. Therefore, to support our value-creation objectives, we are committed to raising financing linked to projects that help manage our climate risks, advance our overall ESG strategy, and ensure our long-term resilience. We have a sustainability financing framework to guide us in how we issue and use financial instruments such as green, social and sustainability bonds and loans to achieve our ESG goals.

Redefine's green building journey continued to make a difference to the planet during 2022 with the issuance of our first green bond, with the IFC as the anchor investor. This – our first green bond and only the second issued by a REIT in South Africa – aligns with our sustainability goals to transform our properties into environmentally sustainable and resource-efficient assets, which supports our long-term target to achieve net zero carbon status by 2050.

The green bond was oversubscribed and raised R1.5 billion at auction. It serves to diversify our funding portfolio and amplifies our commitment to placing ESG at the heart of what we do. We will use the proceeds of this bond to finance only highly rated green buildings, which is in line with our overarching, long-term, climate risk framework. The IFC will invest up to R750 million in the bond to help Redefine reduce energy and water consumption and make other positive environmental improvements in our commercial property portfolio, including office, retail and industrial space.

Redefine Properties led the charge towards a sustainable future in the property sector with a R1 billion issuance for its first sustainability-linked bond in July last year. The key feature of this note was the linking of our cost of funding to pre-agreed upon sustainability performance targets. Redefine is committed to renewable energy, GHG emission, and water-efficiency performance targets (communicated throughout this report), and our sustainability performance is independently verified. As we achieve these targets, our interest rates reduce – aligning sustainability goals with our funders' objectives.

Our socioeconomic impact in focus continued

TENANTS	Tenant sustainability is at the forefront of our considerations, as our business would not survive without our tenants.	Tenant feedback and survey
Value proposition Leveraging our differentiators – people centricity, technology, environmental efficiency and insight – to provide tenants with resource-efficient spaces that remain relevant to their evolving need		**Goal** Differentiated provider of relevant space

Engaging with our tenants

We understand that our business sustainability depends on our tenants. Therefore, understanding their needs is critical to our ability to continue providing relevant and attractive spaces.

WHY WE ENGAGE	Ensure business sustainability through tenant retention	Assist tenants and understanding their needs lead to better partnerships
HOW WE ENGAGE	▪ Lease negotiation and renewal process ▪ *Smartten* tenant performance improvement programme	▪ Teams at our premises ▪ Tenant surveys ▪ Communication across various platforms (WhatsApp groups, emails, social media, corporate website, call centre, tenant portal and tenant newsletters)

IMPACT		
Tenant retention increased	**92.1%** (2021: 90.5%)	
Participation in the programme in phase one	**31** tenants	
Average increase in turnover	**19%**	
Reduction in the overall rent-to-sales ratio	**6%**	
The tenant participation target for 2022/2023	**80** tenants	

OUR ENGAGEMENT STRATEGY

- Communicate brand promise and value proposition
- The engagement plan includes the tenant experience programme, proactive communication plan (including matters relating to strategy, business updates and operational matters) and feedback mechanisms to understand needs, issues and concerns
- Demonstrate delivery on value proposition and strategy in all our actions

KEY MATTERS RAISED		
Oversupply of space	Flexible and new ways of doing business	The ability to reshape spaces
OUR STRATEGIC RESPONSE		
Increased focus on concluding deals through in-house leasing, broker incentives, and leasing campaigns (Space 2 Spec and Black Friday)	Flexibility on rentals has resulted in more deals and greater revenue but at lower rental rates per deal	Completing developments with unique selling points (like Kwena Square with three first-in-South Africa tenant offerings) and the ability to redevelop existing buildings (Black River Office Park and Oakfields Centre)

Maponya Mall, Gauteng, South Africa

KEY (refer to page 35)

Our socioeconomic impact in focus continued

COMMUNICATION PLATFORM							
Email		WhatsApp		Call centre		Tenant surveys	
MEASURING OUR ENGAGEMENT							
Emails sent	Over **50 000**	Over **150 building-specific active WhatsApp groups in place**	with an average of two or more WhatsApp messages sent per day	Calls received	**6 060**	2021 survey conducted and overall score	**63% achieved**
				Email queries resolved (accounts and facilities)	**5 411**		

UNDERSTANDING AND MEASURING THE VALUE EXPECTATIONS OF THE RELATIONSHIP	Value-creation outcome
	2022
Business model - tenant value outcomes	
Tenant retention improved from 90.5% to 92.1%	On track
Net rental relief in credit as deferrals collected exceed relief (2021: R60.7 million)	On track
Occupancy rate improved to 93.3% (2021: 92.9%)	Work in progress
Increased number of Green Star rated buildings from 123 to 160	On track
Aim to increase capacity of renewable energy to 43.2MWp (2021: 26.3MWp)	Work in progress
GLA space provided to tenants of 4.0 million m² (2021: 4.3 million m²)	Requires focus
Number of green leases under negotiation	On track
Joint sustainability partnerships – solar, refuse and water	On track
Rental: Total billings received	On track
Rental: Lowering of arrears	On track
Rental: Lowering of vacancy percentage	On track

On track · Requires focus · Work in progress

KEY (refer to page 35)

ParkONE, Western Cape, South Africa

Our socioeconomic impact in focus continued

The retail industry will continue to evolve at breakneck speed, and as a landlord that values relationships, it is imperative that we live by our positioning of being "more than a landlord". Investing in our tenant relationships through ***Smartten*** illustrates this stance.

Supporting tenants through *Smartten*

Our tenants are the lifeblood of our business. If they are not thriving, we are not thriving. With this in mind, the ***Smartten*** programme was conceptualised as an innovative, shared-value partnership to assist retailers at our centres within a challenging context, enabling long-term sustainability and, ultimately, turnover and income growth for both the tenant and Redefine. As part of the initiative, we provided select tenants – focusing on (but not limited to) independent retailers or those in at-risk categories – expert advice and support to integrate innovation and enhance experiences to grow their businesses.

We piloted the initiative at Centurion Mall in 2021 and expanded to Kyalami Corner during the year.

Objectives for participating stores at Kyalami Corner

1	**Turnover:** Increase turnover by 9.3% to 10%
2	**Trading density:** Increase trading density by 10%
3	**Rent to turnover:** Decrease rent to turnover by at least 5%
4	**Assistance:** Reward tenants for active participation through additional marketing support to the value of R200 000

Process

We began by identifying the tenants who would benefit most from the initiative and spent time with each store owner and manager to set goals for the journey ahead. Next, our team spent time monthly with each business, imparting knowledge and focusing on skills development. Various retail experts were also enlisted to assist throughout the process with multiple elements of business management, including marketing and social media management, merchandising, retail operational advice, and general business administration.

As part of the process, we offered the following to participating tenants

- Non-GLA media, including LED screens, a wi-fi landing page, etc.
- Mall social media platforms – Facebook and Instagram
- Out-posting – exhibition space in the centre away from their shop
- Spill-out – displays or sales outside the shop
- Designs and content creation
- Employee training through mindset workshops
- Business monitoring and evaluation
- Ongoing access to a retail advisor

Finally, we continuously measured progress along the way, and as goals were met, new, individualised ones were co-created.

IDENTIFY TENANTS → CO-CREATE OBJECTIVES WITH TENANTS → MAP JOURNEY → CONTINUOUSLY MEASURE PROGRESS

The results

We are pleased to report that through this collaborative partnership, we met and exceeded all of our stated targets.

1	**Turnover:** Increased turnover by 30.5%
2	**Trading density:** Increased trading density by 30.5%
3	**Rent to turnover:** Decreased rent to turnover by 7.8%
4	**Assistance:** Rewarded tenants for active participation to the value of R266 996

Essex Gardens, KwaZulu-Natal, South Africa

Our socioeconomic impact in focus continued

EMPLOYEES	Building a collective of people who create and manage spaces for positive impact through a culture of individual health and overall organisational wellness – recognising that when our people are thriving, our business thrives.	Employee engagement survey

Value proposition
Building a collective of people who create and manage spaces for positive impact through a culture of individual health and overall organisational wellness – recognising that when our people are thriving, our business thrives.

Goal Employer of choice

Engaging with our employees

Employee engagement is vital to maintain an innovative, motivated and committed workforce. Our employees are fundamental to executing our strategic priorities, growing our brand and delivering a consistently high-quality service.

WHY WE ENGAGE	Employees are fundamental to growing our brand	Employee engagement is vital to maintain connection, motivation and an engaged workforce	Drive business objectives to ensure the delivery of strategy
HOW WE ENGAGE	▪ Extensive internal communications using multiple platforms tailored to the message	▪ Employee engagement surveys and connect sessions ▪ Employee rewards and recognition programme	▪ One-on-one interactions between employees and line managers ▪ Performance reviews and exit interviews

IMPACT

Permanent employee turnover	10.9% (2021: 12%)	Engaged employees	87% (2021: 87%)	Performance reviews ▪ Mid-year reviews completed	84%
		Not engaged employees	11% (2021: 12%)	▪ Year-end reviews completed	100%
		Disengaged employees	2% (2021: 1%)		

OUR ENGAGEMENT STRATEGY
Communicate the EVP
Communicate and drive business objectives to ensure delivery of business strategy and delivery on brand promise and our values
Consult throughout the employee life cycle to understand and address concerns and improve relationships

KEY MATTERS RAISED

Greater transparency (focus on fair and market-related remuneration)		Workplace flexibility		Spotlight on mental health – provide employees with necessary resources	
OUR STRATEGIC RESPONSE					
Clear EVP and framework	Developed	Flexible work days	**three** office days per week	Ask Nelson	Employee participation confidential
Remuneration sessions attended	**283** employees	Flexible working hours	core working hours between **9h00 and 16h00**	Social media	**281** attendees
Annual benefits presentation	**155** attendees	Various topics	**14** webinars hosted	Whistle-blowers	**274** attendees

KEY (refer to page 35)

Our socioeconomic impact in focus continued

COMMUNICATION PLATFORM

Engagement events				Internal email		Surveys		Perception surveys		Learning and development	
MEASURING OUR ENGAGEMENT											
REM session	283 attendees	Interim results	314 attendees	Let's Talk	28 editions	Employee engagement, ethics and risk, commuter survey participation	90%	ESG engagement survey October 2021 participants	10 participants	Training interventions	107
Digital	276 attendees	Beyond imagination	328 attendees	CEO comms	17 editions			Capital Markets Day pre-engagement survey July 2022 participants	16 participants	Training attendees	6 903
ESG	322 attendees	ESG webinar	368 attendees	Property Central	18 editions			Investor survey October 2022 – participants awaiting results	40 participants	Training hours	2 6430
Women's month | Empowered session	269 attendees	Ethics feedback session	350 attendees	Let's connect	228 editions					Direct cost of training (course cost)	R5 279 398
Annual benefits presentation	155 attendees	Vaccination policy webinar	55 attendees							Indirect cost of training (ancillary cost excluding salaries)	R1 553 306
Anti-harassment webinar	292 attendees	Employee Connect sessions	JHB 387 attendees CPT 44 attendees DBN 41 attendees								
Chair yoga	116 attendees										
Social media	281 attendees										
Whistle-blowers	247 attendees										

UNDERSTANDING AND MEASURING THE VALUE EXPECTATIONS OF THE RELATIONSHIP

	Value-creation outcome 2022
Employee value expectation	
Annual employee remuneration – progress made on pay equality and fairness	Work in progress
27 076 person-hours spent on training and development (FY2021: 18 672 person-hours)	On track
Salary increases of 7.3% for FY2022 (FY2021: 0% at a total guaranteed package (TGP) above R200 000)	On track
STIs awarded for FY2022 (FY2021: awarded)	On track
Total permanent turnover 27 076 (2021: 12.0%)	On track
62 learners in the 2022 Learnership Programme (2021: 53)	On track
Accredited as a top employer for the seventh consecutive year	On track

	Value-creation outcome 2022
Our value expectation	
Delivery on company objectives – achieve on-target performance	Work in progress
Improved employee advocacy (net promoter score)	On track
Improved return on investment (ROI) – yield per person employed (salary)	On track
ROI – learning and development	On track

On track | Requires focus | Work in progress

KEY (refer to page 35)

Our socioeconomic impact in focus continued

Measuring our progress

We conduct three employee engagement surveys a year to identify organisational trends that affect employee engagement and satisfaction. Feedback offers insight into employee satisfaction and forms part of our business strategy. It also helps us understand areas in which we are performing well and those in need of improvement to sustain a strong EVP, based on the specific demographics and actual needs of our people.

We conducted an employee engagement survey in July 2022, with 89% of our people completing the survey, ensuring that the results are credible and representative of the current levels of employee engagement (2021: 73%). The survey indicated that our employees remain highly engaged, with a score of 87% (2021: 87%), significantly outperforming the South African benchmark of 62% (as reported by Emergence Human Capital).

Engaged		Not engaged		Disengaged	
Engaged employees are psychologically committed to their jobs and likely to contribute positively to their organisation.		Employees who are not engaged lack motivation and are less likely to invest discretionary effort in organisational goals or outcomes.		Disengaged employees are unhappy and unproductive at work and are likely to spread negativity among co-workers.	
2022: 87%	2021: 87%	**2022: 11%**	2021: 12%	**2022: 2%**	2021: 1%

Enhancing our human capital management

Our moonshot strategy comes to life through the daily actions of our people. Recognising this critical dependency, our people strategy aims to build **a collective of people who create and manage spaces for positive impact**. To achieve this ambition, we use three lenses (the individual, the organisation and communities) and outline our aspirations for each sphere – how these align with our moonshot strategy's pathways and what we need to do as a business to achieve these goals.

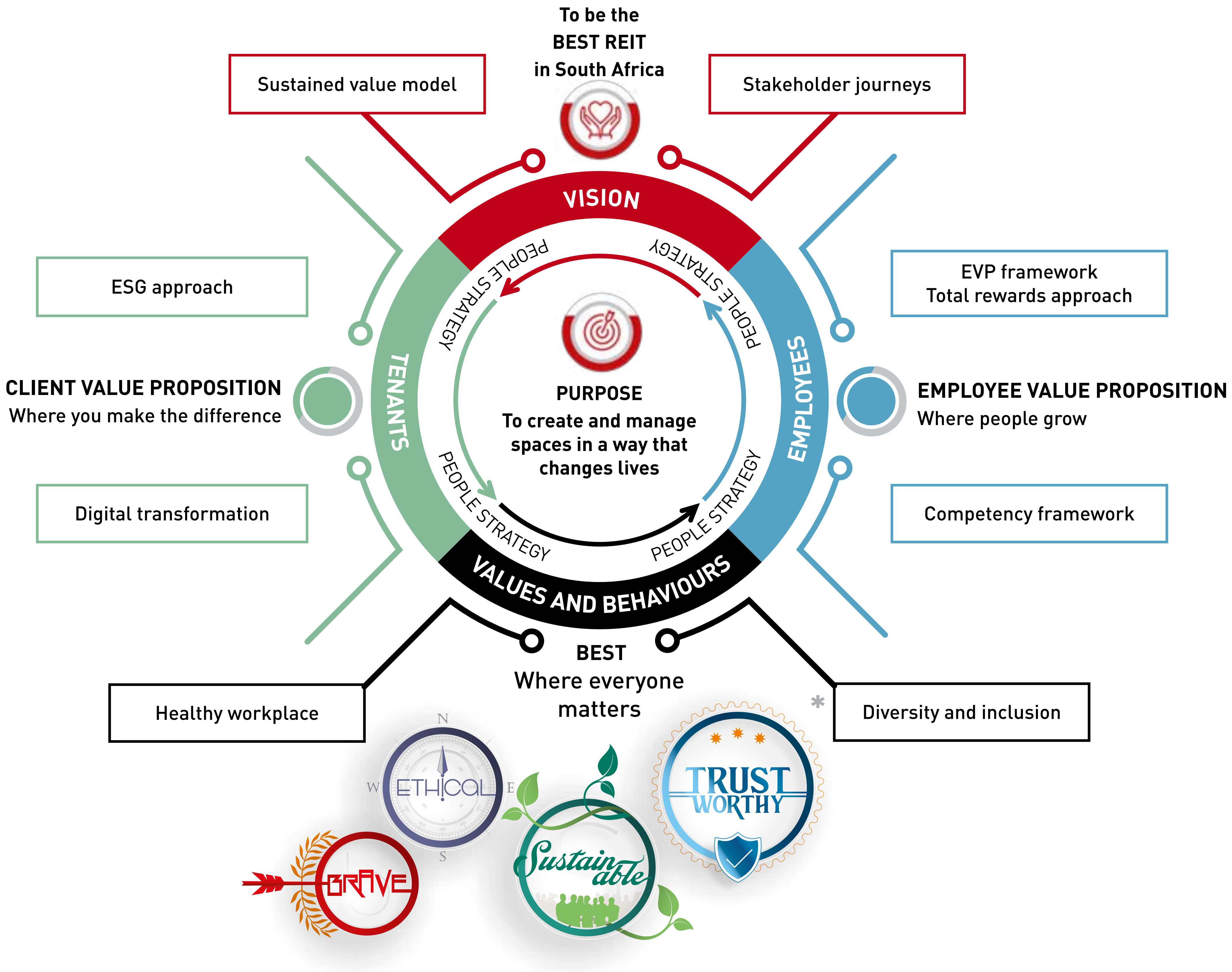
We strive to be the **leading skills development REIT in South Africa** – a place where people grow. This requires that we create an EVP that demonstrates a whole-life recognition and supports skills development through always-on learning and sharing.

As an organisation, we strive to be the **most diverse and inclusive REIT in South Africa** – a place where everyone matters. To achieve this, we need to ensure there is trust in our leadership and an increased focus on diversity, equity and inclusion.

Finally, we strive to be the **most collaborative and innovative REIT in South Africa** – a place where employees know they make a difference as we continue to work to be a force for good. This requires every employee to take ownership of the ESG challenges we face and to be empowered through technology to drive positive performance.

This way, we align our **purpose, vision** and **values** to create a system that drives positive change for our people and communities.

Individual	Organisation	Communities
Where people grow	Where everyone matters	Where you make the difference
To be the leading skills development REIT in South Africa	To become the most diverse and inclusive REIT in South Africa	To be the most collaborative and innovative REIT in South Africa
Aligning with our moonshot		
Delivering diversity, equity and inclusion **Being bionic** **Being explorers and innovators**	**Being a force for good**	**Creating ecosystems**



Our socioeconomic impact in focus continued

Governing our human capital

Strong governance is essential to our human resources practices, with clear accountability and responsibility outlined. Our chief people officer (CPO) (formerly the head of human resources) joined our executive committee on 1 July 2022 and reports to the chief executive officer (CEO). In addition, to support board oversight, the CPO reports quarterly to the SET and REM on our employee profile, remuneration practices, talent management, and succession planning.

Unpacking our employee profile

Our operating landscape requires specialist skills developed over years of exposure to our industry. We therefore consistently aim to attract and retain the right people.

	2022	2021	2020
Permanent employees	429	444	445
Temporary employees	69	55	47
Female employees	58.3%	57.4%	57.8%
Average tenure	6.9 years	6.2 years	5.9 years
Average age	41.9	41.1	41.3

uShukela Industrial Park, KwaZulu-Natal, South Africa

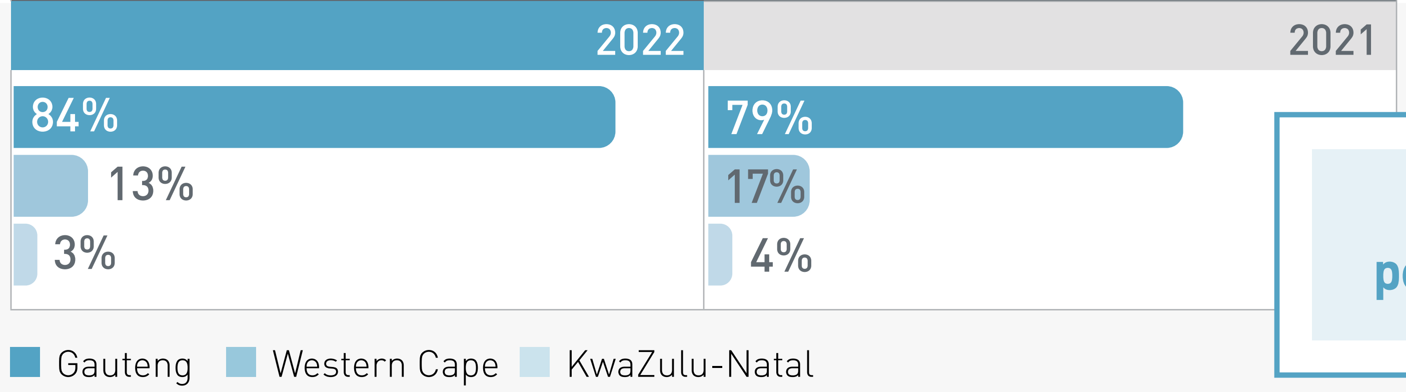
TOTAL EMPLOYEE TURNOVER

	2022	2021	2020
Total employee turnover	17.3%	18.5%	14.9%
GENDER, AGE GROUP AND RACE FIGURES ARE CALCULATED ON THE EMPLOYEE TURNOVER OF 17.3%			
Total female	52.3%	52.3%	61.1%
Total male	47.7%	47.7%	38.9%
Total 18 to 20 years	0.0%	52.3%	38.9%
Total 21 to 35 years	47.7%	0.0%	0.0%
Total 36 to 45 years	30.2%	46.2%	46.3%
Total 46 to 60 years	18.6%	32.3%	22.2%
Total 61 and older	3.5%	16.9%	18.5%
Total black*	77.9%	72.3%	68.5%
Total white	22.1%	27.7%	31.5%

** Black includes ACI employees*

Our total employee turnover rate – inclusive of permanent and temporary employee resignations and instances where contracts come to an end (inclusive of learnerships) – was slightly lower than the previous reporting period but remains relatively stable. Career development and remuneration were cited as the main reasons for resignation, with flexibility and working from home emerging as a lasting trend. We consider all feedback from exit interviews to support our employee retention initiatives.

WORKFORCE BY REGION



210 EPP and 3 ELI permanent employees

EMBRACING DIVERSITY AS A DIFFERENTIATOR

We believe that diverse perspectives enhance organisational effectiveness and resilience. Moreover, diversity is a significant driver of innovation, and an inclusive workplace provides equal opportunities for all. Our parental leave policy, for example, aligns with our maternity leave policy. We treat each employee fairly and support our employees who are also caregivers to balance their professional and family priorities.

We are pleased with our progress over the last five years but recognise that more must be done to achieve a genuinely representative management team.

During the year, we underwent company-wide diversity training to enhance the dialogue around diversity and inclusion to better understand our challenges and find collaborative means of addressing these while leveraging identified opportunities. Across our Gauteng, Cape Town and Durban offices, 33 workshops were held with 463 employees.

We also prioritise diversity within our employment equity policy and code of business conduct, both of which are available on our website. During the year, no allegations and confirmed incidents of discrimination and/or human rights incidents relating to workers were reported.

DISCRIMINATION AND/ OR HUMAN RIGHTS INCIDENTS	Reported incidents	Actual incidents	Investigation status/ actions taken/ monetary losses
Employee discrimination	0	0	N/A
Human rights violations	0	0	N/A

We have adopted a board diversity policy to ensure that we promote gender and racial diversity within the board. Our board diversity policy is available on our website. For more information on board diversity, also see page 72.

Our socioeconomic impact in focus continued

The current diversity-related statistics of our workforce are as follows

Management

Comprises 18.4% of total employees.
Figures calculated as a percentage of management employees

RACE MANAGEMENT (%)	Black management*	White management	Foreign management
2022	45.2	53.8	1.1
2021	36.3	61.9	1.8
2020	30.8	67.4	1.8

Management

Gender profile comprises 18.4% of total employees.
Figures calculated as a percentage of management employees

GENDER MANAGEMENT (%)	Male	Female	Other
2022	53.8	46.2	0.0
2021	43.3	56.7	0.0
2020	42.1	57.9	0.0

Workforce

Below management level comprises 81.6% of total employees.
Figures calculated as percentage of workforce employees

WORKFORCE BELOW MANAGEMENT LEVEL (%)	Black employees*	White employees	Foreign employees
2022	81.3	18.0	0.7
2021	79.0	20.0	0.7
2020	68.9	30.4	0.7

** Black includes ACI employees*

GENDER (%)	Male	Female	Other
2022	41.7	58.3	0.0
2021	42.6	57.4	0.0
2020	42.2	57.8	0.0

AGE RACE PROFILE (%)	Black total*	White total	Foreign nationals
Under 30	20.4	0.4	0.0
30 to 50 years	43.3	11.7	0.8
Over 50	11.2	12.2	0.0

AGE GENDER PROFILE (%)	Male	Female	Other
Under 30	8.2	12.8	0.0
30 to 50 years	23.0	32.5	0.0
Over 50	10.6	12.7	0.0

For more information on our overall BBBEE performance, see page 70.

Pursuing equality

We strive to create an environment where our people flourish. We encourage all employees to embrace diversity and inclusivity to elevate our thinking beyond compliance to create true inclusion in the workplace.

PROGRESS MADE IN 2022

WEPs Gender Gap Analysis Tool

According to the *State of Gender Diversity in the Listed Real Estate Sector* 2022, male executives continued to hold 81% representation of the total number of REIT executive directorships in 2021. Addressing this imbalance is key to ensuring the participation of women within the sector, particularly at an executive level.

In 2021, Redefine conducted a baseline WEPs gender gap analysis. WEPs is a joint initiative between the United Nations Global Compact (UNGC) and UN Women, providing a comprehensive framework that includes seven principles to empower women and girls. The results of our gender gap analysis continue to inform our approach to gender equality and guide our actions to promote gender inclusivity.

We continue to take steps to implement the recommendations from the WEPs analysis to strengthen our commitment to gender equality. Furthermore, during the year, we appointed three gender ambassadors to drive the gender equality agenda internally and were recognised externally at the 10th Gender Mainstreaming Awards, celebrating those who are actively accelerating equality in the workplace. This was the first time we were nominated, and we are extremely pleased to have achieved third place in the category Gender Reporting by JSE Listed Companies.

Our gender pay gap is disclosed as part of our remuneration report on page 105.

Our socioeconomic impact in focus continued

PROGRESS MADE IN 2022 continued

UNGC LGBTIQ+ Standards Gap Analysis Tool

Using the **UNGC's LGBTIQ+ Standards Gap Analysis Tool**, we obtained an external assessment and baseline information in November 2021. The process comprises a gap analysis methodology and a questionnaire and is supported by a scoring system and recommendations on closing gaps and strengthening policies, processes and methodologies to enhance inclusivity. The analysis indicated that we are at the "Beginner" stage, with policies or programmes in place that are helping to advance equality, but that opportunities exist to do more. We have implemented various initiatives based on the feedback received and will measure our progress annually using the UN LGBTIQ+ Standards Gap Analysis Tool. Feedback through dialogue and surveys will also be obtained from employees.

Attracting and retaining top talent

Attracting and retaining high-potential individuals who can support our evolving business needs are critical to our success. Our EVP is key to achieving this, demonstrating how we create value for our people and articulating our expectations in return. Our human capital policies support the delivery of our EVP and include leave, wellness, workplace flexibility, and remuneration policies. In addition, we offer fair and responsible remuneration for all our employees, benchmarking salaries at the median and 75th percentile of the market for scarce and critical skills. While we do not have on-site childcare facilities at present, this is an area of future consideration for the organisation.

We look beyond the property industry to attract top talent and often recruit people from other sectors. This complements our diverse thinking, introduces new skills, and supports our efforts to remain relevant in an ever-changing world. We focus on developing high-performing individuals with the right qualifications, know-how and people skills to uphold our culture and brand integrity to meet our evolving business needs.

In terms of our people analytics and strategic workforce planning, we are in the process of replacing our current human resources and payroll system (we commenced the process in 2022 and will finalise implementation in 2023). The new system allows for a more integrated approach, comprising various interdependent and unified functionalities that address all human resources and payroll requirements. Our new system will therefore enable a strategic approach to people analytics to enable a more accurate estimation of our future workforce needs. In this way, we will be equipped to address risks that may occur and capitalise on opportunities by finding solutions to better manage our workforce.

Our EVP encourages work-life balance. As such, we have clear leave policies that articulate the company's position on leave, including, among others, annual, sick, study and family responsibility leave. For more information, refer to our website.

Focusing on employee health, safety and wellness

We are committed to ensuring employees' health, safety and wellbeing, and we strive to provide a safe work environment, which we believe enables our people to perform optimally and meet our organisational objectives.

The employee wellness programme aims to support employees' general health and wellness. For more information, please refer to our website.

Redefine is committed to the health and wellbeing of our employees and endeavours to create awareness around, and educate our people on, the COVID-19 vaccine. Our mandatory vaccination policy came into effect in February 2022, and we continued to engage with employees who applied for exemption on medical or constitutional grounds. As a result, 96% of employees have been vaccinated.

With the lifting of restrictions during the year, we followed suit concerning wearing masks in the office. However, we remain focused on ensuring the health and safety of our employees and providing an environment that makes them feel safe. Our offices have sufficient space to support social distancing and administrative controls, such as rotation schedules, flexi-time and work-from-home policies, as well as systems and tools to accommodate remote working where necessary.

top EMPLOYER
SOUTH AFRICA 2022
CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

BENCHMARKING OUR EMPLOYMENT PRACTICES

We are committed to the ongoing improvement of our employment practices. As such, we participate in the Top Employer South Africa certification annually, hosted by the Top Employers Institute, which does comprehensive research on employee offerings across various companies. The accreditation provides valuable feedback that guides our benchmarking and improvement.

IN 2022 WE WERE CERTIFIED AS A TOP EMPLOYER FOR THE SEVENTH CONSECUTIVE YEAR

Our socioeconomic impact in focus continued

Creating a value-based corporate culture

Our corporate culture and values guide our conduct, inform our integrated thinking, and support the delivery of our business strategy. We ensure that our ethical culture and value system are entrenched throughout the business. We understand employees want to work for responsible companies. Therefore, the retention and motivation of our workforce depend on our employees' connection to our purpose and meaning.

> Our code of business conduct is a set of principles designed to guide employees in conducting themselves with honesty and integrity in all actions that represent the company. The code can be accessed on our website.

BEST VALUES

ETHICS SURVEY 2022		
63% employee participation (2021: 46%)	**88th percentile** advanced ethical maturity score based on a survey conducted by The Ethics Institute (2021: 88th percentile)	**93rd percentile** ethics behaviour risk score (2021: 91st percentile)

These results demonstrate the strength of Redefine's ethical capital and support our drive to maintain an ethical reputation. We use the survey to identify gaps and potential areas for improvement that require further management attention. To enhance learning, we share survey results with employees during in-person workshops and online learning modules.

ENTRENCHING ETHICS IN THE BUSINESS

Managing ethics effectively is the foundation of the trust we share with our employees and other stakeholders. The ultimate responsibility for managing ethics in our business rests with our CEO, supported by executive and senior management, with assistance from the ESG team, the internal audit function, human capital department, and the company secretary. In addition, specific ethics-related issues are regularly reviewed and reported on by the SET.

Employees are encouraged to attend ethics training and can consult their line managers, the head of internal audit, the chief financial officer (CFO), the head of risk and compliance, the head of ESG, the executive committee, and the management committee if they need any ethics-related advice. We pride ourselves on having an open-door policy to ensure employees feel comfortable reporting unethical behaviour to executives and senior management. They can also report any ethics-related issues to their line manager or any other superior, the legal department, or anonymously through the whistle-blower hotline.

Following a whistle-blower report, the details provided are assessed to determine the most appropriate action in accordance with the relevant legislation. Employees also receive high-level feedback on incidents received and investigated. If allegations of retaliation are reported via the hotline, the human resources department and internal audit investigate any legitimate complaints. The whistle-blower policy is available on our website.

Our disciplinary code supports and guides management when ethics incidents are reported. If unethical behaviour is discovered, we thoroughly investigate the event and institute corrective actions, such as compliance training on business ethics or disciplinary action when necessary. In 2022, 29 incidents of unethical behaviour were reported (2021: 13), and 29 employees were subject to disciplinary action (2021: 13). In addition, 78% of our employees attended an ethics-related workshop (2021: 56.3%).

Our annual group ethics survey, conducted by The Ethics Institute, provides invaluable feedback on the effectiveness of our ethics management systems and any ethics-related risks. This year, 63% of our employees participated (2021: 46%), and we are pleased to have achieved an 88th percentile ethical maturity score (2021: 88th percentile). This score indicates an advanced ethical culture maturity, reflecting that ethics are interwoven with the overall ethical culture. We also received an overall ethics behaviour risk score in the 93rd percentile (2021: 91st percentile), which indicates a low-risk ethics profile.

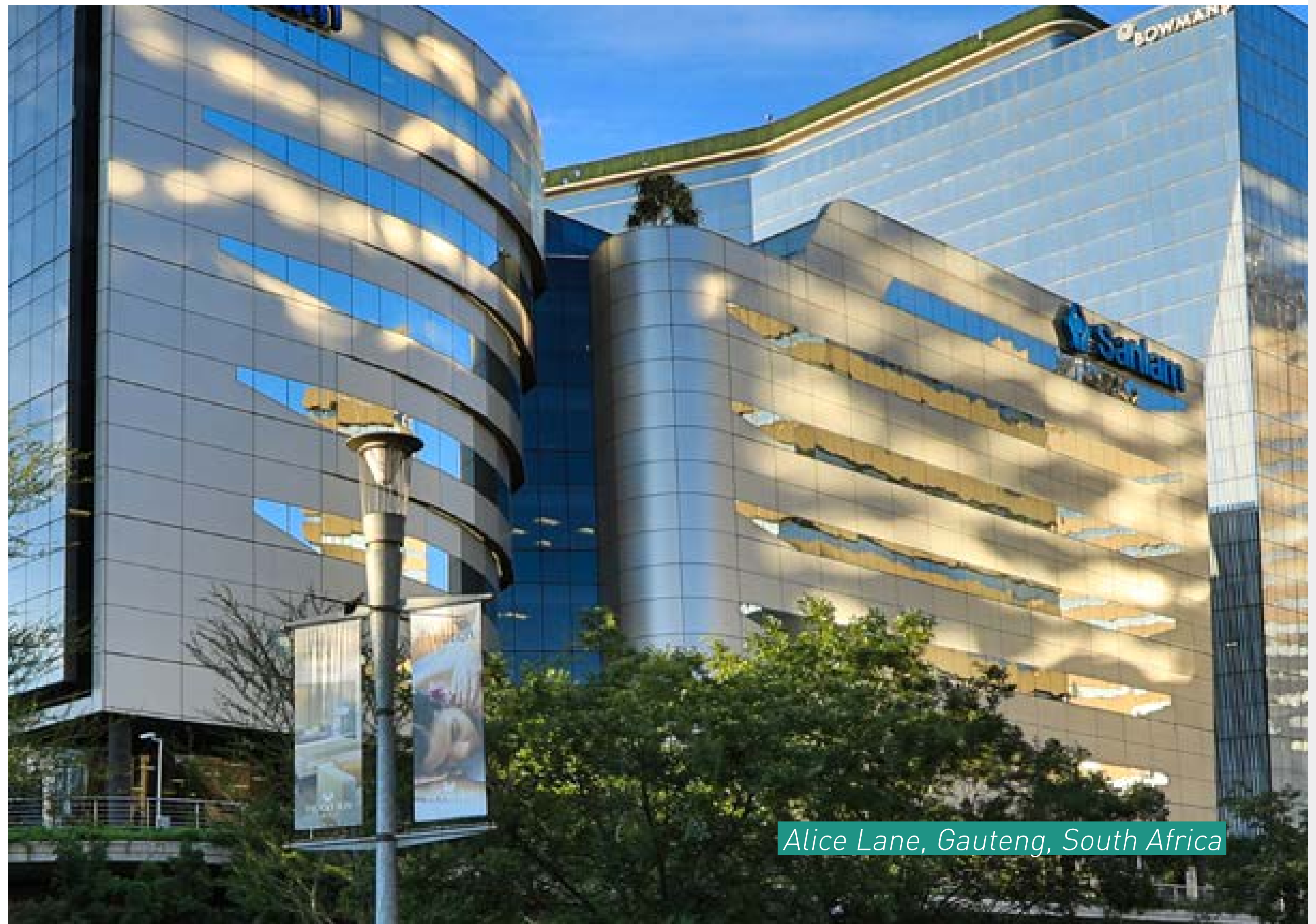
We plan to introduce an ethics learning journey in February 2023 to increase employees' understanding of the principles of ethics and inculcate them in the organisational culture. Key topics include an introduction to ethics, an overview of why ethics matters, and the employee's role in ethics. This digital learning pathway will be supplemented with manager-specific interventions to empower leaders as they align current business practices with the ethics management framework.

Through frequent employee engagement regarding ethical behaviour, we hope to deter non-compliance, reduce exposure to unethical opportunities, and nurture trust within our business. Our initiatives seek to mitigate ethics risks such as corruption, discrimination, human rights abuses, inequality and conduct violations.

The ethics management plan sets out detailed remedial actions for improvement areas identified in the ethics survey, including

- Ethical culture
- Ethics behaviour and management risks
- Risk management
- Internal and external monitoring and measurement
- Disclosure

Please visit our website to access our ethics management plan.



Alice Lane, Gauteng, South Africa

Our socioeconomic impact in focus continued

Supporting the principles of decent work

We support the decent work agenda and the ILO's strategic objectives.

We adapted the framework from the ILO's Tripartite Meeting of Experts on the Measurement of Decent Work to cover 10 substantive elements that link to the four strategic pillars of the decent work agenda. The indicators provide an integrated framework to monitor decent work and close potential gaps.

1 Employment opportunities

- 6.0% youth employment rate (15 to 18 years) as a percentage of the total workforce (2021: 5.5%)
- 8.3% of total learning interventions focused on youth education and training (2021: 9.6%)
- 82.6% of promotions were ACI (2021: 85%)
- Employment status ratio: 86.1% permanent (2021: 90.0%) and 13.9% temporary (2021: 11.0%)
- Monitoring of gender distribution in the overall workforce and in management positions
- 65% of promotions were female (2021: 64%), of which 83% were ACI (2021: 57%)

2 Social security

- 100% of permanent employees belong to a provident fund for retirement savings (2021: 100%), which is a mandatory requirement
- 100% of permanent employees contribute to group risk cover for death, disability and severe illness
- 26.1% of employees belong to a medical aid administered through the company (2021: 29.9%)
- 1.18% absenteeism (2021: 1.1%)

3 Decent working time

- 40-hour work week
- 18 days paid leave per 12-month leave cycle
- 30 days paid sick leave per 36-month cycle
- Clearly declared core business hours and flexible working hours

4 Combining work, family and personal life

- Flexible working hours available (subject to operational requirements)
- Remote-working policy
- Parental leave and maternity leave policies (better than statutory requirement with similar position guaranteed on return to work)

5 Stability and security of work

- Two retrenchments during 2022
- No salary cuts enforced
- Employment tenure, see table on page 46
- Employee turnover (permanent and total, including fixed-term contracts), see table on page 46

6 Work that should be abolished

- Review job functions to ensure content is meaningful and contributes to the delivery of business objectives
- Zero tolerance for child labour with report on average age, as well as youngest and oldest employees, to support and demonstrate the statement
- No forced labour – supported by contracts of employment for all employees who agree to terms and conditions of employment, including the right to resign subject to notice periods
- Employees are not forced to work in unsafe conditions or with hazardous materials without approved personal protective equipment and additional protective measures
- Average age is 41.9 (2021: 41.1), the youngest age is 18 (2021: 21), and the oldest is 65 (2021: 65)

7 Equal opportunity and treatment in employment

- Total commitment to the employment equity process
- Commitment to gender pay equality
- Occupational reporting by race, gender and employment of people with disabilities, inclusive of women in senior and middle management

8 Safe work environment

- Our response to COVID-19 supports our commitment to a safe work environment
- The department of employment and labour completed 21 inspections in 2022 (2021: 19)

9 Adequate earnings and productive work (economic and social context for decent work)

- We determine the mean (average) or median (middle) salary internally
- We determine the minimum and maximum salary as a percentage of the mean (average) or median (middle) salary internally
- We calculate and monitor the Gini coefficient and Palma ratio to track progress on our fair and responsible remuneration policy
- These figures are disclosed in our remuneration report where appropriate

10 Social dialogue, employer's and workers' representation

- Policy statement on collective bargaining
- Policy statement on freedom of association
- 0.4% of employees belong to trade unions (2021: 0.4%)
- Zero days lost to strikes and lockouts (2021: zero)

Our socioeconomic impact in focus continued

Embedding a culture of learning and development

We prioritise learning and growth by investing in employee training and career development. We have traditionally used a blended approach of on-the-job training, digital learning, coaching and mentorship, workshops, structured programmes (including learnerships and graduate programmes), and study bursaries for tertiary education.

Our annual training target is for 80% of the workforce to participate in at least one learning activity to upskill and thus optimise competence in various business areas. Training initiatives include functional and technical training relevant to the employee's role, soft skills and behavioural programmes as well as leadership development-focused programmes.

	2022	2021
Number of training interventions	105	128
Employee hours spent in training	27 076	18 672
Age		
Under 30 years old	2 286	9 065
30 to 50 years old	3 571	7 847
Over 50 years old	1 111	1 760
Gender		
Male	2 522	9 418
Female	4 446	9 254
Status		
Temporary	1 671	7 000
Permanent	5 297	11 673
Direct investment in training*	R5.4 million	R4.0 million
Total training investment**	R14.5 million	R11.4 million

* *Direct course cost*
** *Direct course cost and ancillary costs, which include accommodation, travel, catering, venue, salaries of learners and other costs*

DEVELOPING A FUTURE-FIT WORKFORCE

Within a constantly evolving business context, we are committed to creating an environment where our employees can thrive. We align our employees' capabilities with our strategic goals to ensure we have the right skills to achieve our value-creation objectives, now and in the future. In addition, we actively support our employees' growth, which we believe is a crucial driver of organisational success and employee actualisation.

As a people-centric business, we believe that focusing on people, not jobs, is key to the sustainability of our business. We focus on long-term upskilling to ensure that employees have the requisite capabilities to perform optimally and reskilling, which enables the development of the adjacent skills required to meet the demands required due to the evolution of the modern workforce. A strategic learning objective was to foster the capabilities to harness relationships with all stakeholders, and this was addressed through interventions that included winning work behaviours and conflict management strategies. Reskilling was also evident in our promotion of digital learning, which is part of our blended learning methodology. We optimise our digital learner management system, myLearning, and conduct virtual instructor-led training on Microsoft Teams and Zoom. This further promotes the overall digital transformation journey underway within the business.

We remain focused on promoting innovation and adaptability by building change capabilities, encouraging collaboration and transparent communication, and fostering a design-thinking approach to decision-making, based on assurance and self-confidence. During the year, R4 140 265 was invested in research and development.

To move to newer and more innovative ways of work and to comply with all the provisions of the Protection of Personal Information Act, No 4 of 2013, our enterprise content management systems have been streamlined and data migrated onto OneDrive, SharePoint and FileDirector. To support the business in achieving this objective, learning and development partnered with the business through the change management process. This included an array of application training sessions to ensure that employees are confident and comfortable in managing their daily operations using the various Microsoft Teams applications.

ENHANCING SKILLS IN FOCUS

In keeping with our moonshot, we have focused on two critical areas of skills enhancement – being bionic and being a force for good. This has translated into digital transformation learning journeys and ESG awareness creation. The business continued to drive the enterprise content management campaign and hosted workshops to enable the optimisation of our digital platforms as part of transitioning into technological advancements. The core focus was on the integration of our data management and communication technology onto a single Microsoft 365 platform. This pathway fosters greater collaboration by transforming not only how our data is stored and shared but also how we interact and connect with each other. A digital transformation webcast was conducted to position the digital transformation journey, unpacking all our processes and demonstrating the value of technological advancements as a crucial and critical step for our company in making vast differences to everyone – our business, our stakeholders, and the value that we deliver.

Being a force for good is based on the rationale that we need to embed sustainability in all elements of what we do, and there was a focused drive to increase awareness of ESG elements. We hosted a mandatory, enterprise-wide ESG webcast, which shared critical learnings on the ESG strategy and how to hone our collaborative efforts to realise this as part of the business's value-creation journey. There were also several learning partnerships forged with ESG experts such as the UNGC, SAPOA through collaboration with industry leaders, and the GBCSA. The outcomes hereof was the attendance of designated employees to participate in programmes that include Target Gender Equality, the Ambition Accelerator programme, the Young SDG Innovators Programme, and ESG in the South African property sector.

Our customer service training course provided employees with knowledge of good customer service and know-how in handling customers in a conflict situation. Employees were also exposed to how their personal approach influences customer service.

Our socioeconomic impact in focus continued

PROMOTING LEADERSHIP DEVELOPMENT

Managers to Mentors leadership programme MANAGERS TO MENTORS

The Managers to Mentors leadership programme for line managers aims to develop leaders' communication, coaching and mentoring skills to support our goal of upskilling our people and entrenching a learning culture throughout the business. In FY2022, we hosted one Managers to Mentors session and are reconsidering the programme objectives.

Ensuring the strength and resilience of our current and future leadership remains a priority. We are committed to investing in leadership development to increase self-awareness and build the relational skills of our existing leadership pool. We also continuously identify emerging leaders to grow their understanding of the organisational leadership style and effectively implement succession planning.

We seek to measure the effectiveness of our leadership team by assessing the level of responsible leadership displayed by senior leaders, evaluating their commitment to our values, and assessing individual performance against leadership competencies. While we could not conduct 360-degree reviews in 2021 and 2022, this remains an important feedback tool that will be revisited in the future.

Gaining valuable work experience

Our Learnership Programme offers applicants the opportunity to gain valuable work experience at Redefine for one year while earning a salary. In addition, learners receive a recognised qualification in new venture creation, business administration and project management as well as industry and professional experience. The programme comprises structured National Qualifications Framework levels 2, 3 and 4 learning and practical on-the-job training in various departments within our business

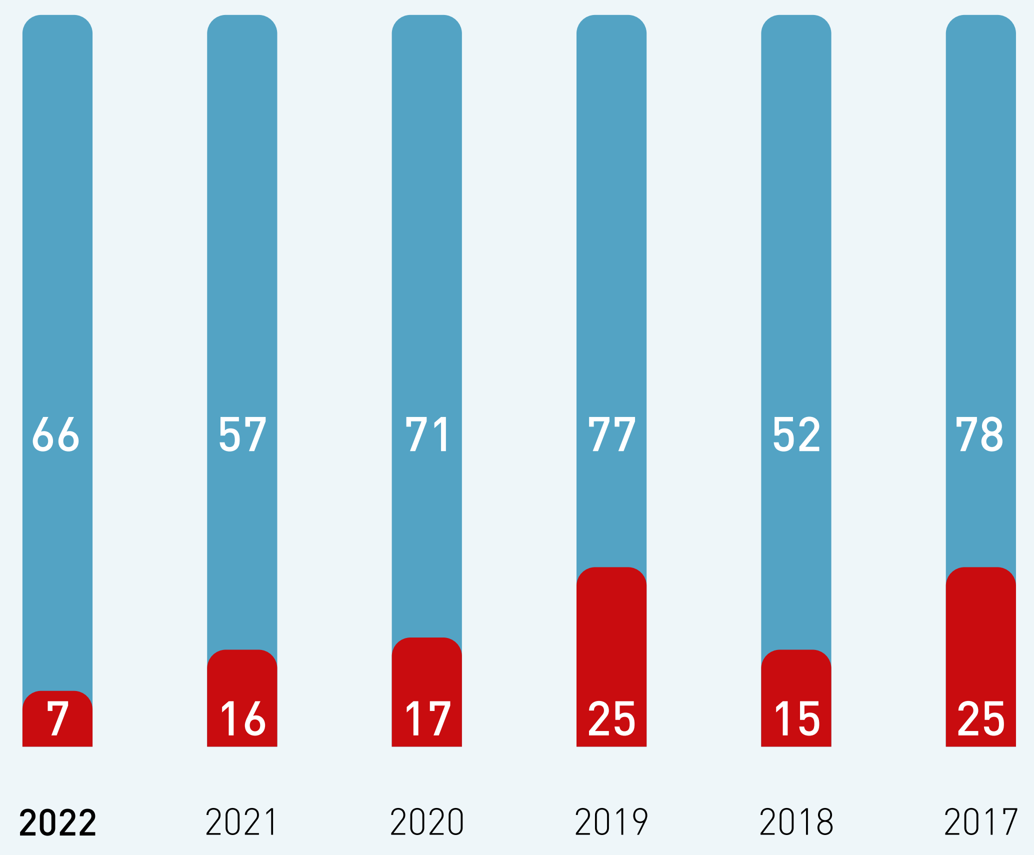
This programme highlights the importance of companies playing a meaningful role in developing skills and capabilities in the property industry. The programme started with only five learners in 2013 and has since gained traction and grown in popularity, with 2 200 applications received in the past year and acceptance subject to a rigorous selection process.

To date, 391 learners have progressed through our Learnership Programme, with 354 learners graduating and 56 participants offered permanent employment at Redefine. In January 2022, 61 learners embarked on the Learnership Programme, and in May 2022, an additional 10 learners commenced the programme, 43 learners were newly recruited, 16 were absorbed from the 2021 learnership group, and 12 permanent employees joined the programme. In December 2022, 59 learners graduated, with 10 learners expected to graduate in May 2023.

Learners can participate in our internal recruitment processes, and top-performing learners are identified and integrated into the business as a permanent conversion. The programme includes permanent employees with experience in a particular field who may not have the qualifications to move to an area of greater responsibility and remuneration. We proudly uphold this initiative as an example of how we contribute to skills development and youth employability in the sector.

work with THE BEST TO BE

INTAKE OF LEARNERS (%)



Permanent conversion % – intake
(learners absorbed permanently into the business)

Retention conversion* % – intake
(learners retained for an additional year)

** Our retention conversion rate includes learners we retained for an additional year*

Learnership Programme, Gauteng, South Africa

Our socioeconomic impact in focus continued

SUPPLIERS	Suppliers are a brand extension of Redefine, as they are often the first point of contact with multiple key stakeholders. Direct engagement is carried out via our newly established group procurement function.	Supplier feedback and surveys

Value proposition

Collaborating with our suppliers to build a sustainable ecosystem of mutual benefit by supporting them to deliver a seamless service and ensuring that our values are fully aligned

Goal Source of business opportunity and growth

Engaging with our suppliers

Our suppliers are valued partners and an extension of our business, as they interact directly with our tenants and retail customers. As such, their conduct must be consistent with our brand promise and **BEST VALUES**.

WHY WE ENGAGE	Suppliers are an extension of our business, as they interact directly with our tenants and retail customers	Supplier stakeholder engagement to align with Redefine's ESG strategy	Alignment with Redefine's way of doing business, brand promise, **BEST VALUES** and supplier code of conduct
HOW WE ENGAGE	▪ One-on-one meetings with procurement and facilities ▪ Supplier onboarding and induction programmes	▪ Phase one of supplier sustainability survey completed	▪ Service level agreement management and service delivery feedback and monitoring compliance to supplier code of conduct
IMPACT	**Meetings held** **15**	**Initial survey conducted with** **15** suppliers	**The supplier rationalisation process includes the supplier code of conduct (sent to over 1 400 suppliers) and our recently launched supplier sustainability audit to increase our awareness of sustainability-related risks**

OUR ENGAGEMENT STRATEGY
Communicate brand promise and value proposition as an outflow from the brand promise through the supplier code of conduct
Engagement includes a proactive communication plan (incorporating matters relating to strategy, business updates and operational matters) and feedback mechanisms to understand needs, issues and concerns
Share information to improve planning and collaboration

KEY MATTERS RAISED

Cost savings and objective performance management	Rental income/ leasing opportunities with tenants		Driving equity and inclusion
OUR STRATEGIC RESPONSE			
Phase one of supplier rationalisation programme implemented	Supplier to tenant conversion	**123** (2021: 46)	Phase one of the supplier development programme was initiated and 15 new suppliers onboarded
Continued review and improvement of supplier agreements			
Continued execution of supplier development and support initiatives for exempt SMMEs with preferential payment terms			Ongoing engagement with non-compliant suppliers to improve their BBBEE performance ratings

KEY (refer to page 35)

Our socioeconomic impact in focus continued

COMMUNICATION PLATFORM					
One-on-one meetings with procurement and facilities		Supplier sustainability surveys		Supplier code of conduct	
MEASURING OUR ENGAGEMENT					
Potential/ new supplier induction	**Phase one** 15 initial meetings held	Phase one	**15** initial meetings held	The supplier rationalisation process includes the supplier code of conduct and our recently launched suppliers sustainability audit to increase our awareness of sustainability-related risks	Sent to over **1 400** suppliers
Management and service delivery feedback meetings	**Phase two** The rest of the suppliers in 2022 and 2023	Phase two	**The rest** of the suppliers in 2022 and 2023		

UNDERSTANDING AND MEASURING THE VALUE EXPECTATIONS OF THE RELATIONSHIP	Value-creation outcome
	2022
Supplier value expectation	
Maintain ethical standards through the supplier code of conduct	Work in progress
Spend on supplier development of R477.4 million (2021: R272.5 million)	On track
Spend on enterprise development of R28.4 million (2021: R60.6 million)	Requires focus
Our value expectation	
Attracting suppliers as tenants with strong transformation objectives and credentials	On track
Subscription and adherence to the Redefine supplier code of conduct, which requires suppliers to employ the local communities around the properties they service (supplier code of conduct independent audits)	On track
Training and upskilling, from suppliers to employees	On track
Circular supply cycle: Create a sustainable business that contributes to the economy and the Redefine bottom line in terms of rent	Work in progress

On track | Requires focus | Work in progress

KEY (refer to page 35)

Partnering with our suppliers

Our suppliers must often deliver our value proposition to other key stakeholders, such as tenants and shoppers. As such, we believe our suppliers should be considered critical representatives of our brand.

Our supplier engagement strategy for our broader supplier base includes a supplier onboarding programme, code of conduct policy, and communications plan that drives advocacy and our brand values. Furthermore, our change management programme outlines standard operating procedures for our procurement practices.

Our supplier code of conduct ensures suppliers remain accountable for their ESG impacts. We require full cooperation, compliance and buy-in from our suppliers. In addition, suppliers must demonstrate an applied commitment to good governance, ethical conduct, and long-term sustainability.

We also expect our suppliers to comply with the applicable laws, legislation and regulations in their jurisdictions. The provisions of our code of conduct do not replace applicable laws, statutory provisions and legislations but constitute an additional standard. If a contract between us or applicable laws and regulations contain stricter or more detailed requirements than this code, we expect our suppliers to comply with the more stringent requirements.

Implementing supplier sustainability audits

Recognising the criticality of suppliers to achieve our broader ESG ambitions, during the year, we engaged a number of our suppliers through a self-assessment process to understand the degree to which our suppliers are aligned with our values and ESG objectives.

Our sustainable supply chain management includes a supplier code of conduct (already in place), and supplier sustainability risk assessments conducted through, supplier sustainability self-assessment questionnaires

While we are in the beginning stages of implementing our overall supplier sustainability audit, in the long run, this initiative will aid in our supplier engagement strategy – a three-part strategy that includes understanding the impact of our supply chain on ESG by promoting supplier disclosure, boosting our engagement with suppliers through education and guidance to improve their emissions performance, and facilitating the tracking of emission reductions in the supply chain.

SMME empowerment and investment

SMMEs account for 21% of our total measured procurement spend, and black-owned suppliers account for 57% of our total measured procurement spend.

We support the national Business for South Africa campaign to pay SMMEs within 30 days of invoice and achieved an average of 25 days to pay SMMEs from the date of invoice.

Redefine Properties has built a significant media and advertising platform through its non-GLA (or alternative income department). As part of our commitment to developing SMMEs, we will aim to provide free advertising space to SMMEs during 2023.

Property point

In order to transform our supplier database sustainably, we joined several other REITs in subscribing to the Property Point programme to positively impact the property sector supply chain. Our investment allows us to empower the selected 15 beneficiaries within the property sector through a bespoke approach, including, but not limited to, empowering skills upliftment and productivity growth.

Our socioeconomic impact in focus continued

PROPERTY BROKERS	Inclusively engaging with and supporting our brokers enhance our understanding of their needs. In turn, they continue attracting quality tenants to our spaces, impacting our financial capital.	Broker feedback and surveys

Value proposition

Engaging actively and inclusively with our property brokers to create mutual value by enabling them and ensuring they align with our brand promise

Goal Preferred business partner

Engaging with our brokers

Property brokers connect us with our tenants. As such, they must be aligned with our brand promise and adequately articulate the differentiated value of our assets to our tenants.

WHY WE ENGAGE	We operate in a highly competitive environment – incentives are vital to secure new lease deals	Keep brokers informed	To create awareness of available stock	Lead generation, tracking and fulfilment	Understand stakeholder needs
HOW WE ENGAGE	▪ *REACH* Incentive Programme	▪ Quarterly newsletter	▪ Vacancy schedule	▪ Our expert leasing teams	▪ Broker survey
IMPACT	**Participating brokers (employed by 400 brokerages)** **1 520**	**Newsletters reach** **4 200 brokers** **Yearly *REACH* digital magazine reaches** **1 520 brokers**	**Updated monthly schedule sent to (deals done to the value of R1.5 billion)** **1 520 brokers** **Information on vacant spaces through site visits, presentations and marketing**	**Live lead management platform**	**Overall score** **72%**

OUR ENGAGEMENT STRATEGY
Communicate brand promise and value proposition as an outflow from the brand promise
Engagement includes a proactive communication plan (incorporating matters relating to strategy, business updates and operational matters) and feedback mechanisms to understand needs, issues and concerns
Broker incentive programme to drive leasing

KEY MATTERS RAISED		
Timely payment of commissions	**Improve time frames (from lease deal origination to deal conclusion)**	**Broker mandates**
OUR STRATEGIC RESPONSE		
Our payment processes are continuously streamlined to minimise delays	We continue to improve our processes to ensure our decision-making is quick and deal structuring simple	Special deals are structured for vacant space that is difficult to let

KEY (refer to page 35)

Our socioeconomic impact in focus continued

UNDERSTANDING AND MEASURING THE VALUE EXPECTATIONS OF THE RELATIONSHIP	Value-creation outcome
	2022
Broker value expectation	
Commission paid out to brokers of R27.6 million (2021: R17.7 million)	On track
Our value expectation	
Improved positive broker sentiment and brand awareness (as measured by the broker survey)	On track
Number of deals done in the retail sector	On track

On track · Requires focus · Work in progress

Reaching out to our brokers

REACH is our broker engagement strategy that strengthens relationships by facilitating two-way communication. Engagements include quarterly newsletters, the ***REACH*** magazine, marketing campaigns (brochures, desk drops and mailers), an incentive programme of quarterly events (driving experiences, golf outings and overnight getaways) and an annual incentive international trip for top-performing brokers. We discuss our secondary stakeholders on the pages that follow.

Enhancing alignment with our long-term ESG objectives

We are aligning our broker strategy with our ESG objectives to ensure we inform and educate our brokers on key issues. In FY2023 and beyond, we plan to host interactive and educational training sessions. These sessions will provide information related to GBCSA, EPC, EBP, Green Star ratings, green leases and carbon emissions. Brokers assist us in achieving our long-term ESG objectives by identifying tenants aligned with our ESG objectives and help to share ESG-related information with existing tenants.

Wonderboom water project, Wonderboom Junction, Gauteng, South Africa

KEY (refer to page 35)

Our socioeconomic impact in focus continued

SHOPPERS	Ensuring we manage our relationship with the shoppers who support our tenants is critical, as they broadcast their expectations on various platforms (formally and informally) within their communities and determine where they shop based on the degree to which they feel their needs are being met.	External assessment ●●●●○
Value proposition Servicing shoppers' needs safely and conveniently while serving as a market and meeting place to attract and retain a loyal shopper base for our tenants and maintain our brand reputation		**Goal** Provider of safe and innovative shopping experience

Engaging with our shoppers

Both current and potential shoppers are essential to our retail and, by extension, industrial tenants' viability.

WHY WE ENGAGE	Ensure shopper retention	Shopper acquisition – attracting new shoppers and ensuring tenant viability		Understand shopper behaviour	
HOW WE ENGAGE	▪ Proactive engagement and management of complaints ▪ Retail websites on key malls ▪ Active use of on-site digital media inventory (e.g. LED screens) ▪ Active resolution of shopper queries on Redefine call centre	▪ Execution of mall marketing strategies, including creating mall brand and tenant mix awareness, promotions and digital campaigns ▪ Increased collaboration with tenants and execution of tenant-specific (deal-focused) marketing campaigns		▪ Through customer engagement surveys that adopt an NPS methodology	
IMPACT	**Complaints and queries are not logged at a property level; therefore, resolution results are unavailable**	**Retail budget**	**R15.8 million**	**May to October 2022 – sample size (results vary by property)**	**42 000**
		Monthly website users (store listings)	**75 000**	**Overall NPS score**	**60**
		Wi-fi platform users (platform used to conduct research)	**2 million**	**Top three negative drivers**	
				Variety of stores	**12%**
		Social media profile views	**9.25 million**	**Poor security**	**8%**
				Parking	**7%**

OUR ENGAGEMENT STRATEGY
Shopper safety and wellbeing to promote a consistent experience
Communicate our value position as an outflow from the brand promise
Relationship management, including proactive communication and engagement with shoppers/communities
Ongoing and marketing

KEY MATTERS RAISED		
Shoppers demanding a more convenient shopping experience	**Customer satisfaction**	**Shoppers are increasingly more aware of the environment and the impact of their shopping habits**
OUR STRATEGIC RESPONSE		
Conducted 42 000 surveys to understand shopper requirements with regard to convenience and other key mall experience metrics	NPS methodology developed – group-wide NPS of 60	Increased focus on environmental and community-based marketing campaigns at a mall level. The flagship campaign at Blue Route Mall (sustainable trendsetters) is a key example of this
Incorporation of NPS into building strategies	Highlighted areas of focus for management intervention are: safety and security, hygiene and cleanliness, and variety of shops	

KEY (refer to page 35)

Our socioeconomic impact in focus continued

COMMUNICATION PLATFORM

Google ratings		Wi-fi platforms		Social media		Call centre		New retail websites		Surveys conducted		LED screens	
MEASURING OUR ENGAGEMENT													
Profile views	9.34 million	Users	2 million	Profile views	5.67 million	Call queries	606 resolved	New retail websites	8 completed	Total	42 000	Views a month	16.5 million
Actions taken	137 520			Engagements	44 500	Online queries	5 411 resolved		12 in progress				
Total ROI	R13.27 million			ROI	R158 000								
Impressions	246 000												
Calls	209 000												

UNDERSTANDING AND MEASURING THE VALUE EXPECTATIONS OF THE RELATIONSHIP	Value-creation outcome 2022
Investor value expectation	
Trading density has increased from R30 000 per m² to R32 100 per m²	On track
New retail lease deals of 79 119m² concluded (2021: 105 862m²)	Work in progress
Footfall has increased by 6.2%	Work in progress
Tenant turnover increase of 7.7%	On track
Mall safety (wellness and physical) improved	Work in progress
Our value expectation	
Increased shopper support and growth – engagement and growth on digital platforms (total engagement and total audience growth)	On track
Increase shopper spend	On track
Participation in shopper surveys	On track
Overall improved net promotor score, overall increase by five basis points – from 55 to 60	Work in progress

On track | Requires focus | Work in progress

KEY (refer to page 35)

Buskaid learners, Gauteng, South Africa

Flood support, KwaZulu-Natal, South Africa

Our socioeconomic impact in focus continued

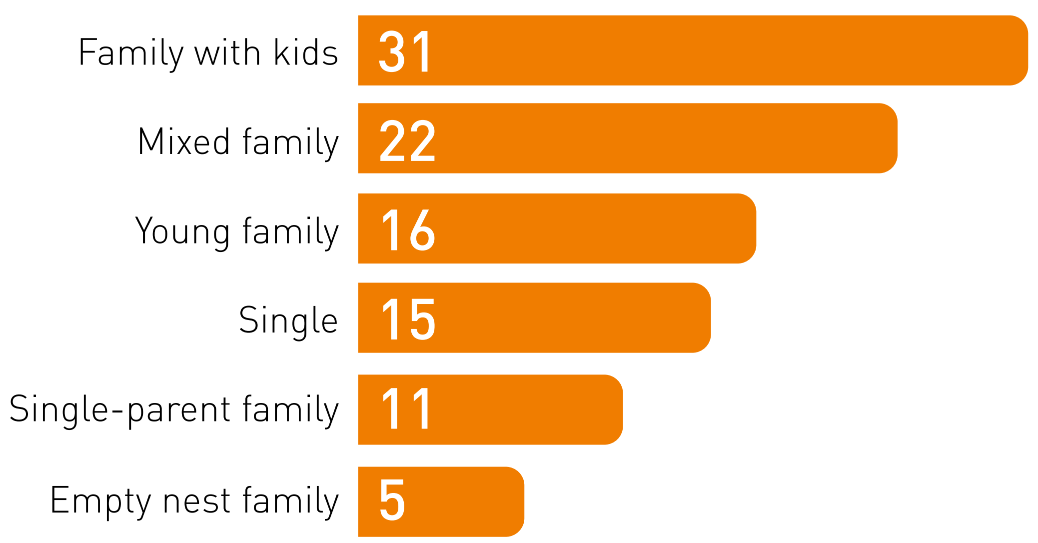
Engaging with our shoppers to understand their needs

Engaging with those who use our centres is critical to ensure the relevance of our assets. We do this by facilitating conversation through surveys. In this way, our retail surveys support our understanding of who our shoppers are, what they need, and how we can best serve our surrounding communities. The results below reflect the responses of over **42 000** shoppers across our retail portfolio.

The shopper survey probed various reasons for either positive or negative NPS drivers. The top three negative NPS drivers have been identified for 21 retail properties with an action plan to address each of these. Overall negative NPS drivers are classified as follows:

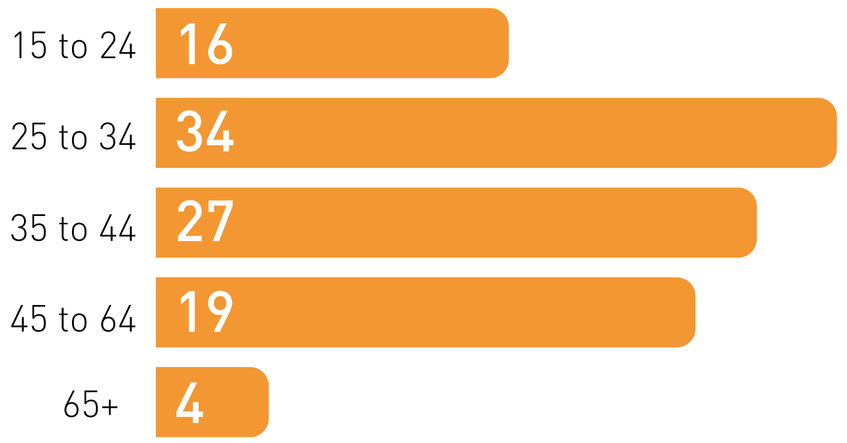
- Variety of shops **11%**: Individual leasing strategies to address the tenant mix
- Safety and security **8%**: Various security concerns and custom action plans developed by property
- Parking **8%**: Various parking concerns and custom plans developed by property

FAMILY TYPE (%)

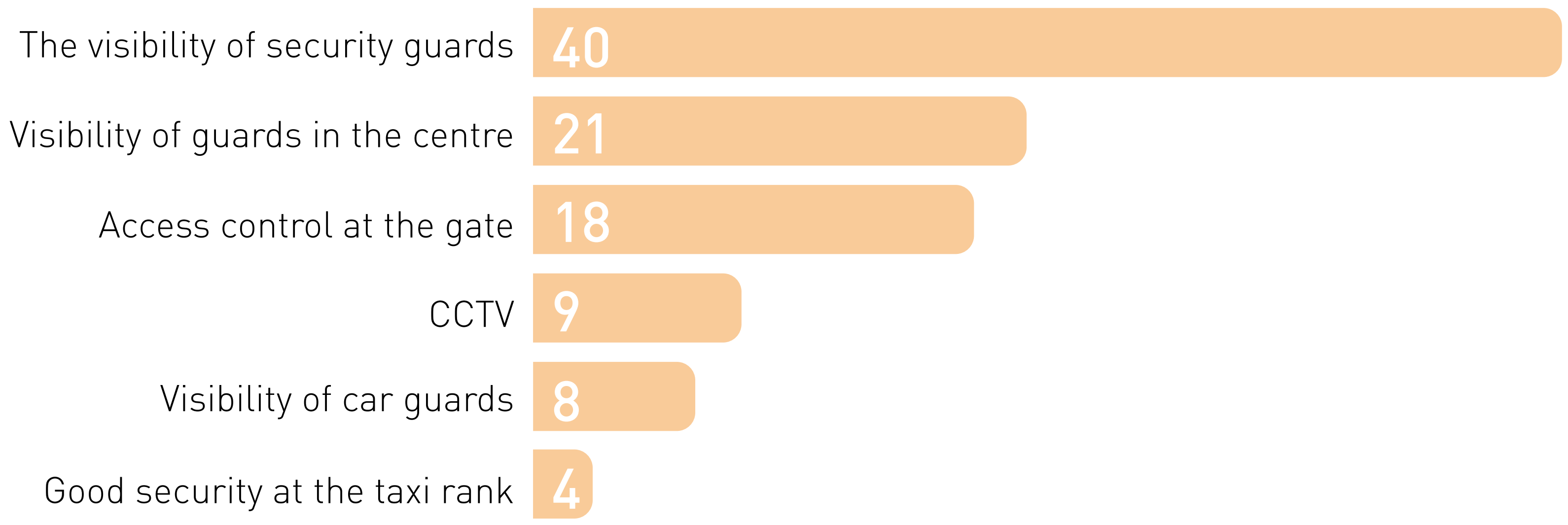


PREFERRED CENTRE INVOLVEMENT IN COMMUNITY (%)

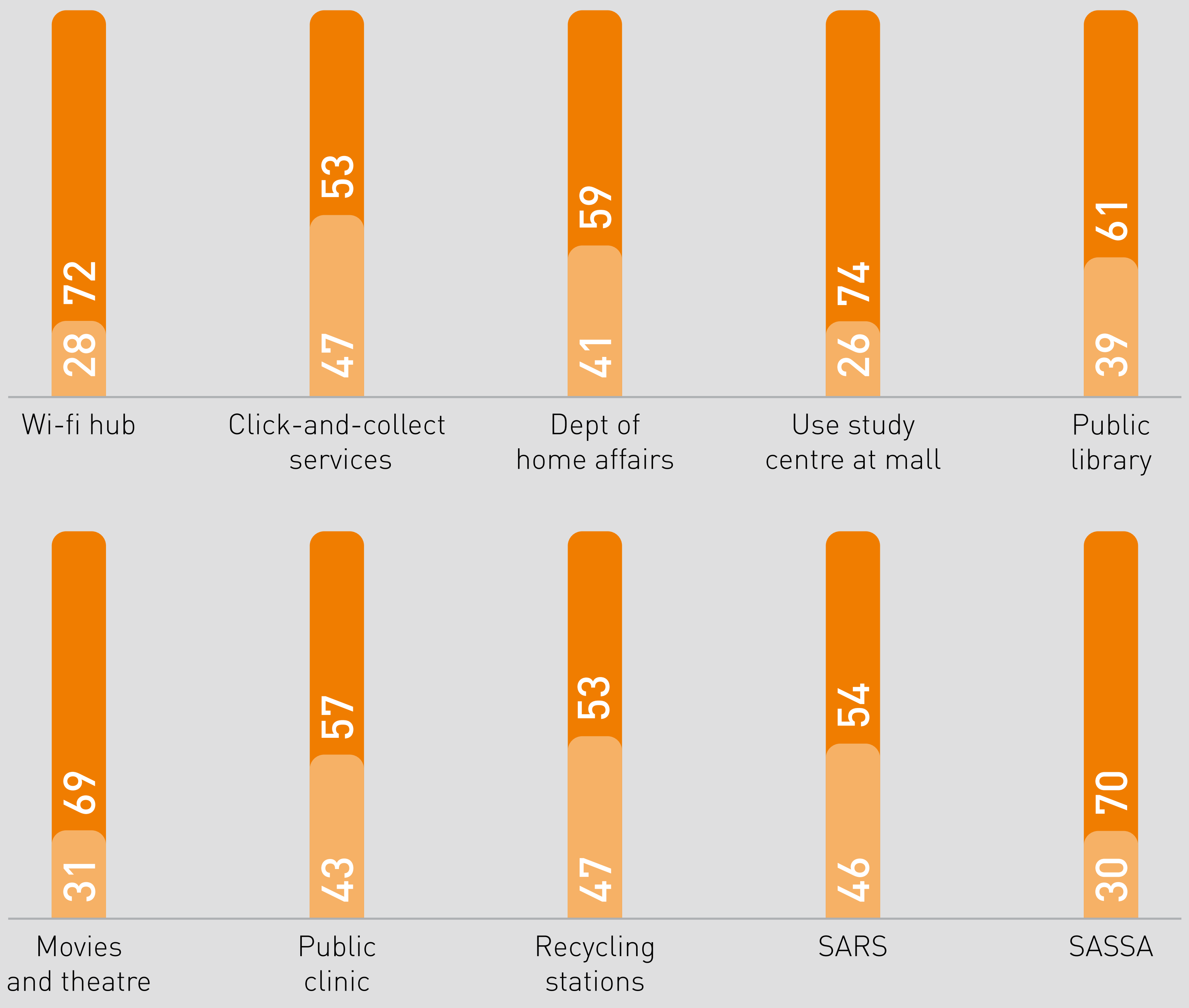
AGE (%)



MOST IMPORTANT SAFETY ELEMENTS AT CENTRE (%)



REQUIRED SERVICES USED BY SHOPPERS AT RETAIL PROPERTIES (%)




Afrika Tikkun Youth programme, Gauteng, South Africa

Our socioeconomic impact in focus continued

COMMUNITIES

Our goal is to ensure that we create partnerships to achieve our longer-term value-creation goals through engagement that enables us to understand our impacts on communities and will allow us to meet their needs.

Community feedback and surveys

Value proposition

Uplifting and empowering communities by partnering with them to unlock their potential and deliver programmes that address systemic issues in innovative and sustainable ways

Goal Responsible community participant

Engaging with our communities

We want to maintain mutually beneficial relationships with our communities, engaging openly to understand our impact on communities and how we can support them.

WHY WE ENGAGE	Understand our community challenges and concerns to maintain mutually beneficial relationships	In alignment with our strategic pathway of being a force for good, we strive to make a positive impact in our communities
HOW WE ENGAGE	▪ We engage directly and indirectly with our communities through multiple platforms. These include: ▫ Indirectly through research/surveys ▫ Directly: ▫ Through our teams on site ▫ With support of our CSI/community partners ▫ On our social media and digital platforms	▪ Through the execution of our CSI strategy (strategic focus areas below): ▫ Skills development ▫ Youth development ▫ Social development ▫ Environmental awareness

IMPACT

2022 community research through interviews		Days spent on initiatives by our employees	222
Individuals impacted directly	534 000	Donated in goods/products	R2.9 million
Individuals impacted indirectly	1.9 million	PR value generated	R2.5 million
Jobs created	299	Value of vacant space donated	R3.3 million
Contributed to or invested in social partners	R12.2 million	LED screen space donated	R1.9 million
		Views on outdoor media	24 million

OUR ENGAGEMENT STRATEGY

- Communicate our value position as an outflow from the brand promise
- Relationship management, including proactive communication and engagement with communities
- Ongoing environmental analysis

KEY MATTERS RAISED

Opportunity to improve the lives of people in surrounding communities	Focus on measuring the impact of our initiatives

OUR STRATEGIC RESPONSE

Our CSI initiatives results summary ▪ Direct impact on 534 000 individuals ▪ Indirect impact on 1 900 000 individuals ▪ 299 jobs created ▪ R12.2 million allocated (donations/CSI-related initiatives)	**Monthly CSI report to track the impact of all CSI initiatives**
Our socioeconomic impact ▪ R3.7 billion total investment ▪ 8 353 new SMME jobs ▪ 12 850 jobs created ▪ R1.9 billion in total taxation ▪ R3.5 billion in GDP contribution	**Socioeconomic study focused on the following impacts** ▪ Economic ▪ Social ▪ Employment ▪ Taxation ▪ GDP contribution

KEY (refer to page 35)

Our socioeconomic impact in focus continued

In addition to our CSI initiatives we conducted a detailed socioeconomic study to determine the impact on our communities.

INVOLVEMENT

MEASURING OUR EFFORTS TO BOLSTER COMMUNITIES

Economic	
Total investment	**R3.7 billion**

Employment		
Total jobs	**12 850**	
Total employees	**5 911** female	**6 939** male
Sector	**82%** formal	**18%** informal
Employee ethnicity	**75%** black **12%** white	**10%** Coloured **3%** Indian/Asian
Jobs per sector	**7 023** retail **1 504** industrial	**4 023** Coloured **93** other

Compensation
R2.29 billion

SMME impact	
New business sales	**R8.26 billion**
Sales generated by SMMEs	**40%**

Tax impacts	
Total tax paid	**R1.9 billion**
PAYE paid	**R578 million**
VAT paid	**R1.2 million**
Production tax paid	**R88 million**

GDP	
Total GDP	**R3.5 billion**
Gauteng	**75%**
Western Cape	**13%**
KwaZulu-Natal	**5%**
Other	**7%**

UNDERSTANDING AND MEASURING THE VALUE EXPECTATIONS OF THE RELATIONSHIP	Value-creation outcome
	2022
Communities' value expectation	
534 000 people impacted directly through community initiatives	●
R12.2 million contributed to social investment	●
299 jobs created through programmes, partnerships and community initiatives	✓
Space to the value of R3.3 million dedicated to social partnerships and community initiatives	●
Level 1 BBBEE rating	✓
Our value expectation	
Advocacy NPS measurement	✓
Sense of pride in the spaces they use (repairs and maintenance budget)	✓
Awareness of properties in specific communities (social media)	✓

✓ On track ● Requires focus ● Work in progress

KEY (refer to page 35)

Insight into our community involvement

Our CSI strategy focuses on the communities that surround our buildings and is underpinned by a demand or needs driven approach. We make use of on-site team knowledge, research and relationships with non-profit organisations to identify their priorities and co-create solutions. This approach allows us to develop community-centred and meaningful initiatives that focus on making an impact. Once the needs are determined, the strategy is then segmented into flagship, non-flagship and *ad hoc* projects.

An additional, but essential, part of our strategy is to ensure our employees participate in implementing the strategy and to foster and develop relationships between our employees and communities. Our Red Thread employee volunteer platform is a prime example of this.

Objectives

We believe that we best serve communities surrounding our buildings with CSI initiatives that strive to

- Increase our involvement
- Empower and uplift disadvantaged communities by understanding their needs and co-creating solutions for measurable positive impact on their socioeconomic conditions
- Monitor the impact of interventions and communities on our business and properties
- Build and strengthen relationships

Strategic focus area

Driven by innovation to ensure scalability and replicability, we focus on four strategic focus areas for CSI

- Skills development
- Youth development
- Social development
- Environmental awareness

These focus areas are crucial to create a positive legacy for our communities

Our five-year CSI strategy can be found on our website.

Our socioeconomic impact in focus continued

Our CSI strategy in action

Flagship CSI projects

Flagship programmes are strategic interventions that require a rigorous focus on the most significant issues for the company's social investment strategy. They involve substantial financial outlays and/or are implemented for a period longer than 12 months. Flagship initiatives are designed to be standard bearers and focal points for the business's social investments. For example, the Challenge Convention and programmes that flow from the community engagement processes have required significant engagement and investment but represent the community-driven model we desire to achieve.

MAPONYA MALL: CHALLENGE CONVENTION

The Challenge Convention at Maponya Mall included two conventions and a series of work groups and forums for the youth, NPOs and SMMEs.

The convention highlighted the need for skills programmes and facilities to encourage greater collaboration and information sharing among NPOs, SMMEs and the youth. We focus on addressing these needs through our CSI initiatives at the mall.

MAPONYA MALL CSI INITIATIVES

Youth development

The development of a youth-focused hub at Maponya Mall is underway. Unfortunately, delays have been experienced in rolling out this initiative due to COVID-19-related work stops, delays in the approval process, and sourcing constraints. We are pleased to have overcome these challenges, and tenant installation is currently underway. The hub will serve as a multipurpose communal space that connects youth to services and resources that promote empowerment and participation in the local economy. In addition, it will host programmes that empower youth with skills development and employment opportunities.

Objectives for the Maponya Mall Community Hub

- Provide access to information: A centralised place for the community to access information on facilities, services and opportunities to promote inclusion and economic activity
- Stimulate economic activity: Enable economic development through skills and technological improvements, space for meetings to facilitate collaboration, and a space to provide training and skills to youth, SMMEs and entrepreneurs
- Build capacity: Identify, nurture and develop talent through educational training, access to bursaries, and skills development through partner collaborations
- Develop sustainable partnerships: Forge and strengthen sustainable partnerships within the community to ensure that solutions to problems are community-led and there is long-term sustainable social change

The youth-focused hub aims to create sustainable employment opportunities for young people aged 18 to 35 by improving the soft skills and community citizenship of the participating Sowetan youth, while providing technical training to enhance their employability. This is done through the implementation of three initiatives:

50 participants Youth Accelerator Programme	**100 participants** Retail Academy	**20 participants** Information technology (IT) training programme

The Youth Accelerator Programme is realised through social implementation partner, Afrika Tikkun, and will be hosted at the hub once development is complete. In this regard, a multiyear partnership was created between Redefine and Afrika Tikkun to focus on our youth sector interventions. While the Maponya Mall Community Hub is in development, additional investment is focused on high-impact programmes for youth development and entrepreneurship in areas near Redefine property sites, including:

Diepsloot	**Alexandra**	**Tembisa**	**Soweto**

Redefine contributed towards the Youth Accelerator Programme, Entrepreneurship Support Programme and Early Childhood Development Facilitator Training at these sites. These programmes have a high impact on employment or self-employment for young people.

Value delivered from the partnership with Afrika Tikkun

460 Number of individuals impacted **directly**	**1 610** Number of individuals impacted **indirectly**	**69** Number of jobs created or people employed as a result	**4 000 000** Number of people reached by donated outdoor media facilities
R5 100 000 Rand value contributed to, or invested in, social partners	**R18 601 020** Total economic impact (jobs x average household income in the area)	**R210 000** Value of non-GLA LED free space	

Our socioeconomic impact in focus continued

ADDITIONAL FLAGSHIP CSI INITIATIVES

S&J INDUSTRIAL ESTATE: HAWK ACADEMY

Hawk Academy is a government school that began operating in a mine office building in 2015. It was soon evident that it needed to be formalised in a suitable school facility. Redefine, in partnership with the Abland Group Foundation, donated 6.5ha of land to the development of the school. The school now accommodates 1 221 learners from grade R to grade 12. We also provide equal funding to the Abland Group Foundation for infrastructure development and maintenance.

Due to the impact and risk associated with the local informal community settlement adjoining the land, we continue to engage with this community and the City of Ekurhuleni on the best way forward.

In 2022, the first matric class of 20 learners was established, with a new dedicated classroom currently under construction and soon to be in service.

1 285 Number of individuals impacted **directly**	**4 497** Number of individuals impacted **indirectly**	**R10 548 480** Total economic impact (jobs x average household income in the area)	**4 891m²** Size of space donated
64 Number of jobs created or people employed as a result	**R1 400 000** Rand value contributed to, or invested in, social partner	**R498 762** Value of vacant space allocated to social investment initiatives	

The Hawk Academy, S&J Industrial Estate, Gauteng, South Africa

Non-flagship CSI projects

Non-flagship interventions comprise those social investment programmes and/or projects that support the focus areas of the company's social investment strategy and are implemented on a smaller scale over a period not longer than six to 12 months. Such programmes provide solutions to identified problems around a building in communities where more extensive interventions are not required. Non-flagship initiatives also include supporting charities that currently let space within Redefine properties. Recognising the short-term nature of this type of intervention, exit strategies are carefully developed to safeguard the continuity of the charity beyond Redefine's involvement.

Buskaid, Gauteng, South Africa

RED THREAD EMPLOYEE VOLUNTEERING

The Red Thread employee volunteer platform is a white-label solution in partnership with Forgood, the most extensive employee volunteering platform in South Africa. As a social impact ecosystem, Forgood enables businesses to connect their employees to development needs and charitable causes.

The platform is a centralised space from which we manage themed company-wide initiatives and events. It provides a one-stop logistics solution to create, manage and report on events. In addition, the platform allows Redefine to automate, track and scale meaningful employee volunteering programmes that align with our CSI strategy.

The Red Thread employee platform is only accessible to Redefine employees and allows them to respond to the real-time needs of Redefine's ecosystem of NPOs. It provides our employees with options to participate in passion-led volunteering by offering their time and skills and/or donating money and goods.

499 589 Number of individuals impacted **directly**	**1 748 561** Number of individuals impacted **indirectly**	**222 hours** Redefine employees' time spent on the initiative	**R1 231 328** Rand value contributed to, or invested in, social partner
105 Connections or donations from employees to causes	**4.7 out of 5** Employee rating of the causes on the platform	**4.8 out of 5** Rating of employees by individuals supported on the platform	**190** Employee registrations on the platform

BUSKAID MUSIC ACADEMY

Buskaid Music Academy in Diepkloof, Soweto, brings the gift of music to underprivileged children by teaching them to play classical string instruments. The relationship between Redefine and Buskaid is well established. The investment from Redefine is aimed at generating the needed resources, employees and capacity for Buskaid to develop into a self-sustaining NPO.

Currently, 120 children are enrolled in the programme, and two additional employees have been appointed due to the funding committed to Buskaid to meet the growing need for a business development manager and administrator.

120 Number of individuals impacted **directly**	**408** Number of individuals impacted **indirectly**	**R313 944** Total economic impact (jobs x average household income in the area)
2 Number of jobs created or people employed as a result	**R890 110** Rand value contributed to, or invested in, social partner	

Looking ahead

We are committed to empowering the projects we support to become self-sustaining. To this end, we have mapped out a future strategy and business plan to ensure the sustainability of Buskaid, with our exit planned within the next two years to enable a smooth transition.

Our socioeconomic impact in focus continued


Magnet Theatre, Western Cape, South Africa


Reach for a Dream, South Africa

EPIC FOUNDATION

The EPIC Foundation aims to develop, manage and sustain various projects and initiatives that assist survivors of gender-based violence. The foundation's principal projects are the Comfort Pack, Step Up, and Fairy Godmother initiatives. Its services and initiatives include counselling and support groups, referrals for legal advice and court preparations, self-defence classes, education and awareness campaigns, and motivational talks.

We supported the EPIC Foundation with its original tenant installation as well as office and warehouse space

5 000 Number of individuals impacted **directly**	**17 500** Number of individuals impacted **indirectly**	**R554 210** Total economic impact (jobs x average household income in the area)
R452 916 Rand value contributed to, or invested in, social partner	**R452 916** Value of vacant space allocated to social investment initiatives	
438m² Size of space donated	**R779 000** Value of non-GLA LED free space	**10 000 000** Total awareness or reach generated through donated outdoor media

REACH FOR A DREAM

Reach for a Dream South Africa was founded in 1988 and voted the best non-governmental organisation in South Africa for 2022. The foundation inspires hope in children fighting a life-threatening illness through dream fulfilment. It has a countrywide footprint and realises four to six dreams every day.

1 800 Number of individuals impacted **directly**	**6 300** Number of individuals impacted **indirectly**	**R6 650 520** Total economic impact (jobs x average household income in the area)
10 Number of jobs created, or people employed as a result	**R828 692** Rand value contributed to, or invested in, social partner	**R828 692** Value of vacant space allocated to social investment initiatives
310m² Size of space donated	**R210 000** Value of non-GLA LED free space	**4 000 000** Total awareness or reach generated through donated outdoor media

MAGNET THEATRE

Magnet Theatre uses its performances to be a moving force in people's lives during changing local and international contexts. Using experiences that shift bodies, assumptions, feelings, beliefs and understandings, Magnet Theatre celebrates a spirit of theatrical research and provides township youth a way of expressing themselves and dealing with the harsh realities of their lives.

148 Number of individuals impacted **directly**	**563** Number of individuals impacted **indirectly**	**R1 710 408** Total economic impact (jobs x average household income in the area)
7 Number of jobs created or people employed as a result	**R311 238** Rand value contributed to, or invested in, social partner	**R233 428** Value of vacant space allocated to social investment initiatives
320m² Size of space donated		

WESTERN CAPE BLOOD SERVICE

The Western Cape Blood Service established a fixed-site blood donation centre in Kenilworth Centre in February 2021. The provided retail space has made the donation process much more formal and effective.

7 950 Number of individuals impacted **directly**	**30 210** Number of individuals impacted **indirectly**	**R1 466 064** Total economic impact (jobs x average household income in the area)
6 Number of jobs created, or people employed as a result	**R24 000** Rand value contributed to, or invested in, social partner	**R175 000** Value of vacant space allocated to social investment initiatives
99m² Size of space donated		

Our socioeconomic impact in focus continued

Ad hoc CSI interventions

MATLOSANA MALL LEARNING CENTRE

There are 94 schools in the Matlosana Mall catchment area, and the Matlosana Mall Learning Centre was conceptualised to serve the community – specifically its large number of learners – at no cost. The learning centre was built in January 2020 (with a budget of approximately R900 000) to provide a facility and services to encourage the educational development of learners from the surrounding communities. It also provides learners with a space to do their homework and projects while their parents shop or run errands. Free wi-fi is also available in the learning centre.

155 Number of individuals impacted **directly**	**558** Number of individuals impacted **indirectly**	**R884 280** Total economic impact (jobs x average household income in the area)
65 Number of jobs created, or people employed as a result	**R26 763** Rand value contributed to, or invested in, social partner	**R70 000** Value of vacant space allocated to social investment initiatives
350m² Size of space donated	**3 659** Numbers of individuals surveyed or engaged	**3 270** Social media reach achieved

Matlosana Mall Learning Centre, Matlosana Mall, North West, South Africa

RETAIL CSI INITIATIVES

We are committed to making a difference in the communities in which we operate, including meeting community needs through various asset-level initiatives. Campaigns range from funding to events and donations of space and goods. Through our national footprint, various campaigns have been launched, including:

The Boulders Shopping Centre **The Trolley Porter initiative**	**Maponya Mall** **Heritage Day Celebration**
Mall of the South **#HelpThyNeighbour (clothing donation campaign)**	**Centurion Mall** **The Heart of Centurion campaign**
Blue Route Mall **Senior Santa Shoebox and sustainable trendsetters**	

17 721 Number of individuals impacted **directly**	**147 892** Number of individuals impacted **indirectly**	**R1 245 083** Value of non-GLA space
128 Number of jobs created or people employed as a result	**R161 406** Rand value contributed to, or invested in, social partner	**13 533m²** Size of non-GLA space
R2 525 924 Public relations advertising value equivalent achieved	**R1 685 146** Donated goods/product value in rand	

Our socioeconomic impact in focus continued

WATER TANKERS DONATED TO GIFT OF THE GIVERS

In an ongoing drive to provide drought relief across South Africa, Redefine donated two water tankers to Africa's largest disaster relief and humanitarian organisation, Gift of the Givers. Redefine acquired the tankers in December 2017, with capacities of 10 000 litres and 47 000 litres.

We were pleased to partner with Gift of the Givers in the ongoing battle to provide relief to arid regions of South Africa. The organisation has recently responded to droughts in KwaZulu-Natal, Free State, Limpopo, Eastern Cape, Northern Cape and Western Cape. There was also a need for water delivery in regions of KwaZulu-Natal, where the April 2022 floods adversely impacted the city plumbing networks.

R 1 300 000

The value of donated goods/products

KWAZULU-NATAL FLOOD RELIEF

Extreme weather patterns have impacted the lives of thousands of people in KwaZulu-Natal. On 12 April 2022, widespread flooding displaced community members in affected areas and disrupted municipal services and telecommunications. It destroyed homes and school infrastructure; disrupted traffic in parts of the province; caused severe damage to power stations, vehicles and infrastructure (including roads, railways and bridges); and led to mudslides, soil erosion and rockfalls.

Redefine Properties selected social partner City Hope to distribute to communities around our properties the following: bulk food to identified soup kitchens and feeding schemes created to support affected community members, blankets and mattresses (where needed), and food parcels and hygiene packs.

R499 590

Rand value contributed to or invested in social partner

Beekeeping workshops for children organised by Galeria Solna, Inowroclaw

A young refugee on an EPP-sponsored trip for refugee children, Ukraine

SUPPORTING REFUGEES FLEEING UKRAINE

The destruction and dislocation in Ukraine are staggering and ongoing. In line with EPP's commitment to creating space for everyone, we have provided the following on-the-ground support through our asset base for those in Ukraine, as well as for refugees needing assistance within our impact zones.

Medical

- Fundraising for specialised medicines to be delivered to Ukraine
- Providing financial support for the treatment of Ukrainian children with cancer in Polish hospitals
- Purchasing medical equipment for those fighting in the war

Shelter and housing

- Delivering mattresses for people arriving from Ukraine
- Furnishing flats for Ukrainian families
- Collecting supplies for refugee centres

Food and essential items

- Collecting and donating necessary products for refugees, including food, clothing and hygiene products
- Collecting and donating necessary products, including food, clothing and hygiene products, to be sent directly to Ukraine

Education

- Collecting school and stationery items for Ukrainian children attending Polish schools
- Donating to support the education of children from Ukraine
- Organising a Polish language course for Ukrainian women
- Providing career counselling for incoming refugees ready to work in Poland
- Funding computer courses for adults and the youngest Ukrainians

Our socioeconomic impact in focus continued

ENGAGING TO INFORM – LOCAL AND NATIONAL GOVERNMENT, MEDIA, AND INDUSTRY AND BUSINESS ORGANISATIONS

Throughout our engagement process, we are committed to identifying concerns and applying relevant inputs to our decision-making to ensure value creation for our organisation and stakeholders.

LOCAL AND NATIONAL GOVERNMENT

WHY WE ENGAGE	HOW WE ENGAGE
We want to create and maintain an enabling regulatory environment by engaging with local and national government to ensure that our mutual concerns are addressed	▪ Written and verbal communication ▪ In-person or virtual meetings to maintain relationships with municipal and national government officials ▪ Returns submitted in compliance with legislation ▪ Formal application and engagement process

CRITICAL MATTERS RAISED IN 2022

- Continued contribution to economic growth
- Good corporate governance
- Compliance with applicable legislation
- Recent civil unrest, as discussed with government

OUR STRATEGIC RESPONSE IN 2022

- We liaise with municipalities about capital project approval, development planning, and service delivery for our assets and surrounding communities
- We uphold exemplary legislative compliance and corporate governance
- We align our community development projects with the National Development Plan and local government initiatives

During the year, no financial assistance was received from the government.

MEDIA

WHY WE ENGAGE	HOW WE ENGAGE
Transparent communication with the media ensures a balanced public perception of our business	▪ Media statements and briefings ▪ Site visits ▪ Access to management ▪ Invitations to webcasts and conferences

CRITICAL MATTERS RAISED IN 2022

- Proactive engagement to ensure strategic information is shared efficiently and comprehensively
- Timeous responses to media enquiries that provide a true reflection of the facts

OUR STRATEGIC RESPONSE IN 2022

- Our full-time communications specialist and contracted public relations agency drive strategic communications and ensure the dissemination of accurate and timeous information
- Our crisis communications strategy is refined, as necessary, and communicated to our people
- We continually review our digital marketing strategy and resources (internal and external). This improves social media engagement and mitigates reputational risk
- Our internal social media policy clarifies our expectations across the business

INDUSTRY AND BUSINESS ORGANISATIONS

WHY WE ENGAGE	HOW WE ENGAGE
We participate in industry bodies to share relevant ideas and experiences and support initiatives or lobbying efforts that are aimed at creating value throughout local real estate initiatives	▪ Active involvement in improving district and business management forums, including industry association committees ▪ Presentations at conferences ▪ Participating in and/or sponsoring networking events ▪ Partnerships with industry organisations to communicate and drive common goals

CRITICAL MATTERS RAISED IN 2022

- Actively representing the property sector in negotiations with government (at local, provincial and national levels)

OUR STRATEGIC RESPONSE IN 2022

- We are active members of SAPOA, the GBCSA, the South African Council of Shopping Centres and SA REIT, and we participate in discussions about REITs
- We support and engage with relevant boards, committees and industry bodies, including having Redefine representatives sitting on those bodies on behalf of the company
- We continue exploring opportunities to ensure the exposure and positioning of Redefine as a thought leader in the property sector

KEY (refer to page 35)

Responsible corporate citizenship

To be who we say we are – a company of people serving people – we align our operations and strategies with the utmost respect for inalienable human rights, the health and safety of our stakeholders, and the need to meaningfully transform our society for the greater good.

Respecting human rights

We are committed to implementing internationally agreed upon principles for human rights in accordance with the UN SDGs, avoiding infringing on the human rights of others, and addressing adverse human rights impacts involving the company. This commitment is formally communicated in our human rights policy and is currently being reviewed.

The policy is guided by the international human rights principles enshrined in the Universal Declaration of Human Rights, the International Bill of Rights, the Declaration on Fundamental Principles and Rights at Work of the ILO, the South African Constitution, and all applicable laws and regulations. We also follow the Ten Principles of the UNGC when it comes to respecting human rights. In addition, our code of ethics outlines our approach to human rights and supports our intention to make sustainability an integral part of our daily operations.

We are committed to observing the Universal Declaration of Human Rights, guaranteeing the right to freedom of association, and abolishing forced or compulsory labour. Our human rights policy is available on our website and was approved by the board in February 2022.

We also support the national No Violence Against Women and Children movement and have created employee awareness of this initiative through communication campaigns internally, including organising a day during which employees wore black in solidarity with victims of gender-based violence. We also hosted an awareness session open to all employees where experts from AskNelson explained the signs of abuse and gender-based violence and provided attendees with guidance on where survivors can seek help.

We reinforce our values with particular emphasis on conflict management to complement our commitment to the South African Human Rights Commission, so that incidents can be avoided in our interactions with people with different views, opinions and lived realities.

No human rights due diligence assessments were carried out in our operations during FY2022. Furthermore, no human rights violations or grievances were remedied during the year.

We focused on training and education around human rights, in particular diversity and inclusion training.

Prioritising health and safety

We are committed to protecting the health and safety of our stakeholders. While health and safety are ultimately owned by the board, it is a priority for us as a business, and accordingly, the responsibility extends to all employees.

Our health and safety approach is guided by our internal health and safety strategy, which is reviewed and updated from time to time as required to ensure it aligns with building legislation and best practice. We designed our strategy to ensure we continuously improve the health and safety protection we offer our employees and visitors, while achieving a high level of legal compliance. The SET oversees the health and safety strategy of the company from an employee and tenant perspective, respectively.

Product recalls, as they pertain to customer responsibility and thus health and safety, are not applicable in our line of business.

OUR STRATEGY CAN BE DIVIDED INTO SIX KEY ACTIVITIES

HEALTH AND SAFETY STRATEGY

1. Develop an internal culture of health and safety ownership
2. Promote sensible and proportionate risk management
3. Ensure employees are provided with a balanced mix of training, skills, experience and knowledge to enable them to fulfil their roles safely
4. Learn from our mistakes and effectively implement appropriate risk mitigation measures and strategic changes
5. Monitor and measure our health and safety performance throughout our property portfolio and at all premises occupied by our employees
6. Ensure that we maintain a high level of legal compliance

Ensure protection for all employees, tenants and visitors

Maintain our high level of health and safety standards

The strategy applies to all properties over which we have operational control and aims to achieve full compliance with health and safety protocols across our portfolio to safeguard our tenants, employees and other key stakeholders. We are responsible for ensuring that all common areas in and around our properties are safe and do not pose a danger.

For us, health and safety are as much about designing our buildings to promote wellness for tenants and visitors as about compliance with the relevant legislation. Our green building approach includes holistic health and wellness features that use natural light, energy-efficient lighting and heating, and optimised ventilation and air-conditioning systems that, for example, use less harmful refrigerants and promote indoor air quality. Where possible, we use low-emitting materials and implement measures to reduce exposure to chemical factors. We also consider ergonomic acoustics when planning a new development or refurbishment.

Responsible corporate citizenship continued

Employee health and safety training

We have a designated health and safety committee, and training forms part of our induction process. We facilitate annual employee training through the learning and development department in accordance with the Occupational Health and Safety (OHS) Act, No 85 of 1993. Building and facilities managers, as well as property management employees, attend on-site training conducted by certified professionals. Training emphasises OHS understanding, safety, health and the environment, first aid, firefighting and compliance.

In 2022, 17 building managers and seven handypersons attended training, which included an overview of general OHS practices, reporting facilities-related incidents, and their roles and responsibilities in maintaining health and safety standards in their areas of functionality.

Contractor health and safety training

Our permit system ensures contractors comply with legislated health and safety requirements. We issue permits before work begins to help us mitigate the risks associated with on-site contract work. We also provide safety precautions, guidelines and checklists on hot work, working at heights and confined spaces, and additional safety precautions and permits before any work commences.

Contractors must submit their permits and safe-work method statements when they arrive on site. Our team ensures that these contractors are aware of potential hazards and sign an acknowledgement agreement. We keep permits and acknowledgements in a health and safety file. Our independent health and safety auditor, Comsaf Proprietary Limited (Comsaf), audits this process.

We expect contractors to sign a contract that sets out their roles and responsibilities as part of their supplier application pack and in line with the requirements of the OHS Act. We also expect contractors to keep their health and safety records, especially on larger projects. As a large property manager, we use several maintenance contractors who receive health and safety training during induction.

Incident investigation and emergency responses

Our health and safety strategy defines our investigation and management of safety-related incidents as well as appropriate corrective action. Depending on the severity of the incident, we appoint a health and safety specialist to conduct an investigation or assist with incident management.

Our buildings have an emergency response plan and procedural documents that include building evacuation procedures, which are kept in the health and safety file by the facilities manager. We conduct biannual fire drills and record outcomes in compliance with legal requirements. Our emergency response procedures require medical emergencies to be reported to our security control room for an ambulance to be immediately dispatched.

Health and safety risk assessments

Comsaf conducts annual independent health and safety audits of our buildings to ensure we align with best practice and continuously improve our approach to health and safety. Each building is inspected and receives an overall score. Findings are shared with the team responsible for managing the building. We also conduct quarterly reviews on properties that did not score well in Comsaf's audits. The reports are distributed to the relevant teams, and we meet with them to discuss resolutions to non-compliance.

Accident and incident rate

Occupational illnesses and injuries are not inevitable or expected consequences. We create an environment where risks are appropriately appreciated, understood, mitigated and managed to provide safe and healthy spaces. We thus protect our stakeholders, ensure legal compliance, and enhance our reputation. The following tables show the contractor accident and incident rate on our development sites during the year.

CONTRACTOR ACCIDENT AND INCIDENT RATE: ON-SITE DATA

	Non-disabling incident	Disabling incident	Fatalities
2022	2	0	0
2021	3	0	0

Our contractor lost-time injury frequency rate for the year was 0 and our lost-time injury rate was also 0.

Ensuring a safe working environment

The OHS Act sets out requirements to ensure the health and safety of employees at work. We strive to meet and go beyond these requirements and aim to identify and mitigate risks that may lead to health and safety incidents. Effective health and safety can only be achieved through joint consultation and collaboration. We are committed to being proactive – anticipating, recognising, evaluating and controlling situations that pose a risk – and strive to promote wellbeing in our business.

We continued to adhere to COVID-19 protocols until the National State of Disaster was lifted by the president on 4 April 2022. Similarly we include the number of known employee COVID-19 infections up to 4 April 2022.

NUMBER OF EMPLOYEE CLAIMS SUBMITTED TO THE COMPENSATION COMMISSIONER

	Non-disabling incident	Disabling incident	Fatalities
2022 total	0	0	0
2021 total	3	0	0

NUMBER OF DAYS LOST TO INJURIES			COVID-19
Month	Non-disabling incident	Disabling incident	COVID-19 infections
2022 total	1	0	61
2021 total	2	0	97

Our employee lost-time injury frequency rate for the year was 1.0 and our lost-time injury rate was 0.2.

Responsible corporate citizenship continued

Our holistic approach to transformation

Meaningful transformation that creates substantive impact in the environments in which we operate remains a priority for our business and underpins our strategic objectives. We remain committed to advancing the transformation landscape beyond the property sector in a manner that contributes positively and sustainably to the growth and economic wellbeing of South Africans impacted on by our business operations.

To advance our holistic transformation approach and its supporting governance framework, we created a dedicated BBBEE committee in 2021. The group procurement function is operationally responsible for our overall BBBEE strategy and ESD. This function is a centre of excellence that is best equipped to meaningfully advance the transformation landscape.

Our efforts to pursue transformation are included in the UN SDGs, as they relate to our key stakeholders, particularly in promoting the upliftment of people from marginalised or vulnerable groups and facilitating the empowerment of SMMEs, especially those run and owned by women and previously disadvantaged people. We are also significantly increasing gender and racial representation throughout our business and by extension the real estate sector.

Our diversity, equality and inclusion policy promotes the founding provisions of the South African Constitution and its guiding values of human dignity, the achievement of equality, and the promotion of human rights and freedoms. It also outlines our commitment to fostering, cultivating and preserving a culture of diversity, equality and inclusion by ensuring a fair and equitable workplace and employment practices, upholding our values, eliminating all forms of unfair discrimination, and promoting equal opportunities. One of the ways in which we are promoting diversity is through a bespoke branch of our Learnership Programme whereby we are sponsoring 10 disabled learners through a hosted learnership model. This will help Redefine become ready to absorb and accommodate these learners into our mainstream Learnership Programme. For more detail in this regard, refer to page 52 of this report.

In FY2022, in accordance with the amended property sector code, we achieved level 1 BBBEE contributor status for the second year in a row. While we are proud of this achievement, we are still proactively taking steps to improve our overall transformational impact, for example through the proposed restructure of the Redefine Empowerment Trust. More detail in this regard is set out on page 18 of the 2022 notice of AGM.

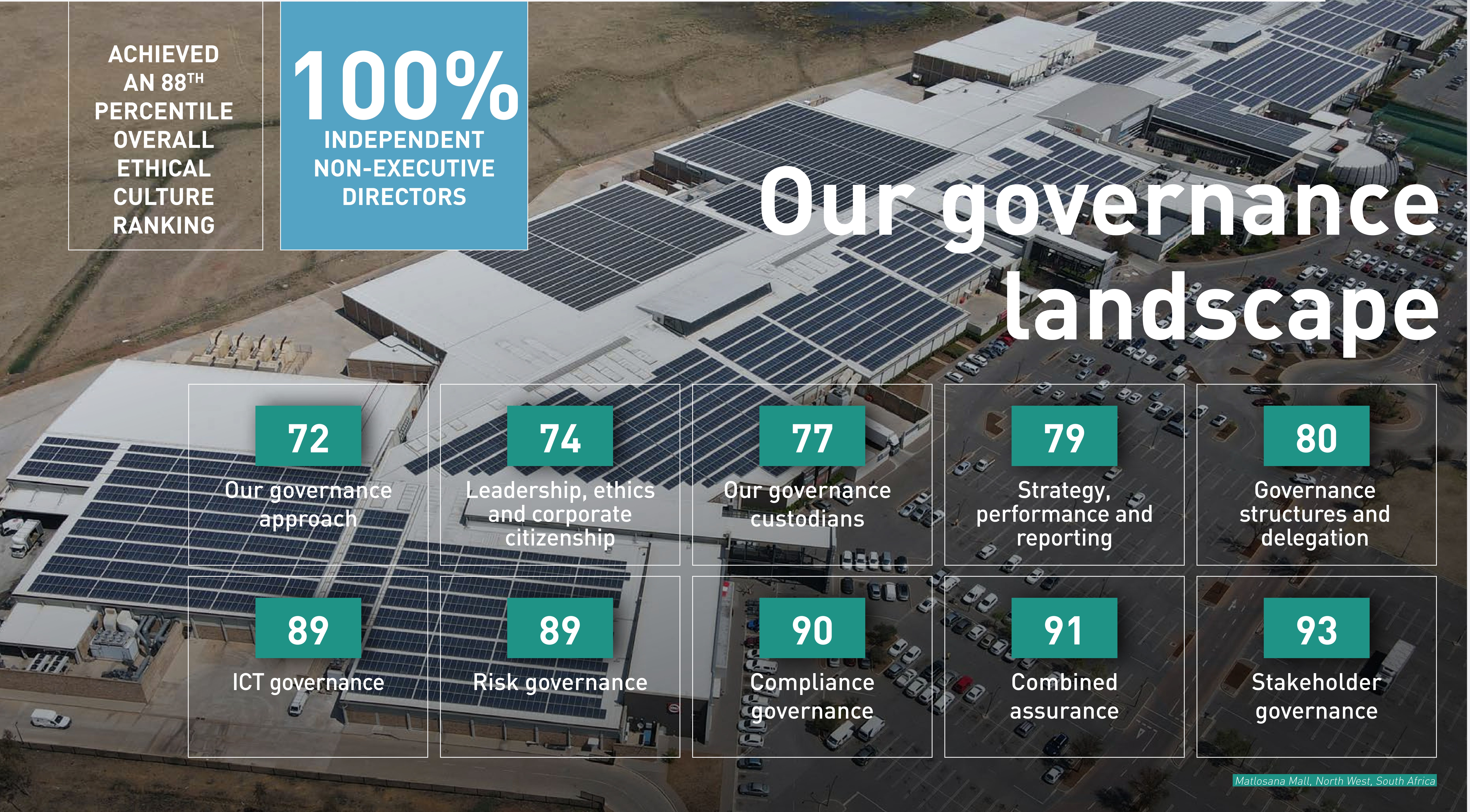
In order to drive our long-term impact and transformation journey, we are in the process of developing an impact strategy that will map out a company-wide integrated vision of transformational impact that is aligned with our moonshot. This will enable a focused approach to ensure sustainable and real/quantifiable impacts (with short- and long-term targets) for the way we conduct our business throughout the company. For us, transformation goes beyond employment-level representation and focuses on how the business will transform and positively impact on its internal and external processes, workforce, stakeholder relations, and the property sector as a whole.

The impact strategy will be centred around building a future-fit business in the long term, which will be incorporated into our annual strategy so that it:

- Remains relevant to the evolving transformational landscape, including the creation of a diverse and inclusive working environment, as well as a digitally fit company that actively contributes to value creation for its key stakeholders
- Keeps pace with amendments to the Property Sector BBBEE Code and requirements, as well as the Employment Equity Act, No 55 of 1998, as amended
- Compels us to review and refresh our financial, CSI and human capital allocation strategies to ensure that they remain fit for purpose and maximise our impact

Our BBBEE certificate is available on our website.

S&J Industrial Estate, Gauteng, South Africa



ACHIEVED AN 88TH PERCENTILE OVERALL ETHICAL CULTURE RANKING

100% INDEPENDENT NON-EXECUTIVE DIRECTORS

Our governance landscape

Matlosana Mall, North West, South Africa

We believe that governance should be driven from a place of purpose and is critical to ensuring that Redefine can achieve its strategic objectives and deliver positive and sustainable outcomes for stakeholders over time.

Our governance report demonstrates our enterprise-wide corporate governance journey and how the company is managed under the board's leadership. It provides insight into how we are transforming our governance approach to ensure it supports the company's long-term sustainability. This is part of our commitment to create a culture of continuously improving our governance practices.

KING IV™ Our governance report uses an icon to highlight how we applied the various King IV™ principles

ISO It also uses an icon to indicate how we applied the principles of ISO 37000: Governance of Organisations (ISO 37000), which provides the first international benchmark for governance

We compiled separate King IV™ and ISO 37000 application registers that define and unpack our response to the various principles. These registers should be read alongside our governance report to ensure that readers gain a comprehensive understanding of our governance approach as well as the actions we took during the year to enhance our governance practices and processes.

Our governance approach

Our governance approach helps us move beyond incremental progress to transformative change – harnessing the power of an enterprise-wide approach to corporate governance that enables us to deliver on our purpose and strategy.

We are evolving our governance approach to better support the board's oversight of strategy. This is critical to assist management with outthinking competitors, addressing obstacles, bypassing disruptions, and fine-tuning the company's strategic direction. We have purposefully aligned our governance processes with our strategic objectives and clearly set out what is expected from the board as Redefine's operating environment evolves. This approach supports high-performance thought leadership that drives strategy execution and ensures we derive greater value from board and committee meetings.

OUR STRATEGIC PRIORITIES	MANAGEMENT'S RESPONSIBILITY	HOW GOVERNANCE IS SUPPORTED	OUTCOMES EXPECTED FROM THE BOARD
GR Grow reputation	Provide high-performance thought leadership, act as trusted corporate governance advisors throughout the company, and be mindful of Redefine's governance journey	We comply with statutory, regulatory and governance best practice	Facilitate high-performance thought leadership
IS Invest strategically	Maintain the right balance of strategic, transactional (tactical) and statutory focus	We follow a robust, fit-for-purpose decision-making matrix that is aligned with the company's future goals	Ensure guidance on strategy development and robust oversight of strategy execution
OC Optimise capital	Entrench an effective company secretarial function to ensure that all statutory and operational responsibilities are proactively discharged	The various governance functions of our South African and Polish operations collaborate to ensure a robust group-wide governance approach	Contribute meaningfully to board and committee meetings and engagements
OE Operate efficiently	Make better use of data and technology to develop and improve efficiencies	We follow a group-wide governance framework that supports data-driven decision-making	Ensure clear and effective board and committee mandates and delegation of authority, supported by the digitisation of board and committee processes
ET Engage talent	Ensure a clear understanding of the operating model, underpinned by fit-for-purpose continuous professional development. This includes working with external governance advisors where relevant	We keep abreast of legal reforms and the evolution of governance best practice	Unlock non-executive director value within the company by ensuring an appropriate balance and mix of skills and experience, underpinned by an engaged and motivated board

Our group-wide governance framework

To give effect to our governance approach, we subscribe to a group-wide governance framework. This framework sets out our commitment to comply with relevant, in-country legislation and regulations. Where in-country legislation and regulations are less stringent than South Africa's, we enhance our governance processes in line with the recommended practices of King IV™, ISO 37000 and the Companies Act. This is part of our ambition to pursue governance best practice and ensure we always act in the best interests of the company and our stakeholders. This supports our vision of not only being the best South African REIT but being the best REIT wherever we operate.

This year, we embedded EPP N.V. (EPP) as a controlled entity into our governance framework. For example, our insider trader policy and delegation of authority framework are now applicable to our Polish operations. This ensures that EPP's governance standards align with those of our South African operations and helps move us forward on our enterprise-wide corporate governance journey of governance best practice beyond compliance. While EPP delisted following the transaction, it continues to apply the recommended practices of King IV™. We further introduced ISO 37000 to continuously enhance our corporate governance approach. ISO 37000 is the first international benchmark for good governance and places purpose and sustainability at the heart of governance best practice.

Our governance approach continued

Creating and preserving value through governance

King IV™ Principle 4

Our governance approach enables us to pursue transformative change in our governing structures, processes and actions – coupled with the mindful realisation of desired governance outcomes. This drives Redefine's value-creation process in the short, medium and long term.

We identify the key actions taken during the year to drive transformative change (see graphic to the right). These actions are unpacked in more detail throughout this report. More detail about performance against our 2022 strategic objectives is reported in our IR.

Our value-creating governance approach in action

We compiled separate King IV™ and ISO 37000 application registers that define and unpack our response to the various principles

INPUTS LINKED TO THE PRINCIPLES OF KING IV™	TRANSFORMING ACTIONS TAKEN DURING THE YEAR	STRATEGIC PRIORITIES SUPPORTED
Ethical and effective leadership	Monitored business operations through board and committee meetings	GR, OE, IS
	Monitored implementation of the improvement recommendations identified during the 2021 board evaluation	
	Reviewed the role of the lead independent non-executive director and the re-election process for the chairperson	
	Approved a politically exposed persons policy statement framework and developed an anti-money laundering policy statement to be incorporated to all relevant policies	
Strategy, performance and reporting	Established alignment between Redefine's strategy and the board's terms of reference	IS, ET, OC
	Ensured that a robust ESG strategy remains in place	
	Progressed with the integration of EPP into the group's governance structures	
Appropriate balance of knowledge, skills, experience, diversity and independence	Improved alignment between internal and external reporting to enable the board to focus on key strategic matters	GR, ET
	Introduced the international guidance standard for the governance of organisations, ISO 37000, into our governance framework	
	Updated the board succession plan framework to bolster the board's skills profile in line with the size, complexity and strategy of the group	
	Monitored the directors' declaration of interest, including the assessment of over-boarding and independence of board members	
Structured and delegated authority	Revised the terms of reference for the board and committees to support a high-performing board ethos	OE, ET
	Restructured the executive committee to deepen diversity and strengthen strategy execution	
	Reviewed the company secretary's role and responsibilities and the function's structure to ensure that the company secretary remains a trusted advisor to the board and company. This ensures we are effectively equipped to implement our enterprise-wide corporate governance approach	
Assurance and controls	Updated relevant policies and procedures in response to the amendments to the JSE Listings Requirements	OE
	Continuous monitoring of our ethics programmes and the outcomes of the annual ethics risk survey	
Stakeholder relationships	Refreshed the stakeholder engagement strategy	GR
	Monitored the implementation of robust corporate social responsibility programmes	

ALIGNMENT WITH GOOD GOVERNANCE OUTCOMES

Through the transformative actions taken during the year, we continue to work towards delivering on the outcomes of King IV™

- An ethical culture
- Good performance
- Effective control
- Legitimacy

To further support Redefine's alignment with good governance outcomes in all the regions in which we operate, we have adopted the international guidance standard ISO 37000 into our group governance framework with no material gaps identified.

This standard supports three key governance outcomes

- Effective performance
- Responsible stewardship
- Ethical behaviour

For more information refer to our ISO 37000 register on our website.

Leadership, ethics and corporate citizenship

King IV™ Principles 1 and 2

The board is required to demonstrate the integrity and competence to lead ethically and effectively and must work alongside management to help us achieve our strategic objectives.

Leadership roles and functions

Independent board oversight is an essential component of good performance and effective control, and delineations between the roles of directors and management are in place. The role of the chairperson remains distinct and separate from the CEO. This separation of responsibilities is designed to ensure that no single person has unfettered decision-making powers and that appropriate balances of power and authority exist on the board. Three members of executive management – the CEO, CFO and chief operating officer (COO) – serve on the board to ensure that non-executive directors have more than one point of direct interaction with management at all times.

How we strengthened our leadership roles and functions this year

Following an evaluation of the board's composition, and in response to certain recommendations of the NOM, the board discontinued the lead independent non-executive director function.

If circumstances arise where the chairperson is conflicted on a particular matter, the independent director who chairs the relevant committee holding the requisite mandate for such matter would lead the board. As a further outcome of this evaluation, it was resolved that the chairperson would be re-elected annually at the first board meeting following the company's AGM. The chairpersons of the committees would also be re-elected annually. The board charter and committee terms of references were amended to give effect to this change.

To support our ambition to establish a high-performance board, we included members of executive management on the RCT and SET. We believe this is important to enhance collective decision-making, guided by the skills and experience of the executive directors. Read more about the composition of the RCT on page 84 and the SET on page 86. King IV™ Principle 7

Overall board effectiveness

We test the robustness of our leadership through board and committee evaluations that enable us to assess whether we have the right board composition and mix of skills, experience and expertise to deliver on our purpose. Our board evaluation process is externally facilitated every third year, in accordance with the recommendations in King IV™ Principle 9.

How we assessed overall board effectiveness this year

EY conducted our last independently facilitated board and committee evaluation in 2020. In 2021, the board committed to actively engage with the recommendations resulting from the 2020 evaluation and developed an implementation plan to address the insights from the evaluation.

The board then undertook an internally facilitated board and committee evaluation in November 2021, which was concluded in February 2022. The aim of this internally facilitated evaluation was to assess progress against the implementation plan. The board and committee evaluation is supported by an individual and peer performance review process.

The evaluation confirmed that the board and its committees are performing well, with certain areas for improvement identified. These areas of improvement were continually monitored during the year under review until appropriately managed or resolved.

PROGRESS AGAINST THE 2021 EVALUATION

KEY OUTCOME ARISING	ACTIONS TAKEN TO SUPPORT OUTCOMES
Enhanced director induction, onboarding and continuous professional development programmes	▪ Refreshed the existing directors' manual ▪ Ensured the participation of existing and new directors on property tours, with more focus on developments for existing and new assets
Improvements to the format of board materials, including the evolution of board packs to be more innovative	▪ Ensured timeous distribution of board and committee meeting information packs and increased communication from the office of the CEO between meetings ▪ Enhanced reliance on digitalisation to improve efficiencies ▪ Introduced a group-wide reporting matrix to enhance alignment of internal and external reporting. This will ensure better oversight and more frequent monitoring of strategic performance indicators
Changes to the structure of board and committee meeting agendas with more time allocated to key strategic issues	▪ Constant evolution to ensure critical matters that arise are given adequate focus and any overlap between committees are eliminated ▪ Agendas rationalised to focus more on core activities and matters reserved for the board ▪ Agendas relooked to ensure they strike the right balance between strategic and operational performance and governance matters ▪ Enhanced the process for appropriate delegation to committees (page 82)
Enhancement of the annual board meeting plan and quarterly meeting procedures	▪ Appropriately staggered milestones to support process
Enhanced board culture and relations between non-executive and executive directors	▪ Platforms for formal communication were implemented

The next independently facilitated board evaluation will be conducted in FY2023. Going forward, we have elected to conduct an internal board evaluation in the second year following the independently facilitated evaluation. This will ensure that the board and its committees have sufficient time to unpack the recommendations, implement their response, and monitor progress against the actions taken before commencing a new board and committee evaluation process.

Leadership, ethics and corporate citizenship continued

As part of overall board effectiveness, the matter of director capacity and over-boarding is also considered.

The world around us is evolving rapidly, and there are a growing number of trends impacting how boards govern companies. These trends include, for example, data and technology transformation, business disruption, and increased expectations around shareholder engagement. While directors who sit on multiple boards simultaneously offer a unique perspective on these issues, it is critical that directors have sufficient capacity to execute their fiduciary duties and apply their minds to Redefine's business and interests.

Accordingly, the board adopted the director over-boarding policy in November 2020. This policy sets out guidelines on the number of board directorships and any other professional commitments that should be held by board members.

How we applied this policy during the year to assess director capacity

Our existing directors' declaration of interest form was revised to ensure that it is in line with the Companies Act, the JSE Listings Requirements, King IV™ and common law. As part of this revision, the NOM further reviewed the declaration of interest form to consider the matter of director capacity and over-boarding.

Guided by the policy, the NOM undertakes an objective and a subjective test to assess the performance and capacity of current members and to gauge overall board effectiveness:

OBJECTIVE TEST	SUBJECTIVE TEST
Subject to the consideration of the assessment factors, it is preferred that a non-executive director may sit on no more than five listed boards including the Redefine board. Executive directors may not sit on the board of any other external company (listed or unlisted, unless as an approved representative of Redefine) or industry bodies.	A number of factors are considered to determine the risk of a director becoming overboarded, including *inter alia* ▪ Responsibilities held on listed board ▪ Market capitalisation and complexity of the listed entity ▪ Number of board of unlisted companies, NPOs, or listed companies
The outcomes of the objective and subjective tests are informed by the provisions of the policy in conjunction with the outcomes of the individual/peer performance review process.	
Outcome: A director capacity tracker for individual directors was considered by the NOM when assessing director capacity. **The NOM is satisfied that each director and the board as a collective have the requisite capacity to effectively discharge their duties.**	

Continuous professional development

We recognise the importance of ensuring that our board members have access to training, knowledge and insights that enable them to effectively discharge their duties. This includes providing guidance on governance best practice, emerging risks and opportunities, industry-specific insights as well as training on Redefine's business operations.

How we enhanced continuous professional development during the year

We revised the existing director's manual, following the review of the terms of reference for the board and the committees and our new focus on aligning these with the company's strategic objectives and the six capitals (page 4).

To support the continuous professional development of directors, existing and new directors can participate in site tours of the company's operations. For an overview of the areas of continuous professional development made available to directors during FY2022, please refer to the areas considered and approved for the board (page 79).

Appointment, rotation and re-election of directors

The board should lead Redefine and guide our business activities in line with the principles of King IV™ and in a manner that promotes the achievement of good governance outcomes over time.

The directors who retire every year are those who were appointed to fill a casual vacancy or an additional appointment to the board or those who have been longest in office since their last election. Additionally, if at the date of any AGM, a director has held office for a period of three years since their last election or appointment; reached the age of 70 years; and/or held office for an aggregate period of nine years since their first election or appointment, then the director should retire at the relevant AGM.

The board's focus is now on maintaining continuity and transitioning to a high-performance board, underpinned by an enhanced board succession framework.

In accordance with Redefine's Memorandum of Incorporation (MoI), one third of our directors are subject to retirement by rotation and re-election by shareholders at each AGM. Accordingly, Sipho M Pityana and Leon Kok are due to retire by rotation and Redefine's AGM in February 2023. Furthermore, Simon Fifield and Cora Fernandez are due to retire for the first time at the AGM. Brief *curricula vitae* for the directors standing for election or re-election are set out in the AGM notice.

Board succession

The board understands that the careful management of its members is vital for its effective functioning. This includes ensuring that the board's competence and balance are maintained and enhanced.

Over the past few years, our board has undertaken significant efforts to better align itself to the strategic objectives on which we expect to focus going forward, fill identified skills gaps, and bring new perspectives to the board.

How we enhanced our board succession framework during the year

Following the resignations of Daisy Naidoo and Bridgitte Mathews, the NOM took the opportunity to review the board's composition and identify diversity, skills and experience requirements. Both directors who resigned were chartered accountants with strong business and financial skill sets. As these skills were already well represented on the board, it created an opportunity to enhance the board's property, investment and asset management skills.

As an outcome of this exercise, the NOM reviewed and updated the board's succession plan framework to reflect critical skills requirements, considering the six capitals and the required skills per capital to ensure a high-performance board.

A further outcome was to develop specific profiles for vacant positions that we will use to guide the appointment of new directors to the board. Accordingly, Simon Fifield and Cora Fernandez were appointed as independent non-executive directors. The two appointments have increased the board's property and investment skills profile.

Leadership, ethics and corporate citizenship continued

Organisational ethics

The board is responsible for ensuring a sound strategy and business offering, ethical leadership, and a commonly accepted and lived set of values.

Organisational ethics in action

To instil an ethical culture across the organisation, we first need to determine whether we are taking effective action to embed ethical behaviour. To do this, we undertake an annual ethics risk survey, which enables us to measure the current state of ethics within the company and develop an ethics profile that unpacks Redefine's ethical culture, conduct and management maturity.

Key findings from our FY2022 annual ethics survey:

- Redefine has a stronger and more supportive culture for ethics, scoring in the 88th percentile in our benchmark comparison group
- Unethical behaviour is infrequently observed, and the company has a low ethical behaviour risk
- The board sees ethics as an important component of Redefine's culture and believes that ethics is well entrenched

Looking forward, we will continue to find ways to strengthen organisational ethics. This includes, for example, bolstering accountability among our employees for their behaviour and decision-making and ensuring that management is firmly and visually committed to good ethical conduct.

Responsible corporate citizenship

King IV™ Principle 7

Our approach to business is driven from a place of purpose, supported by our vision to be the best South African REIT. To achieve this, we need to ensure we take the necessary steps to protect and enhance our reputation for the benefit of the company and our stakeholders as well as the communities in which we operate.

Placing ESG at the centre of our value chain

The board believes that integrating ESG concerns into Redefine's everyday business results in responsible corporate citizenship and sustainable development. Our ESG strategy aligns with the UN SDGs and maps out what we want to achieve by 2030. Our strategy is supported by a comprehensive set of targets in the short to medium term, which we monitor internally.

For more information regarding the UN SDGs and our commitments to them, refer to page 4. The environmental and social landscape sections of this report detail progress made against our priorities and sustainability framework. For more information, refer to page 94.

Actions taken to support oversight of our ESG strategy during the year

During the year, the board and its relevant committees undertook the following actions to ensure that a robust ESG strategy remains in place, which supports the company:

- The board approved the FY2022 **ESG** report
- The board approved the FY2023 ESG strategy and implementation plan, including approval of the ESG key performance areas (KPAs)
- The IC reviewed and approved the responsible investment checklist, which includes ESG metrics
- The SET reviewed the company's UN SDG targets and climate change strategy and considered the quarterly **ESG** report (which includes, *inter alia*, sustainability indices, progress on the company's ESG strategy and ethics management)

The board further undertook several key actions during the year to support our position as a responsible corporate citizen.

Our approach to anti-bribery and corruption

Anti-bribery and corruption management is embedded in our compliance monitoring programme. We have adopted various policies, frameworks, processes and standards to effectively govern *inter alia* ethics management, political contributions, charitable donations, gifts, facilitation payment, solicitation and extortion. The effectiveness of our compliance monitoring programme is monitored by the SET quarterly. During the year, we considered the formal adoption of an anti-money laundering policy statement for implementation across the group in the future. Our efforts demonstrate the board's commitment to robust and forward-thinking governance practices to safeguard the company's reputation and ensure its long-term sustainability.

Addressing the risk of conducting business with politically exposed persons (PEPs)

A PEP is one who has been entrusted with a prominent public function and generally presents a higher risk for potential involvement in bribery and corruption by virtue of their position and the influence they may hold.

Accordingly, the NOM reviewed and adopted a PEP policy statement framework that outlines the process for appointing PEPs. It further outlines the provisions to address situations that may arise if the PEP status of a director changes and they present a material risk to Redefine. The framework was developed using a risk-based approach for the board and employees. The RCT will focus on integrating the framework into the ERM plan.

The board further adopts a discretionary approach when considering political donations or contributions in the countries in which Redefine operates. Political donations must be permitted by local laws and regulations and made to a political party or a political organisation and not to individual political candidates. Such political donations require the presentation of a strong business case based on local circumstances, and the procedures set out in Redefine's policy must be strictly observed.

No political donations or contributions were made during FY2022.

Support for selected industry interest groups

Redefine supports selected industry groups that represent the collective best interests of the South African real estate sector. These include the South African Council of Shopping Centres, SAPOA, SA REIT and GBCSA, among others.

Collectively, we spent R498 800 on membership fees to these groups in 2022 (2021: R377 595).

Ensuring tax transparency

The board monitored compliance with all applicable tax arrangements and retained strong governance processes and full transparency around its tax arrangements. The company further considered and monitored risks related to increased regulation across all relevant jurisdictions, ensuring responsible corporate tax behaviour by Redefine. As part of the integration plan with EPP, the company focused on its Polish operations. The board delegated the monitoring of tax governance to the AC.

Redefine contributed approximately R834 million (2021: R767.0 million) in VAT, PAYE, skills development levies, and contributions to the Unemployment Insurance Fund during 2022.

Our governance custodians

Our board's diversity and experience underpin our ability to navigate the ever-changing operating context. The majority of board members are independent non-executive directors who bring diversity to board deliberations and create sustained value by exercising independent judgement as a collective board.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Sipho M Pityana (63)
Independent non-executive chairperson
BA (Hons) and MSc in Politics and Sociology
Appointed: May 2019
2 3 5 6 7 8 9 10 12 13 14 15
NOM REM IC

Amanda Dambuza (44)
Independent non-executive director
BSocSci, certified PMP®, PRINCE2®, AGILE and ITILL
Appointed: November 2018
5 6 7 8 9 10 11 12 13 14
SET RCT NOM

Cora Fernandez (49)
Independent non-executive director
BCom, BCompt (Hons) Chartered accountant
Appointed: November 2022
1 2 3 5 6 7 8 9 10 12 13 14 15
REM SET

Diane Radley (56)
Independent non-executive director
CA(SA), MBA, PGD in Advanced Banking and AMP (Harvard)
Appointed: July 2020
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15
AC IC RCT NOM

Lesego Sennelo (45)
Independent non-executive director
CA(SA), HDip Auditing
Appointed: November 2018
1 2 3 5 6 7 8 9 10 11 12 13 14 15
RCT AC REM

Marius Barkhuysen (66)*
Independent non-executive director
Appointed: November 2015
3 4 5 12 14 15
RCT SET IC

Ntombi Langa-Royds (60)
Independent non-executive director
BA Law, LLB
Appointed: November 2015
5 6 7 8 9 10 11 12 13 14 15
REM SET NOM

Simon Fifield (46)
Independent non-executive director
Bsc and MSc in Land Surveying, CFA Charterholder
Appointed: September 2022
2 3 4 5 6 9 11 12 13 14 15
AC RCT IC

EXECUTIVE DIRECTORS

Andrew König (55)
CEO
CA(SA)
Appointed: January 2011
1 2 3 4 5 6 7 8 9 11 12 13 14 15
SET IC

Leon Kok (51)
COO
CA(SA)
Appointed: October 2014
1 2 3 4 5 6 7 8 9 11 12 13 14 15
SET RCT

Ntobeko Nyawo (40)
CFO
CA(SA)
Appointed: February 2021
1 2 3 5 6 7 8 9 10 11 12 13 14 15
RCT IC

COMPANY SECRETARY

Anda Matwa (39)
Company secretary
BCom PPE, MSc Management and Corporate Governance, PGDip Corporate Law, HDip Tax Law, Economics for Law, Compliance Management, FCG
Appointed: December 2021

Committees

- AC Audit committee
- RCT Risk, compliance and technology committee
- REM Remuneration committee
- NOM Nomination and governance committee
- SET Social, ethics and transformation committee
- IC Investment committee
- Chairperson of the committee

** Marius will retire from the board at the February 2023 AGM*

Changes to board composition

The board accepted the resignations of Daisy Naidoo and Bridgitte Mathews during the year. Simon Fifield and Cora Fernandez were appointed to the board as independent non-executive directors. The NOM reviewed the board's succession plan framework to address the changes to board composition. **Read more about this on** page 75.

The board uses a skills matrix that takes into account the six capitals to support director recruitment and succession planning. Over the past three years, we have focused on expanding and strengthening our board skills and experience specifically in property and investment management. We believe that a well-diversified board in skill, knowledge and experience enables the execution of the strategy and provides effective oversight of the company's business activities, risks and opportunities, business model, performance, and sustainable value creation. This enables the board to assess whether it has relevant and balanced expertise to guide strategy execution and manage the company's business activities to enhance the positive and minimise the negative outcomes of our business model.

- FC
  - 1 Financial accounting, reporting and tax
  - 2 Financial markets, funding and sustainability finance
- MC
  - 3 Allocation of capital and investment and asset management
  - 4 Property management
- HC
  - 5 People management
  - 6 Remuneration and awards
- SRC
  - 7 CSI and transformation
  - 8 Health and safety
  - 9 Stakeholder management and engagement
- IC
  - 10 Technology and cybersecurity
  - 11 Innovation
  - 12 Risk and opportunities
  - 13 Regulatory, legal and compliance
  - 14 Corporate governance
- NC
  - 15 Environmental sustainability and climate change

Our governance custodians continued

Changes to board composition in 2022

In November 2021, the board accepted the resignation of Daisy Naidoo and appointed Diane Radley as the chairperson of the AC. Bridgitte Mathews resigned from the board during June 2022, and the board appointed Ntombi Langa-Royds as the chairperson of the REM. Ntombi Langa-Royds stepped down as chairperson of the SET and Amanda Dambuza was appointed in her place. Simon Fifield and Cora Fernandez were appointed as independent non-executive directors post financial year-end. The NOM reviewed the board's succession plan framework to address the changes to board composition. Read more about this on page 75.

Our competent, skilled and diverse board

King IV™ highlights the need for the board to comprise the appropriate balance of knowledge, skill, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively. Diversity takes various forms in a boardroom, and our board diversity policy categorises these forms according to various indicators in line with the JSE Listings Requirements:

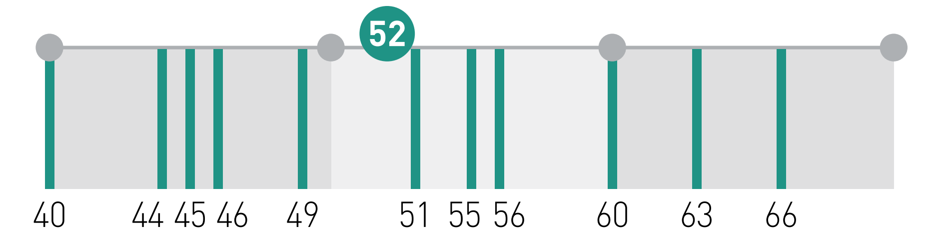
DIVERSITY INDICATORS	APPLICATION
Race	Diversity in race: Voluntary targets have been set at 50%
Gender	Diversity in gender: Voluntary targets have been set at 40%
Skills, experience and expertise	Diversity in skills by having the optimal mix of skills, expertise and experience to ensure that the board is collectively equipped to guide Redefine's business and strategy: ▪ Global evolution of business practices ▪ New trends and innovation ▪ Shift from traditional skills to more agile and holistic skills to manage emerging risks
Age	Diversity in age to achieve the right balance by introducing fresh and varying perspectives from different age groups: ▪ Wealth of knowledge ▪ Global evolution of business practices ▪ New trends and innovation ▪ Shift from traditional skills to more agile and holistic skills to manage emerging risks
Sexual orientation	This has been interpreted to mean that there should be diversity in thought with regards to sexual orientation within the board. This will enhance progressive thinking when the board considers and deliberates on *inter alia* organisational culture
Culture	This has been interpreted to mean that there should be diversity in thought with regards to culture within the board. This will enhance progressive thinking when the board considers and deliberates on *inter alia* organisational culture, Redefine's cross-border operations (Poland), and global stakeholder management

DIVERSITY OF AGE

Policy: Executive directors are required to retire from the board at age 65 and non-executive directors are required to retire at age 70. Executive directors are subject to a three-month notice period.

Average age

52 years

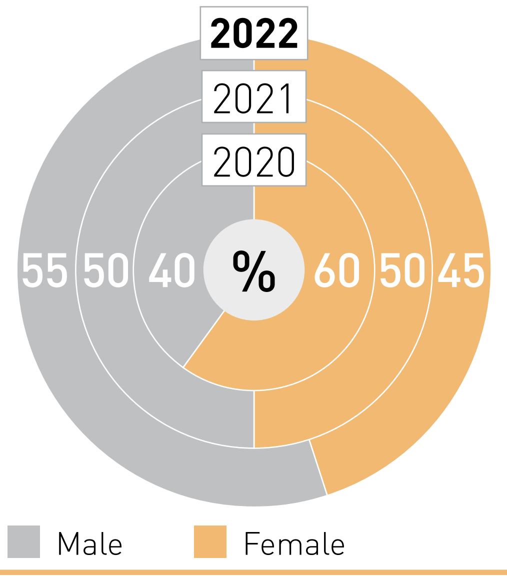


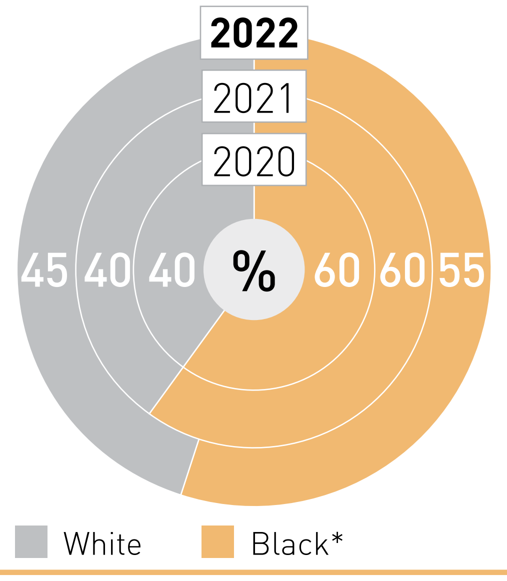
Younger than 60 years

73%

DIVERSITY OF GENDER AND RACE (%)

Our board diversity policy promotes voluntary targets of 40% female representation and 50% black* representation. The board met its gender and racial diversity targets.



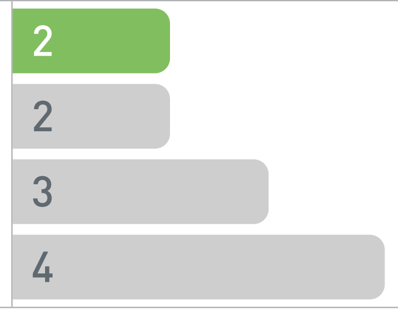


** Black includes ACI members*

SUCCESSION AND DIVERSITY OF TENURE

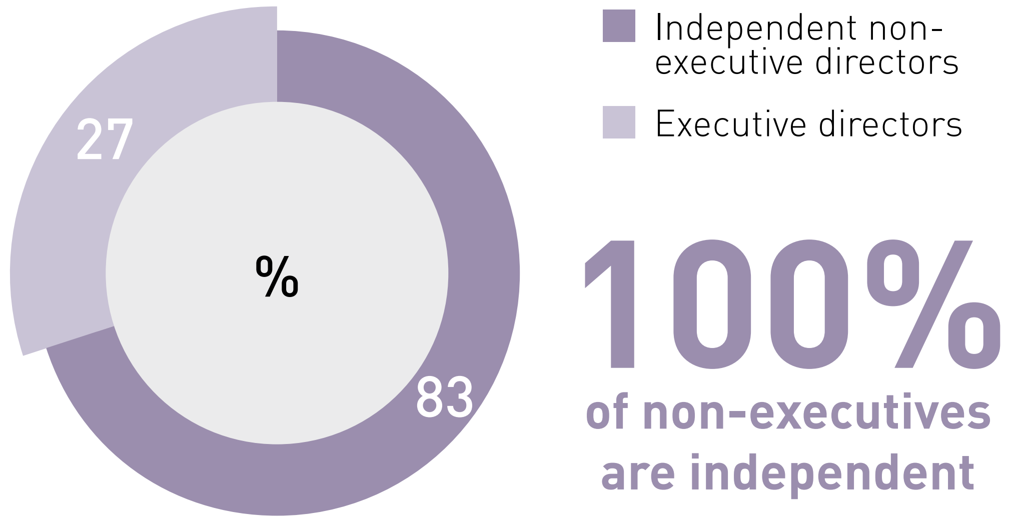
Policy: Periodic staggered rotation of members to ensure the introduction of members with new expertise and perspectives, while retaining valuable industry knowledge, skills and experience and maintaining continuity.

Years	Number of non-executive directors	Average tenure
< 1	2	**4.6 years**
1 to 3	2	
3 to 6	3	
> 6	4	



BOARD INDEPENDENCE

Policy: The board should comprise a majority of non-executive directors, the majority of whom should be independent.



100% of non-executives are independent

The board concluded that all non-executive directors continued to be independent in character, demonstrated behaviour, contribution to board deliberations, and judgement.

SKILLS MATRIX

The board uses a skills matrix to support director recruitment and succession planning. The matrix reflects diversity that extends beyond race and gender to include knowledge, skills and experience. During the year, the skills matrix was updated to align directors' skills with the six capitals. This enables the board to assess whether it has relevant and balanced expertise to guide strategy execution and manage the company's business activities to enhance the positive and minimise the negative outcomes of our business model.

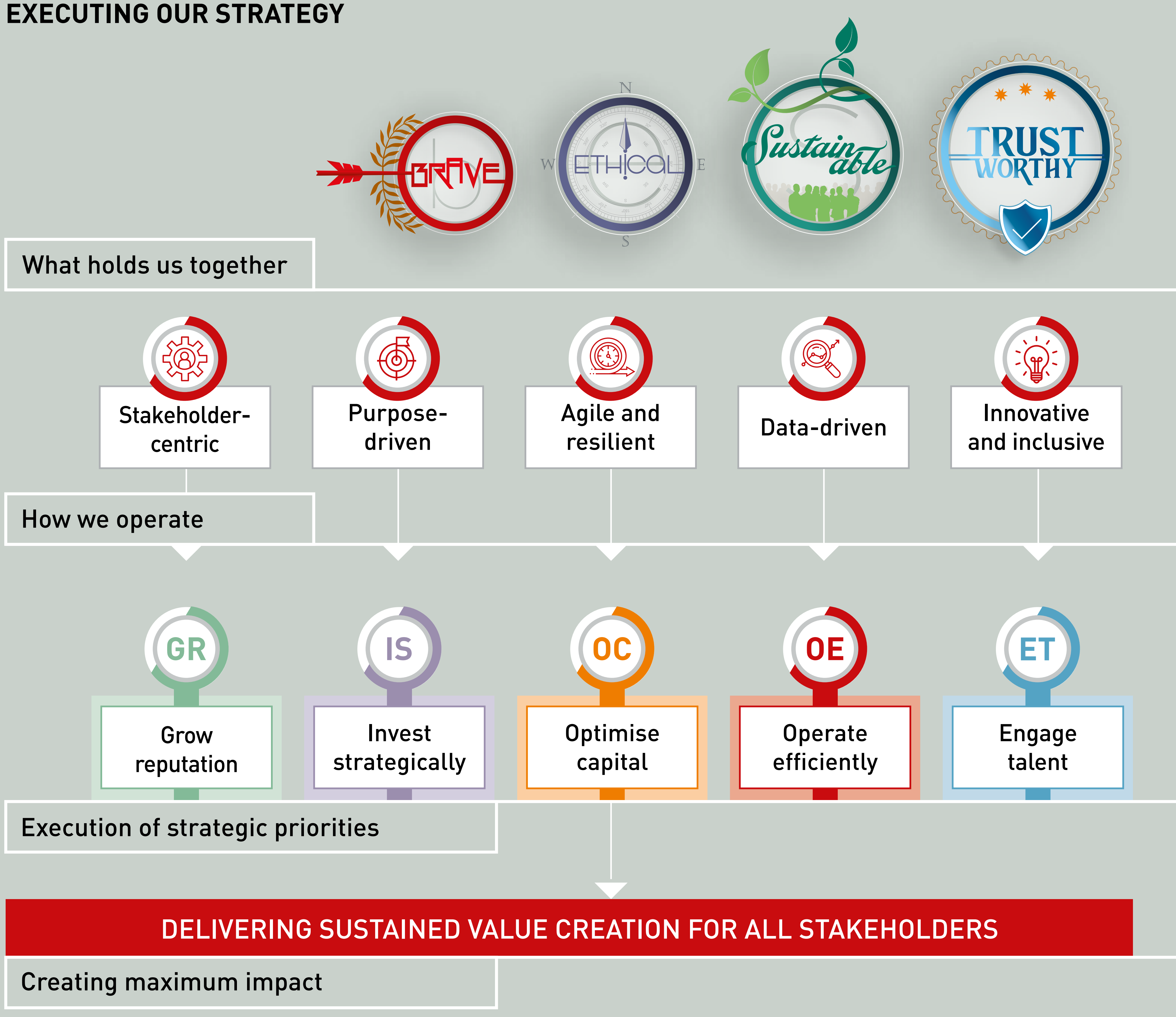
Similarly, the NOM reviewed and updated the board's succession plan framework to reflect critical skills requirements, considering the six capitals and the required skills per capital to ensure a high-performance board.

Strategy, performance and reporting

King IV™ Principle 4

The board appreciates the interconnectedness of the company's vision, business model, strategy, and associated material risks and opportunities. In undertaking its duties of directing our strategy, assessing our business model and enhancing sustainability to create value for all stakeholders, the board takes into consideration the risks and opportunities related to the context in which the company operates.

EXECUTING OUR STRATEGY



Key matters considered and approved by the board

MATTERS CONSIDERED
Quarterly monitoring of the company's financial performance, including tax governance
Quarterly monitoring of capital management
◉ Social media training
◉ Introduction to net zero and how this applies to the real estate sector
◉ Economic update on Poland
◉ An overview of the South African REIT sector and Redefine's investment proposition
Quarterly review of the South African and Polish property portfolios (with a focus on monitoring progress against strategy)
Quarterly assessment of the quality of relationship with key stakeholders
Biannual review of the ERM and compliance reports
Biannual review of the information and communications technology (ICT) (digital transformation) report
Monitor progress of the board evaluation feedback

◉ *Area of continuous professional development*

95%
attendance

Board attendance is set out on page 80

MATTERS APPROVED
Quarterly CEO report to monitor the group's operational performance (including offshore operations) against strategic objectives, considering the macroenvironment, geopolitical environment, high-level risks and opportunities, and stakeholder management
Quarterly CFO report to monitor the outlook for the distributable income per share (DIPS), credit metric, NAV per share, the delivery of strategic priorities through balance sheet flexibility, and digital transformation
Quarterly COO report to monitor manufactured capital, focusing on asset and property management, the integration of ESG within our operations, and monitoring progress on developments
Approval of the solvency and liquidity test and going concern assessment
Approval of the FY2021 annual financial statements and FY2022 interim financial results
Approval of the FY2021 REIT compliance declaration
Approval of the declaration of dividend
Consideration and approval of the dividend reinvestment
Approval of the FY2023 annual budget
Review and approval of the company's property valuations (interim and results, as recommended by the IC and AC)
Approved the FY2023 group strategy, including the investment strategy, ESG strategy and implementation plan, digital transformation strategy, people strategy, and risk appetite and tolerance levels
Approved the ESG KPAs and implementation plan
Approved the human rights policy
Approved the code of business conduct
Approved the FY2021 IR, ESG report and notice of AGM
Approved the FY2023 ESG KPAs and implementation plan
Approved the 2022 group insurance cover, including directors' and officers' insurance cover

Governance structures and delegation

During the year under review, the board fulfilled its duties in terms of its annual workplan, the company's strategic objectives, the board charter, and the MoI. The board convened its quarterly meetings supplemented by a full-day strategy session and one *ad hoc* meeting to approve the FY2021 IR and ESG report

The Towers, Western Cape, South Africa

King IV™ Principle 6

BOARD CHARTER

The roles and responsibilities of the board and of individual directors are set out in the board charter, which is reviewed regularly and aligns with the provisions of relevant statutory and regulatory requirements. The charter regulates the parameters within which the board operates and ensures the application of the principles of good governance in all the board's dealings.

Member meeting attendance

	NAME AND DESIGNATION	BOARD	AC	RC	REM	NOM	SET	IC
Independent non-executive directors	SM Pityana	6/6	–	–	4/4	6/6	–	6/6
	B Mathews[1]	4/4	4/4	–	3/3	3/4	3/3	–
	M Barkhuysen	3/6	–	3/4	–	–	3/4	4/6
	A Dambuza[2]	6/6	1/1	4/4	–	6/6	4/4	–
	N Langa-Royds	6/6	–	–	4/4	6/6	4/4	–
	D Naidoo[3]	1/1	1/1	1/1	1/1	–	–	–
	D Radley	6/6	5/5	4/4	–	–	–	6/6
	L Sennelo	6/6	5/5	4/4	–	–	–	6/6
Executive directors	A König[4]	6/6	–	–	–	–	1/1	2/2
	N Nyawo[5]	6/6	–	1/1	–	–	–	2/2
	L Kok[6]	6/6	–	1/1	–	–	1/1	–

[1] Resigned from the board in July 2022
[2] Appointed to the AC temporarily from July 2022 to September 2022
[3] Resigned from the board in November 2021
[4] Appointed to IC and SET in May 2022
[5] Appointed to RCT and IC in May 2022
[6] Appointed to RCT and SET in May 2022

Governing structures and delegation continued

We have revised our group-wide governance framework to incorporate EPP and the newly formed management governance structures. See our website for details.

The board's strategic oversight role is supported by an effective delegation of authority framework and the quality of information it receives from management and its committees.

Powers specifically retained by the board relate to, *inter alia*

- Steering and setting strategic direction*
- Risk and opportunity identification
- Organisational culture
- Major capex** and large-value transactions
- Attraction of and retention of human capital
- Succession planning
- Stakeholder management, including reporting
- Integrity of financial controls
- Risk and compliance

* Including, in relation to risk, information and technology governance
** Capital expenditure (capex)

Financial authority thresholds

Redefine board	Redefine IC	Redefine executive committee
> R750 million per transaction (A, B, C, D)	≤ R750 million and > R200 million per transaction (A, B, C, D)	≤ R200 million per transaction (A, B, C, D)

Category

A Acquisitions | B Disposals | C Developments | D Extensions, refurbishments and capex

How we enhanced our governance structures and delegations during the year

The board reviewed the committees' terms of reference as part of its commitment to being a high-performance board and evolving our governance practices over time.

The purpose of the review was to:

- Address feedback received during the board evaluation with regards to enhancing the board's focus on strategic matters and minimising duplication of effort at committee level
- Align internal and external reporting to promote our position as an industry-leading REIT in terms of our approach to ESG reporting
- Review the committees' delegation of authority to ensure that there is a focused and balanced approach between governance and strategic matters

As an outcome of the review of the group governance framework, we established a clear link between the board's and committees' terms of reference, the company's strategic objectives, and the six capitals.

The board enhances its corporate governance processes to ensure the business is managed in an agile, competitive and fit-for-purpose manner. The board's focus is on identifying and implementing innovative corporate governance practices that support Redefine's purpose of being the best REIT in South Africa by being the best at every touchpoint. These initiatives include, *inter alia*:

- Incorporating ESG as part of our value chain
- Ensuring our approach to transformation goes beyond compliance to include diversity and inclusion
- Integrating and applying ESG investment metrics to all investment decisions
- Enhancing reliance on digitalisation in governance and monitoring our digital transformation journey
- Introducing ISO 37000
- Ongoing board deliberation to find alternatives that will reduce the cost of group insurance due to enhanced emerging risks at a global scale
- Reviewing the board's approach to continuous professional development to ensure it is incorporated meaningfully into the board agenda (including a particular focus on key strategic matters and aligning internal and external reporting to ensure that the reports considered by the board are focused, while enabling the board to apply its mind in its decision-making processes)

CFO

In compliance with the JSE Listings Requirements, the board is satisfied with the effectiveness and expertise of the finance function and of CFO Ntobeko Nyawo in his capacity.

Debt officer

In compliance with the JSE Debt Listings Requirements, Lesley Baerveldt is the debt officer and the board is satisfied with her competence, qualifications and experience.

Company secretary

Anda Matwa was appointed as permanent company secretary with effect from 1 December 2021.

The board assessed the company secretarial function as required by the JSE Listings Requirements and confirms that the company secretary demonstrates the requisite level of knowledge, competence and experience to carry out her duties. The board is also satisfied that the company secretary is independent, not a material shareholder of Redefine, and is not party to any major contractual relationships within the Redefine group.

Anda Matwa
Company secretary

Governance structures and delegation continued

The table below highlights the additional focus areas per board and committee in addition to their existing legislative and regulatory requirements.

BOARD COMMITTEE	PRIMARY FOCUS IN TERMS OF THE SIX CAPITALS		PRIMARY FOCUS IN TERMS OF REDEFINE'S STRATEGIC OBJECTIVES
AC	FC, IC	▪ Matters considered include reporting, internal and external audit, and combined assurance	OC, OE
RCT	IC	▪ Matters considered include risk governance, compliance governance, and ICT governance	OE
IC	MC, IC	▪ Matters considered include investment practices and property valuations	IS, OC
SET	HC, IC, SRC, NC	▪ Matters considered include sustainable development and sustainable reporting (ESG), transformation, diversity and inclusion, and corporate citizenship	GR, ET
REM	HC, IC, SRC	▪ Matters considered include the remuneration policy and implementation plan, alignment of our people strategy with our business model, and fair and responsible remuneration practices	GR, ET
NOM	HC, IC	▪ Matters considered include director affairs, our corporate governance strategy and implementation plan, and our board succession plan	GR, ET

The revised terms of reference aim to address potential areas of overlap and/or synergies between the committees. The revisions are supported by key actions that include, among others:

- Retaining cross-membership to promote collaboration between board committees
- Formally identifying the respective committee representatives on each committee and providing these representatives with a short description of their role and the specific items of overlap to be monitored and reported on
- Ensuring provision for sufficient reporting opportunities for all committees to the board
- Defining the mandate and functions of every board committee to facilitate the delivery of complementary work
- Enabling formal reporting among the board committees where relevant and required to provide the necessary assurance that items have been duly considered and dealt with

We are on a journey to embed enterprise-wide corporate governance across the company. We believe that the revisions to the board's and committees' terms of reference will be key to help us improve board reporting and the flow of information between management, executive management, the committees and the board.

Committees of the board

King IV™ Principle 8

Redefine's governance structure and delegation provisions enhance independent judgement, ensure sustainable execution of strategy, and create opportunities to leverage directors' special expertise in areas such as audit, risk management, sustainability and executive remuneration.

The board delegates authority to the CEO and to established board committees with clearly defined mandates. The delegation of authority from the board to the CEO is reviewed regularly to support Redefine's evolving business requirements and to maintain agility and robust governance practices.

COMMITTEE COMPOSITION, RESPONSIBILITIES AND TERMS OF REFERENCE

The committees are appropriately constituted, and members are appointed by the board. In addition, AC members are subject to annual election by the shareholders at the AGM. External advisors, executive directors, and members of management attend committee meetings either by standing invitation or on an *ad hoc* basis to provide pertinent information and insights on their areas of responsibility.

After each committee meeting, committee chairpersons report to the board. This facilitates transparent communication between directors and ensures that all aspects of the board's mandate are addressed. Board members have full access to all committee packs. The board remains satisfied that the committees are competent to deal with Redefine's current and emerging risks and opportunities, and that they effectively discharged their duties during FY2022.

Governance structures and delegation continued

AC Audit committee

The AC plays a vital role in ensuring the integrity of the company's financial controls and integrated reporting and identifying and managing financial risk. This is critical to help Redefine navigate uncertainty while ensuring we remain focused on identifying and executing strategic opportunities. The AC also plays a critical role in ensuring that we provide all stakeholders with timeous and relevant information to enable accurate assessments of the company's performance and prospects.

Composition and meeting procedures

The committee comprised independent non-executive directors. Amanda Dambuza was appointed as a member on a temporary basis and stepped down following the appointment of Simon Fifield as a member of the committee on 12 September 2022.

All appointed directors satisfied the requirements of section 94(4) of the Companies Act and King IV™ recommendations. As a collective and considering the size and circumstances of the group, the committee was adequately skilled, and all members possessed the appropriate financial and related qualifications, skills, financial expertise and experience required to discharge their responsibilities.

The committee met on four occasions, with meetings scheduled in line with the group's financial reporting cycle. The committee held one *ad hoc* meeting to review and recommend the integrated report to the board. The committee also met with the internal and external auditors in camera, and no areas of concern were noted.

The committee fulfilled its responsibilities as per its terms of reference and annual work plan.

Primary focus

- FC Financial capital
- IC Intellectual capital
- OC Optimise capital
- OE Operate efficiently

COMPOSITION OF THE AC DURING FY2022

- Diane Radley (chairperson)
- Amanda Dambuza[7]
- Bridgitte Mathews[8]
- Daisy Naidoo[9]
- Lesego Sennelo

COMPANY SECRETARY

- Anda Matwa

STANDING INVITEES

- CFO
- Head of internal audit
- Head of corporate finance
- Head of operational finance
- Representatives from PricewaterhouseCoopers Inc (PwC)

REGULAR INVITEES

- CEO
- COO
- Head of risk and compliance
- Head of procurement

ATTENDANCE 100%

Committee attendance is set out on page 80.

[7] *Amanda Dambuza was temporarily appointed to the AC from July 2022 to September 2022*
[8] *Bridgitte Mathews resigned during July 2022*
[9] *Daisy Naidoo resigned during November 2021*

MATTERS CONSIDERED
Reviewed the quarterly financial report, including *inter alia* financial performance, FY2022 forecasts, tax governance, and FY2021 asset valuation assessment report
Reviewed the quarterly capital management report, including *inter alia* compliance with financial conditions of loan covenants and credit rating threshold, treasury functions, and the capital and funding plan
Reviewed the suitability report prepared by PwC in accordance with the JSE Listings Requirements.
Confirmed that the audit partner is an accredited JSE auditor
Considered the status of the AFS (Redefine's subsidiaries)
Reviewed new and existing IFRS statements and guidelines (implementation and disclosure) and related-party transaction disclosure
Reviewed the quarterly internal audit plan progress report
Considered the risk management report from the RCT in respect of changes to the ranking of emerging risks
Reviewed the external audit report for the year ended 31 August 2021 (including the extent of non-audit services, confirmation of auditor independence and management representation letter)
Considered the JSE proactive monitoring of financial statements report
Considered feedback from the financial year end from external auditors, internal audit and the risk and compliance function (without management)
Monitored progress of actions arising from the committee evaluation process

MATTERS APPROVED
Quarterly CFO report to monitor the outlook for the DIPS credit metric, NAV per share, the delivery of strategic priorities through balance sheet flexibility, and digital transformation
Approved the strategic funding plan
Reviewed and recommended the interim (FY2022) and final results (FY2021) to the board
Reviewed and recommended the solvency and liquidity statement and going concern assessment to the board (interim and final results or as and when required)
Reviewed and recommended the FY2023 budget (limited to assumptions made to finalise the budget)
Considered the report and feedback provided and resolved to recommend to the board the reappointment of PwC as the external auditors and John Bennet as the individual registered auditor who will undertake the audit for the ensuing year
Approved the FY2022 internal audit plan and written assessment of the company's internal control environment
Reviewed and approved the external auditors' scope of work for FY2022
Approved external audit fees
Approved the quarterly combined assurance implementation report
Approved the non-audit services policy
In December 2022, the committee considered and approved the effectiveness and expertise of the finance function and the CFO in accordance with the JSE Listings Requirements

Value preservation in 2023

While the committee will continue to operate within its terms of reference and ensure that meetings address all regular matters reserved for its consideration, the following additional key activities are expected to receive the committee's attention during 2023:

- Impact of rising inflation on operating and administered costs
- Impact of the increase in interest rates and the ability to hedge in the medium to long term
- Embedding of combined assurance

Governance structures and delegation continued

RCT Risk, compliance and technology committee

The RCT provides oversight of our enterprise-wide risk management framework, including the review and approval of significant strategies, policies, procedures, processes, controls and systems established to identify, assess, monitor and report on the major risks facing the company. This is essential to ensure we remain responsive and agile to the many new and emerging risks arising from our rapidly evolving operating context.

The RCT further ensures that the company complies with applicable laws, regulations, codes and standards. This safeguards our reputation and ensures we act in the best interests of our stakeholders.

Composition and meeting procedures

The committee comprised independent non-executive directors and executives, with the majority being independent non-executive directors. As part of the board's review of its committee structures and to enhance collective decision-making, Leon Kok and Ntobeko Nyawo were appointed as members. Simon Fifield was also appointed as a member effective 12 September 2022.

The chairperson and members of the committee were elected by the board, and all members were suitably qualified and had the necessary expertise required to discharge their responsibilities. All appointed directors satisfied the recommendations of King IV™. The committee met on four occasions, with meetings scheduled in line with the company's financial reporting cycle.

The committee fulfilled its responsibilities as per its terms of reference and annual work plan.

Primary focus

- IC Intellectual capital
- OE Operate efficiently

COMPOSITION OF THE RCT DURING FY2022

- Lesego Sennelo (chairperson)
- Marius Barkhuysen
- Amanda Dambuza
- Leon Kok[10]
- Daisy Naidoo[11]
- Ntobeko Nyawo[12]
- Diane Radley

COMPANY SECRETARY

- Anda Matwa

STANDING INVITEES

- CEO
- Head of internal audit
- Head of risk and compliance
- Chief legal officer
- Head of IT

REGULAR INVITEES

- Head of corporate finance
- Head of operational finance
- Head of procurement
- Representatives from PwC

ATTENDANCE 95%

Committee attendance is set out on page 80.

[10] Appointed to the committee in May 2022
[11] Daisy Naidoo resigned during November 2021
[12] Appointed to the committee in May 2022

MATTERS CONSIDERED
Quarterly review of the ERM report and risk register and the procedures implemented to mitigate risks
Monitored progress against the ERM implementation plan and reviewed the risk maturity roadmap
Reviewed balance sheet risk (LTV ratio forecast and sensitivities)
Reviewed the quarterly report on insurance and legal claims as well as risks and market trends
Reviewed the quarterly compliance report and register
Reviewed the quarterly regulatory universe and legal report
Reviewed the quarterly digital transformation report (ICT) and IT risk register, cybersecurity framework and ICT third-party service management and governance
Considered the report on the lease ingestion project
Considered an alternate risk transfer and retention (cell captive)
Reviewed internal audit's assessment of compliance management processes and internal control activities
Evaluated the risk compliance function
Monitored progress of actions arising from the committee evaluation process

MATTERS APPROVED
Reviewed and recommended the company's organisational health metric to the RCT
Reviewed and recommended the group's risk appetite and tolerance levels
Approved the business continuity management programmes
Approved the digital transformation (ICT) execution plan
Reviewed and recommended the approval of the 2022 annual group insurance cover renewal, including directors' and officers' cover

Value preservation in 2023

While the committee will continue to operate within its terms of reference and ensure that meetings address all regular matters reserved for its consideration, the following additional key activities are expected to receive the committee's attention during 2023:

- Continued focus on embedding digital transformation
- Continued focus on embedding group-wide risk and compliance management
- Embedding the climate change-related risk into our risk framework

Governance structures and delegation continued

IC Investment committee

The IC plays a critical role in guiding the company's execution of its investment plan while ensuring that we balance Redefine's financial and strategic goals with our stakeholders' best interests. This is essential to ensure that we create and preserve value while acting responsibly and in a way that will sustain our business in the short, medium and long term.

Composition and meeting procedures

The committee comprised independent non-executive directors and executive directors, with the majority being independent non-executive directors. The chairperson and members of the committee were elected by the board, and all members were suitably qualified and had the necessary expertise required to discharge their responsibilities.

The committee met on six occasions, with meetings scheduled in line with the company's financial reporting cycle.

In September 2022, Simon Fifield was appointed as a member. As part of the restructure, Lesego Sennelo stepped down and was deployed to another committee. Diane Radley will step down as chairperson but remain as a member, and Simon Fifield will take over as chairperson in March 2023.

The committee fulfilled its responsibilities as per its terms of reference and annual work plan.

Primary focus

- MC Manufactured capital
- IC Intellectual capital
- OC Optimise capital
- IS Invest strategically

COMPOSITION OF THE IC DURING FY2022

- Diane Radley (chairperson)
- Marius Barkhuysen
- Andrew König[13]
- Ntobeko Nyawo[14]
- Sipho M Pityana
- Lesego Sennelo

COMPANY SECRETARY

- Anda Matwa

STANDING INVITEES

- COO
- Head of acquisitions and disposals

REGULAR INVITEES

- Head of corporate finance
- National asset managers
- CEO: Redefine Europe

ATTENDANCE 94%

Committee attendance is set out on page 80.

[13] Appointed to the committee during May 2022

[14] Appointed to the committee in May 2022

In addition to its mandate and to ensure the generation of sustained cash flow, the committee operates in terms of Redefine's investment strategy and in accordance with the following investment criteria:

INVESTMENT CRITERIA

Local	International
Diversify exposure across traditional sectors	Local partner representation and aligned with Redefine's interests
Exposure to key economic nodes	Provide opportunities for scale
Locations that have solid infrastructure	Liquid real estate market
Improve tenant profile	Free flow of currency
Extend lease profile	Sophisticated tax regimes and rules of law
	Mitigate overall risk
	Bolster growth

Value preservation in 2023

While the committee will continue to operate within its terms of reference and ensure that meetings address all regular matters reserved for its consideration, the following additional key activities are expected to receive the committee's attention during 2023:

- Capital recycling of non-core assets
- Embedding the responsible investment checklist
- Monitoring performance against the ESG Building Scoring Matrix at an asset level
- Continued optimisation of Redefine's sectoral/geographical capital allocation
- Incorporation of climate resilience impact of a consequence of capital allocation

MATTERS CONSIDERED

- Monitored the application of the investment strategy
- Monitored progress on acquisitions and disposals, including approvals from executive management
- Monitored performance and opportunities within the government tenant portfolio
- Monitored the Mall of the South operational performance
- Considered progress on the EPP takeover process
- Considered the progress on the Polish logistic platform, including *inter alia*, disposal of six standing assets within the ELI portfolio and other disposals
- Reviewed an update on capital commitments regarding ELI investments

MATTERS APPROVED

- Reviewed and approved the responsible investment checklist, which includes the ESG metrics
- Reviewed and approved revised metrics for investment (including, among others, yield, hurdle rate and internal rate of return)
- Reviewed and recommended the FY2023 investment strategy to board
- Approved the new BTS development in Warsaw
- Approved the acquisition of an additional 49.9% share in our logistic asset BGM – Massmart in Brackengate
- Reviewed and approved the revised valuation framework
- Reviewed and recommended the FY2021 and FY2022 final year-end property portfolio valuations, including associates, joint ventures and listed securities
- Reviewed and recommended the final FY2021 and interim FY2022 property portfolio valuations, including associates, joint ventures and listed securities

Governance structures and delegation continued

SET Social, ethics and transformation committee

The SET monitors the company's activities with regards to social and economic development, good corporate citizenship, the environment, health and public safety, consumer relationships and labour and employment, transformation, diversity and inclusion, and organisational culture (including ethics management). The SET further approves the company's stakeholder engagement strategy, which enables management to understand and respond to stakeholders' legitimate concerns, form collaborative partnerships to find solutions to collective challenges, and drive development in the communities in which the company operates. Importantly, the SET plays a vital role in ensuring decisions are taken in the collective best interest of the company, our stakeholders, and society at large.

Primary focus

- NC Natural capital
- SRC Social and relationship capital
- HC Human capital
- IC Intellectual capital
- GR Grow reputation
- ET Engage talent

Composition and meeting procedures

The SET is constituted as a statutory committee in terms of its duties set out in sections 72(4) and (5) of the Companies Act and its associated regulations. Despite being a statutory committee, it is constituted by the board and fulfils the required functions on behalf of the company and all its subsidiaries.

The committee comprised independent non-executive directors and executive directors, with the majority being independent non-executive directors. The committee was chaired by Ntombi Langa-Royds, who stepped down as chairperson but remained a member. Amanda Dambuza was then elected as the chairperson of the committee. Andrew König and Leon Kok were appointed to the committee. The changes formed part of the restructure of the committees to further enhance collective decision-making and continuity within the board by rotating certain members who have multiple skills to serve on other committees. In November 2022, Cora Fernandez was appointed to the committee

The chairperson and members of the committee were elected by the board, and all members were suitably qualified and had the necessary expertise required to discharge their responsibilities.

All appointed directors satisfied the requirements of the Companies Act and the recommendations of King IV™.

The committee plays an oversight and monitoring role regarding the overall direction and control of Redefine's social responsibility performance and ensures that the company's business is conducted in an ethical and properly governed manner. Relevant members of the management team are invited to attend the committee's meetings to obtain guidance and report back on Redefine's performance regarding:

- Legal and regulatory compliance
- Ethics management, including whistle-blowing reports and anti-corruption management
- Transformation, diversity and inclusion
- Corporate citizenship
- Human resources and human rights
- Sustainability and ESG (including the UN SDGs and the Ten Principles of the UNGC)

The committee complies with all relevant legislation, regulation and governance codes and executes its duties in terms of the requirements of King IV™, the Companies Act and the regulations thereto. The committee also held an *ad hoc* meeting to consider and approve the ESG areas of responsibility framework for the board.

The committee fulfilled its responsibilities as per its terms of reference and annual work plan.

COMPOSITION OF THE SET DURING FY2022

- Amanda Dambuza (chairperson)
- Marius Barkhuysen
- Leon Kok[15]
- Andrew König[15]
- Ntombi Langa-Royds[16]
- Bridgitte Mathews[17]

COMPANY SECRETARY

- Anda Matwa

STANDING INVITEES

- Chief sustainability officer
- CPO

REGULAR INVITEES

- CFO
- Head of risk and compliance
- Head of procurement

ATTENDANCE 94%

Committee attendance is set out on page 80.

[15] *Appointed to the committee during May 2022*
[16] *Stepped down as chairperson during July 2022*
[17] *Bridgitte Mathews resigned during July 2022*

Value preservation in 2023

While the committee will continue to operate within its terms of reference and ensure that meetings address all regular matters reserved for its consideration, the following additional key activities are expected to receive the committee's attention during 2023:

- Monitoring the implementation of the revised transformation strategy and plan
- Monitoring the quality of Redefine's relationships with key stakeholders and monitoring the stakeholder management matrix
- Ensuring that the company appropriately documents and monitors its exposure to climate change risk
- Continuous monitoring of Redefine's ESG strategy, KPAs and implementation plan

MATTERS CONSIDERED

- Reviewed the ESG implementation framework (including the UN SDG targets and climate change strategy)
- Considered the quarterly **ESG** report which includes *inter alia*, sustainability indices, progress on the ESG strategy, ethics management, and more
- Considered the sustainable development report, which included *inter alia* the company's carbon footprint assessment as well as CDP climate change and CDP water reports
- Considered the quarterly stakeholder management report, which included *inter alia* CSI initiatives, a record of sponsorships, donations and other charitable giving, and the public relations report
- Considered material risks pertaining to the committee and quarterly whistle-blower reports
- Considered the quarterly legislative compliance report in terms of regulation 43(5), Organisation for Economic Co-operation and Development (OECD) recommendations regarding corruption, and the health and safety report
- Considered feedback from the independent annual ethics survey
- Noted the vaccination policy and awareness campaign
- Considered the BBBEE verification progress report on transformation targets
- Considered discussions on organisational culture with regards to various matters, including *inter alia* workplace diversity in terms of sexual orientation
- Considered the quarterly human capital report, which included *inter alia* the labour and employment report
- Monitored progress of actions arising from the committee evaluation process

MATTERS APPROVED

- Approved the FY2021 **ESG** report
- Reviewed and recommended the ESG KPAs and implementation plan to the board
- Reviewed and approved the stakeholder engagement strategy
- Reviewed and approved the procurement strategy and supplier code of conduct

Governance structures and delegation continued

NOM Nomination and governance committee

The NOM plays a critical role in ensuring that board members meet their commitments and effectively fulfil their responsibilities, considering the company's strategy and future needs. This includes monitoring the implementation of the governance strategy to meet the company's strategic objectives and ensuring a robust succession plan and a fit-for-purpose continuous professional development plan for the board. The NOM further ensures that as non-executive directors retire, candidates with the requisite attributes, skills and experience are identified to ensure that the board's competence and balance are maintained and enhanced.

Composition and meeting procedures

The committee comprised independent non-executive directors. The chairperson and members of the committee were elected by the board, and all members were suitably qualified and had the necessary expertise required to discharge their responsibilities. All appointed directors satisfied the recommendations of King IV™.

The committee met on four occasions, with meetings scheduled in line with the company's financial reporting cycle. This was supplemented by two *ad hoc* meetings to deliberate on the outcomes of the board evaluation feedback, adopt the revised board succession framework, review the composition of board committees, and finalise the recruitment process of new directors.

In addition to its mandate, the committee operates in terms of the company's director appointment policy that guides formal, transparent, fair and consistent conduct in the nomination and election process of members to the board. It similarly complies with all relevant legislation, regulation and governance codes.

The committee fulfilled its responsibilities as per its terms of reference and annual work plan.

Primary focus

- HC Human capital
- IC Intellectual capital
- GR Grow reputation
- ET Engage talent

COMPOSITION OF THE NOM DURING FY2022

- Sipho M Pityana (chairperson)
- Amanda Dambuza
- Ntombi Langa-Royds
- Bridgitte Mathews[18]

COMPANY SECRETARY

- Anda Matwa

STANDING INVITEES

- CEO

REGULAR INVITEES

- CFO
- COO

ATTENDANCE 94%

Committee attendance is set out on page 80.

[18] *Bridgitte Mathews resigned during July 2022*

MATTERS CONSIDERED
Considered the quarterly corporate governance report, including *inter alia* the company secretarial plan and King IV™ versus ISO 37000
Considered board and committee evaluation feedback and tracked progress through the year
Endorsed the revised directors' declaration of interest form, which includes common law, legislation, regulation and recent JSE Listings Requirements with regard to disclosures for related parties
Endorsed the proposed restructure of the executive committee
Considered the report on shareholder feedback in preparation for the AGM (stakeholder engagement management)
Considered the report on the analysis of committee terms of reference to align with strategic objectives and cross-membership and to address duplication of efforts between committees as well as strengthen collaboration and delegation of authority levels
Considered the King IV™ application register (only current activities)
Considered the implementation plan for the governance strategy
Monitored continued professional development for directors and executives against the plan

MATTERS APPROVED
Approved the revised board induction programme framework
Approved Redefine's PEP policy statement framework and delegated the implementation plan to management (including incorporating relevant provisions and risk tolerance levels)
Reviewed committee membership and approved the inclusion of executive directors on identified committees in line with legislation, regulations and best practice
Reviewed and recommend the re-election of Sipho M Pityana as chairperson of the board, as per the revised process to enhance our governance processes
Approved the annual board evaluation process for FY2023
Approved the company secretarial evaluation process
Recommend the appointment of Simon Fifield and Cora Fernandez as independent non-executive directors

Value preservation in 2023

While the committee will continue to operate within its terms of reference and ensure that meetings address all regular matters reserved for its consideration, the following additional key activities are expected to receive the committee's attention during 2023:

- Monitoring the group-wide implementation of ISO 37000 and critically assessing the impact of ISO application on the strategic objectives
- Monitoring the effectiveness of the refreshed governance strategy to support the business
- Monitoring the embedding of Redefine's enterprise-wide corporate governance framework

Governance structures and delegation continued

REM Remuneration committee

Through the REM, the board ensures that the company's remuneration is appropriately designed, fair and market-related to drive and retain high-calibre employees who contribute positively to the company's strategic objectives. The board believes that remuneration supports the company's employment philosophy of attracting self-starting, skilled employees who subscribe to Redefine's values and its culture of enterprise and innovation.

Composition and meeting procedures

The committee is appointed by the board with delegated powers and operates independently from executive management. It provides oversight and makes decisions regarding remuneration-related matters within its mandate. Where relevant and required, the REM will make recommendations to the board for its consideration and final approval. The committee's terms of reference provide the scope of responsibility, as delegated by the board, to review and make decisions on the remuneration policy and its implementation.

As at 31 August 2022, the committee comprised two independent non-executive directors. Given the vacant position, and to strengthen the capacity of the committee, a resolution was taken to invite the chairpersons of the AC and RCT to attend REM meetings, as provided for in the terms of reference. These two members attended as observers to deliberate on all matters but did not carry a vote and were not paid additional fees. This resulted in diversity of thought and skills when deliberating on various matters. The decisions taken by the remaining members were in line with the committee's terms of reference. In November 2022, Lesego Sennelo and Cora Fernandez were appointed as members of the committee.

The chairperson and members of the committee were elected by the board, and all members were suitably qualified and had the necessary expertise required to discharge their responsibilities. The committee met on four occasions, with meetings scheduled in line with the company's financial reporting cycle. The REM schedules additional *ad hoc* meetings as needed.

In line with the recommendations of King IV™ and the JSE Listings Requirements, all members of the REM are independent non-executive directors.

The REM chairperson reports to the board following each REM meeting and attends the AGM to respond to questions from shareholders on the REM's areas of responsibility.

The committee fulfilled its responsibilities as per its terms of reference and annual work plan.

Primary focus

- HC Human capital
- IC Intellectual capital
- SRC Social and relationship capital
- ET Engage talent

COMPOSITION OF THE REM DURING FY2022

- Ntombi Langa-Royds[19] (chairperson)
- Bridgitte Mathews[20]
- Daisy Naidoo[21]
- Sipho M Pityana

COMPANY SECRETARY

- Anda Matwa

STANDING INVITEES

- CEO
- CPO

REGULAR INVITEES

- CFO
- COO
- Chief sustainability officer
- Representatives from PwC

ATTENDANCE 100%

Committee attendance is set out on page 80.

[19] Appointed as chairperson during July 2022
[20] Bridgitte Mathews resigned during July 2022
[21] Daisy Naidoo resigned during November 2021

MATTERS CONSIDERED
Considered aggregate outcomes of the salary increase process (as per our commitment to fair and responsible pay)
Reviewed and monitored the outcomes of the employee performance management process
Considered the EPP executive remuneration structure and its alignment with Redefine's executive remuneration framework
Considered shareholder feedback arising from stakeholder engagements in preparation for the AGM
Considered the quarterly people management report, which includes *inter alia* employee turnover, retention, and the implementation of people strategy
Monitored progress against the committee evaluation feedback
Undertook an annual review of market-related remuneration and non-executive director fees (as per PwC's trend analysis report)

MATTERS APPROVED
Approved the remuneration framework, which included inter *alia the* remuneration policy and the short- and long-term incentive scheme rules
Approved the FY2022 remuneration report
Reviewed and approved the fair and responsible pay policy and implementation plan
Reviewed and recommended the FY2022 non-executive director fees to the board for approval by the shareholders at the AGM
Reviewed and approved the application of *malus* and clawback provisions
Reviewed and approved the FY2023 annual salary increase for executive directors, executive management, key roles and aggregate for employees
Reviewed and approved the FY2022 executive directors' STI bonus in terms of performance outcomes
Reviewed and approved the FY2019 long-term incentive award vesting and approved the FY2022 long-term incentive on-target award allocations (vesting in 2024) and employee incentive scheme performance outcomes
Reviewed and approved the FY2023 short- and long-term incentive performance conditions for executive management

The full remuneration policy document is available on pages 109 to 121.
King IV™ Principle 13

ICT governance

King IV™ Principle 12

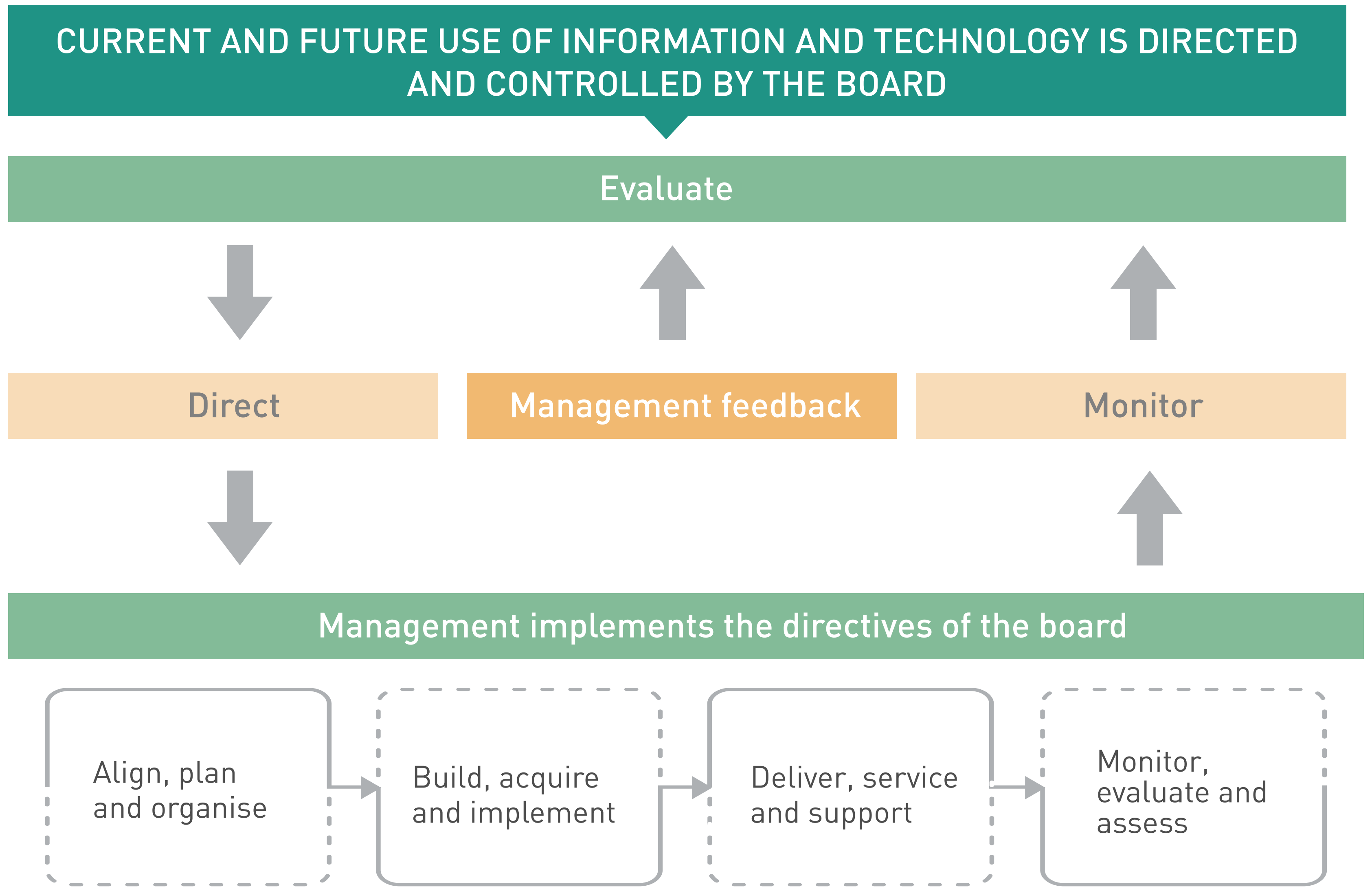
We continue to embed ICT governance standards throughout our organisation while maintaining an adequate, effective and agile level of operational management.

How we enhanced our ICT governance during the year

We established a digital transformation hub, which is constituted as an ICT management governance committee to support and provide assurance and recommendations to the RCT and board. The digital transformation hub is responsible for monitoring the implementation of Redefine's digital transformation plan to ensure it is effective and enhances the company's ability to achieve its strategic objectives. The digital transformation hub is also responsible for ensuring that ICT governance is implemented in terms of King IV™ and any other relevant legislation and regulation and in terms of best practice.

In addition, we developed and began implementing a cybersecurity framework to improve our cybersecurity risk management capabilities and manage risk commensurate to our risk appetite and business objectives. Key actions taken include, among others, enhancing and updating our existing cybersecurity policies, developing new policies to guide the implementation of controls in identified high-risk areas, and enhancing security communications and awareness among employees and contractors to secure and protect assets against cyberattacks and data breaches.

In addition to the cybersecurity framework, we adopted an ICT governance framework aligned with the Control Objectives for Information Technologies (COBIT) 2019 (an internationally recognised framework for ICT governance). This framework recognises ICT governance as a continuous system that must be embedded throughout an organisation across two layers:



The actions we took during the year support our efforts to ensure that we align our ICT infrastructure with current and future needs. This includes providing strong governance that supports the implementation of our digital transformation strategy, which is anchored in our moonshot vision. As an outcome of the focused action taken during the year, we improved our level of application disclosure against King IV™ Principle 12 from partial (last year) to satisfactorily applied (this year).

Robust IT governance will be critical to transform our tenants' experience, amplify the potential of our people, and deliver on our purpose.

In the past year, we experienced several attempts to breach our information and technology systems. These were managed and no cybersecurity breach took place during FY2022.

Risk governance

The board ensures that risk management is embedded in key decision-making processes and that such processes incorporate and consider strategy, governance, compliance and performance. For the board, risk management involves achieving an appropriate balance between realising opportunities for gain and minimising the potential adverse impacts of risks. King IV™ Principle 13

Actions taken during the year to enhance risk governance and oversight

We established a risk and compliance management committee, which is constituted as a management governance committee to support and provide assurance and recommendations to the RCT and board. This committee is responsible for overseeing whether there are adequate controls in place to ensure that risk and compliance is embedded throughout the business. The committee monitors the implementation of an integrated enterprise-wide risk management philosophy and framework, ensuring open and frank debate on risk and compliance, while complying with laws, regulations and codes relevant to its scope. The committee further formulates arrangements for the effective management of risk and compliance.

To enhance risk governance and oversight, the RCT conducted a risk workshop to review risk tolerance levels and approve these to the board.

In addition, we developed a risk and compliance integrated transformation roadmap that seeks to further strengthen risk maturity, support value creation, and drive the overall delivery of our moonshot vision. Extending into FY2023, the plan provides guidelines to invest in and deploy resources to cultivate and establish an improved risk and compliance culture across the company, aligned with Redefine's strategic goals and objectives.

KEY ELEMENTS OUTLINED IN THE PROGRAMME

Ensuring appropriate governance and oversight structures to support risk management and compliance and drive operational resilience	Introducing an integrated risk and compliance management system to manage company-wide risk and compliance requirements
Undertaking a detailed review and revision of Redefine's existing ERM practices, with the aim of formalising methods and practices across the company	Introducing an operational, business-level risk management system to identify, evaluate and mitigate operational or business-level risk

This transformation plan aims to advance Redefine's current governance, risk, compliance and assurance capabilities to best-in-class, value-generating business functions.

As an outcome of the focused action taken during the year, we improved our disclosure against King IV™ Principle 11 from partial (last year) to satisfactorily applied (this year).

For more information regarding our top-of-mind risks and opportunities, please refer to our IR.

Compliance governance

We continue to ensure that we maintain robust compliance governance practices across the company. As a result of focused action taken during the year, we improved our disclosure against King IV™ Principle 13 from partial to satisfactorily applied.

Key corporate governance practices in place

- All non-executive directors are independent
- Annual election of a minimum of one third of directors by majority voting
- No supermajority provisions in governing documents
- Minimum shareholding requirements (MSRs) and post-vesting holding periods for executives
- Regular review of board leadership structure (including committee composition and rotation)
- Director over-boarding policy and provisions
- Board and committee evaluations
- No voting rights ceilings
- If the chairperson of the board is conflicted, the chairperson of the board committee relating to the matter leads the discussions
- Shareholder right to call special meetings
- Proactive, year-round stakeholder engagement programme
- Approved *malus* and clawback policy in place
- Board-approved policy on independent professional advice
- Safeguards in place to monitor transactions between the company and its major shareholders
- Related-party transactions monitored and transparently disclosed in the AFS
- Shareholder rights are protected as per Redefine's MoI
- Annual re-election of the chairperson of the board and each of the committees at the first meeting after the AGM
- Annual assessment of company secretarial function
- PEP policy statement framework and political donation policy

We did not incur any fines or settlements related to anti-competitive practices during the year. We were not involved in any ongoing investigations related to anti-competitive practices. We complied with the Companies Act and operated in conformity with Redefine's MoI during the year.

Key compliance governance matters for the past year

COMPLIANCE MATTER	RELEVANT POLICY
Declarations and conflicts of interest and related-party transactions Board members inform the board of actual or potential conflicts of interest that they may have in relation to items of business or other directorships. During the year, our existing directors' declaration of interest form was revised to ensure that it is in line with the Companies Act, the JSE Listings Requirements, King IV™ and common law. Declaration of interests include, among others, personal financial interests, interests in share capital, loans due to Redefine and over-boarding. There were no conflicts of interest reported during the year.	The board's conflict of interest policy is publicly available and can be accessed on our website.
Insider trading and dealing in company securities In the year under review, the board members complied with Redefine's policy on insider trading and dealing in securities. Our insider trading policy has been extended and incorporates offshore operations, more recently EPP, which has been incorporated into our governance framework. Refer to our website.	Our policy on insider trading and dealing in securities is available on our website.
Ethical conduct The board ensures that Redefine conducts its business dealings in an ethical manner, in accordance with applicable laws, rules and regulations. The board approves Redefine's formal code of business conduct and ethics policies, which are central to our growth and sustainability and are designed to assist employees in making ethical decisions. Our ethics policies include grievance mechanisms and a whistle-blowing policy, which offers several anonymous and secure avenues for reporting unethical conduct.	The code of business conduct is available on our website. The whistle-blowing policy is available on our website.
Ongoing review of governance standards and conduct Our governance framework provides a solid foundation for implementing King IV™, and the board continuously applies these recommended principles to enable and support Redefine's value-creation process. The board reviewed ISO 37000[22], which is an international guidance standard for the governance of organisations published in September 2021. ISO 37000 is closely aligned with the approach and context of King IV™, with certain King IV™ concepts clearly reflected in ISO 37000. A gap analysis on the application of King IV™ was conducted by the company secretary. The outcomes reflect that Redefine has satisfactorily applied all 16 principals. A high level overview on the level of application of ISO 37000 was conducted. The outcomes reflect that Redefine has satisfactorily applied the 10 principles. Both outcomes where independently verified and assured by an external governance advisory firm (Fluidrock Governance Advisory).	Our King IV™ application register is available on our website. Our ISO 37000 application register is available on our website.

[22] *ISO 37000 was developed through participation from 77 countries, including South Africa, and 24 global representative organisations. ISO 37000 is a guidance standard specifically for governance and is not a certifiable standard*

Code of business conduct and other ethics policies

The SET oversees material reports regarding unethical conduct and continues its efforts to ensure that independent, objective and fair courses of action are taken in such instances. As recommended by the SET, the board adopted a revised code of business conduct policy. The policy is applicable to board members and Redefine employees.

Zero incidents were reported to Whistle Blowers (Pty) Ltd in the last financial year. Whistle Blowers (Pty) Ltd is an expert, independent party that specialises in receiving sensitive information and reporting these matters to Redefine in a manner that protects the identity of the whistle-blower. We further tested the whistle-blowers line during the year to ensure it remains effective.

The positive outcome of zero incidents being reported demonstrates that we are taking effective action to instil an ethical culture across the organisation, underpinned by the various ethics awareness programmes delivered during the year (page 76).

Combined assurance

King IV™ Principle 15

In 2021, the board adopted a revised combined assurance framework and plan with the aim of integrating and coordinating the assurance provided by internal and external assurance providers on risks the company faces. The framework and plan enable an efficient, holistic approach to risk management and assurance activities across the organisation that, when taken as a whole, provides a level of assurance that further supports the integrity of the information used for reporting and decision-making.

This coordinated approach (as outlined below) ensures that roles and responsibilities for identifying, managing, and reporting risks are clearly defined and that there is appropriate oversight of our strategic risks. The combined assurance framework brings together the relevant role players to review and update significant risks and associated responses in assessing potential assurance or gaps in oversight per risk. Each of the four lines of defence has a distinct role to play in deriving assurance for each risk, and the process for reporting has been formalised through the risk and compliance management committee. Progress against the combined assurance plan as well as any gaps in assurance are reported to the AC. There is continued focus on the embedment of combined assurance within the business, and it is noted by the committee as an area that requires further improvement.

ASSURANCE

We use the four-lines-of-assurance approach to optimise our risk and assurance efforts. Assurance includes executive and senior management monitoring and oversight, internal audit, and external assurance providers.

1	Executive management	Management
2	Risk and compliance and the oversight of other corporate functions	Risk and compliance and the management of respective corporate functions
3	Independent assurance	Internal audit
4	External assurance	External auditors and regulators

As a result of focused action taken during the year, we improved our disclosure against King IV™ Principle 11 from partial to satisfactorily applied.

Internal financial controls

The committee reviewed the reports of both the internal and external auditors in respect of audits conducted on the internal control environment, took note of matters arising from these audits, and considered the appropriateness of the responses received from management. Furthermore, the committee:

- Reviewed quarterly funding reports prepared by management and monitored compliance with financial covenants and hedging policies (in relation to interest rates and foreign exchange rates)
- Fulfilled an oversight function with regard to tax governance. In this regard, the committee received regular feedback on both the tax compliance and tax risk matters of the group and is satisfied that no material non-compliance has occurred
- Reviewed the group's mechanisms for protected disclosure and whistle-blowing
- Considered and, where appropriate, made recommendations on internal financial controls

During the period, there was no breakdown in the functioning of internal control systems that had a material impact on the annual financial statements. The committee is satisfied that the annual financial statements fairly present the financial position, financial performance, and cash flows in accordance with IFRS and that these statements are supported by reasonable and prudent judgements that were applied consistently.

The risk and compliance management committee

We established a risk and compliance management committee, which is constituted as a management governance committee to support and provide assurance and recommendations to the RCT and board (page 84).

Internal audit

The committee reviewed and approved the internal audit charter and internal audit plan for the financial year ended 31 August 2022, ensuring that material risk areas were included, and that coverage of significant business processes was acceptable. It oversaw and monitored the internal audit function:

- Objectively assured the effectiveness of risk management, governance, and internal control frameworks
- Analysed and assessed business processes and associated controls
- Reported significant audit findings and recommendations to management and the committee

The AC satisfied itself that the internal audit function was independent and had the necessary resources, standing and authority to discharge its duties. The AC proposed an alternative approach to the third line of defence to increase capacity and deliverables of the function's mandate. BDO South Africa, that has extensive REIT experience, was appointed as the outsourced partner.

Furthermore, the committee confirmed that in executing the FY2022 plan there had been no impairments to the objectivity, independence and scope of the internal audit function, which remained effective in carrying out its duties.

External audit-related matters

In December 2022, and in accordance with paragraphs 3.84(g)(iii) and 22.15(h) of the JSE Listings Requirements, the committee assessed the suitability of PwC for appointment as the company's independent, external auditors for the 2023 financial year, with John Bennett as the designated individual auditor.

Rooftop garden, Kenilworth Centre, Western Cape, South Africa

Combined assurance continued

External audit independence, objectivity, and effectiveness during the 2022 financial year:

Evaluation focus

The committee formally assessed the effectiveness of the 2022 external audit process and quality of the audit. The assessment covered all aspects of the audit service provided by PwC and was treated as an ongoing review throughout the audit cycle. The evaluation focused on:

- Robustness of the audit process
- Audit quality, including quality controls and indicators
- Appropriateness of the audit partner and the dedicated team, including their skills, knowledge and character
- Independence and objectivity
- Formal reporting

Inputs

THE COMMITTEE

- Monitored audit performance, independence, and objectivity throughout the year
- Approved, in consultation with management, the below audit fee and engagement terms for FY2022:

	Audit (R'000)	Non-audit (R'000)	Total (R'000)	Percentage of total (%)
2022	17 530	2 635	20 165	13
2021	23 231	1 744	24 975	7

- Reviewed and approved the above non-audit service fees and ensured that same were within the limit and in line with the non-audit services policy
- Determined the nature and extent of allowable non-audit services and approved the contract terms for the provision thereof
- Reviewed the external audit plan and related scope of work
- Reviewed the quality of reporting to the committee, the level of challenge, and professional scepticism and understanding demonstrated by PwC of the business of the group
- Reviewed the quality of the audit team, technical skills and experience, and the allocation of resources during the audit
- Held regular meetings with the audit engagement partner
- Considered the effectiveness of the company's policies and procedures in maintaining auditor independence
- Confirmed that no reportable irregularities were identified and reported by PwC in terms of the Auditing Profession Act, No 26 of 2005

Inputs

PWC

- Provided the committee with confirmation that they operate in accordance with the ethical standards required of audit firms (section 290 of the International Ethics Standards Board for Accountants, Code of Ethics for Professional Accountants and the Independent Regulatory Board for Auditors Code of Professional Conduct for Registered Auditors)
- Evidenced that the firm was accredited by the JSE, and that John Bennett does not appear on the disqualified list of individual partners
- Confirmed the policies and procedures they have in place to maintain their independence
- Confirmed that there were no relationships with the company arising from:
  - Personal financial interests
  - Family and personal relationships
  - Employment relationships
  - Business relationships
- Provided confirmation that the non-audit services performed and billed during the period ended 31 August 2022 did not impair their independence or objectivity

REGULATORS

- The Independent Regulatory Board for Auditors issued reviews of audits carried out by PwC. PwC shared these findings with the committee and confirmed how they were addressing the areas highlighted for improvement

Key outputs

- The quality of the audit partner and the team was confirmed, with no material issues raised in the feedback received
- PwC demonstrated a good understanding of the group and had identified and focused on the areas of greatest risk
- PwC's reporting to the committee was clear, transparent and thorough and included explanations of the rationale behind conclusions as appropriate
- The audit had been well planned and delivered, and management was comfortable that key findings had been raised appropriately
- There had been active engagement on misstatements and appropriate judgements on materiality
- It was confirmed that there had been an appropriate level of challenge and that PwC had functioned in accordance with its mandate for the 2022 financial year

The AC, having considered all relevant matters, concluded that it is satisfied that auditor independence, objectivity, and effectiveness were maintained during the financial year.

Stakeholder governance

Alice Lane, Gauteng, South Africa

The board has adopted a stakeholder inclusive approach in the execution of its governance role and responsibilities and is guided continuously by its commitment to the principles of King IV™ Principle 16.

Effective governance processes are substantially entrenched in the board's policies, terms of reference, and overall procedures and processes.

We differentiate ourselves through a dedicated people-centric approach to business, focusing on excellence in the context of relationships. This culture is nurtured internally and extended externally in the way in which we engage with, and add value to the lives of, our stakeholders. The board invests in understanding stakeholders' views and needs – it recognises that the quality of these relationships determines our continued success.

King IV™ Principle 5

The board ensures that the reports issued by the company enable stakeholders to make an informed assessment of the company's performance, and its short-, medium- and long-term prospects. The board reviewed the financial statements and approves and presents them to the shareholders. The board is satisfied that the 2022 financial statements accurately present the financial status of the group, subject to consolidation where properly consolidated and presented.

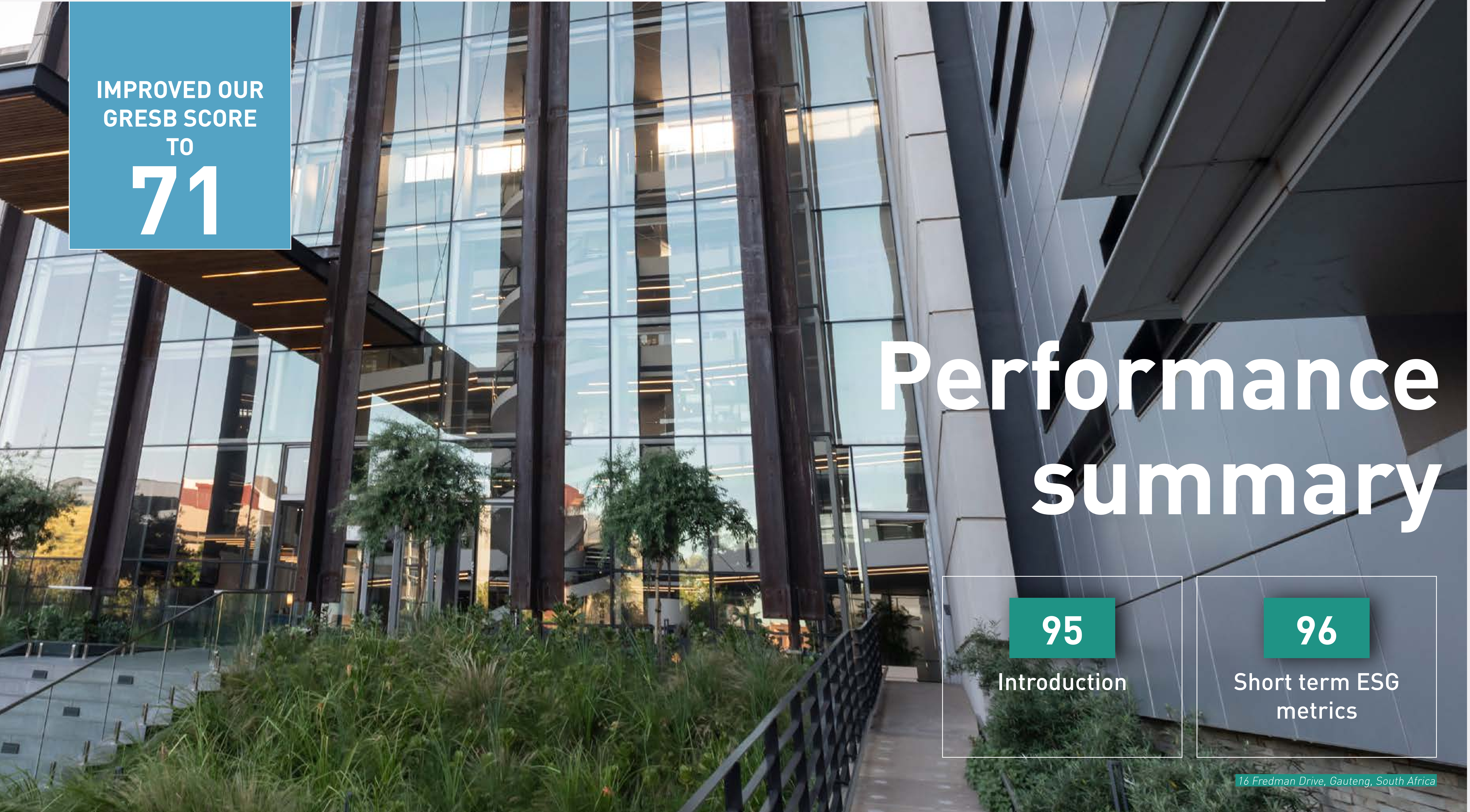
Shareholder relationships

The board appreciates the increased level of shareholder activism within the broader governance environment in South Africa.

The board ensures that Redefine encourages proactive engagement with shareholders, including engagement at the company's AGM. All directors are available at the AGM to respond to shareholders' queries on how the board executed its governance duties.

In the interest of protecting minority shareholders, Redefine practices the principle of equality of disclosure and ensures that all shareholders receive information equally. All issued shares are of the same class, each of which ranks *pari passu* in respect of all rights and entitles the holder to vote on any matter to be decided by the company's shareholders. Issued shares entitle the holder to one vote in respect of each share held.

IMPROVED OUR GRESB SCORE TO
71



Performance summary

16 Fredman Drive, Gauteng, South Africa

Introduction

This section sets out the application of the ESG KPA framework for Redefine as approved in August 2021 for application during FY2022.

In accordance with the ESG strategy, the ESG-related KPIs for executive directors and prescribed officers for FY2022 were aligned to these KPAs. This section provides an update on the short-term KPAs (measurable over a 12-month period), which are applicable to the company as a whole. The use of KPAs for individual portfolios are part of the cascading of targets and metrics.

The achievement of the targets for remuneration-related purposes will be tested by the REM separately.

Mall of the South, Gauteng, South Africa

Executive summary

UN SDG		ACHIEVEMENT
UN SDG 3	3.1	Not achieved
	3.2	Achieved
	3.3	Achieved
	3.4	Achieved
	3.5	Achieved
	3.6	Achieved
	3.8	Not achieved
	3.9	Achieved
UN SDG 4	4.1	Achieved
	4.2	Achieved
	4.4	Achieved
	4.7	Achieved
UN SDG 5	5.1	Achieved
	5.2	Achieved
	5.6	Achieved
UN SDG 6	6.1	Achieved
	6.2	Partially achieved
	6.3	Information pending
	6.6	Partially achieved
UN SDG 7	7.1	Achieved
	7.2	Achieved
	7.3	Information pending
UN SDG 8	8.1	Achieved
	8.3	Achieved
	8.5	Achieved
	8.8	Partially achieved
UN SDG 9	9.3	Achieved
	9.4	Achieved
UN SDG 10	10.1	Achieved
	10.3	Achieved
	10.4	Achieved
	10.5	Partially achieved
	10.7	Partially achieved
UN SDG 11	11.1	Achieved
UN SDG 12	12.1	Not achieved
	12.3	Achieved
UN SDG 16	16.1	Achieved
	16.3	Achieved
	16.5	Not achieved
	16.6	Achieved
	16.7	Partially achieved
	16.10	Not achieved
	16.4	Not achieved
UN SDG 17	17.3	Achieved
	17.17	Achieved
	17.19	Partially achieved

The high-level outcomes of the KPIs, per each UN SDG, are summarised below for ease of reference.

Summary of key areas of improvement during FY2023

- Incorporate the refreshed ESG strategy into the CSI approach
- Expand the scope of the supplier sustainability audit
- Begin a supplier sustainability awareness campaign
- Embed the anti-fraud and corrupt activities policy in our relationships with tenants and suppliers, respectively

KEY: Achieved | Partially achieved | Not achieved | Information pending

Short term ESG metrics

The targets are based on the primary and secondary UN SDGs (as approved by the board) to the extent that these are objectively measurable.

We have split the suggested KPAs into short term (measurable over a 12-month period) and long term (measurable over a three-year period). While some of these KPAs are measurable in the short term, they are all aimed at contributing to our long-term ESG objectives.

The tables set out the short-term and long-term ESG-related KPAs for the company, based on the 2021/22 set of KPAs. As our ESG strategy matures, we will continue to refine our KPAs in line with our growing understanding of our impacts and critical value levers to achieve our ESG objectives.

KPA

General KPA: Improvement in overall sustainability performance

Inclusion in the Dow Jones Sustainability Index (DJSI) Emerging Markets Index

Threshold: Inclusion in the DJSI

Target: Company sustainability score 10 points above the minimum total sustainability score for index inclusion

Stretch: Company sustainability score 20 points above the minimum total sustainability score for index inclusion

Please note that the DJSI and SAM Corporate Sustainability Assessment are based on the information disclosed, including policies and procedures, in the previous financial year.

2022 ACHIEVEMENT

Not achieved – the 2021 threshold for inclusion in the DJSI was 71/100 for emerging market participants. It is likely that the 2022 score will be the same or higher.

Redefine score: 56/100 (2021: 56/100)

UN SDG 3 GOOD HEALTH AND WELLBEING

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 3.1 **Community health awareness:** Expanding workplace health and wellness awareness for communities surrounding our buildings	Making available, to the relevant communities surrounding our buildings, a list of local trusted healthcare professionals, vaccination sites for COVID-19 (and other more common illnesses such as the flu), sexually transmitted infection testing, and health screening programmes	**Note:** This programme was meant to be initiated in FY2022	Not achieved – the CSI strategy will be more closely aligned with the ESG strategy during FY2023
UN SDG 3.2 **Caregiver support programme:** Providing decent working conditions that enable employees who are also parents to fulfil their roles as caregivers	Gauging the needs of caregiver employees through internal employee staff surveys. Depending on the results, management will investigate partnering with childcare facilities close to Redefine's regional offices to offer lower rates to Redefine employees	N/A	Achieved – as part of our gender equality programme, we conducted a survey in 2022 that had 139 responses. Management will consider the appropriate response to the needs raised by caregiver employees during FY2023
UN SDG 3.3 **Occupational health and safety:** Implementing measures to reduce workplace occupational diseases as well as the exposure of Redefine employees to communicable diseases	Percentage of Redefine employees with access to full medical care, whether through Discovery or another registered healthcare plan	N/A	100% of employees have medical aid. 133 employees are part of Discovery and their medical aid is administered through the Redefine payroll

UN SDG 3 GOOD HEALTH AND WELLBEING

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 3.4 **Employee benefits:** Assisting employees to reduce their exposure to non-communicable diseases (e.g. tobacco addiction) as well as providing mental health resources	Percentage of employees who access the AskNelson service to 1 Seek help on quitting tobacco or other substance 2 Seek counselling and other mental health services	N/A	1 18.2% 2 20.5% The number of employees who have reached out to AskNelson for assistance with burnout and fatigue have increased in 2022
UN SDG 3.5 **Efficacy of health and safety strategy:** The effective implementation of Redefine's health and safety strategy. Measuring how Redefine protects its consumers and end users from any potentially adverse health impacts from our products, services and marketing activities as well as safeguards the value of its assets	Independent health and safety audit findings as well as an assessment of the effectiveness of our health and safety strategy	N/A	We developed and implemented an ESG building scoring matrix during FY2022, which included questions regarding the efficacy of the health and safety initiatives at an asset level. The findings showed that between 1 September 2021 and 30 June 2022, the average health and safety score for South African buildings under our operational control was 7/10. The effectiveness of our health and safety strategy will remain a focus point during FY2023
UN SDG 3.6 **Road safety:** Reinforcing road health and safety measures for employees	Providing regular information and guidance on road health and safety to employees, particularly during peak traffic periods and holidays	N/A	Achieved – a communication was sent to employees in October 2022 regarding road health and safety best practice and more will follow as we head into the 2022 festive season

Short term ESG metrics continued

UN SDG 3 GOOD HEALTH AND WELLBEING

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 3.8 **Health and wellbeing through the value chain:** Ensuring that suppliers take steps to promote the health and safety of their employees	Raising awareness among suppliers, through communication initiatives, on practical measures to improve the health and safety of their employees, e.g. through awareness of vaccination sites close to their operations	**Note:** This programme was initiated in FY2022	Not achieved – the supplier sustainability awareness campaign will be implemented in FY2023
UN SDG 3.9 **Treatment of hazardous chemicals, water and materials:** Ensuring that suppliers take steps to promote the health and safety of their employees	Tenant awareness campaign on sustainability, which will include awareness around the proper treatment of hazardous chemicals and materials as well as how to avoid contaminating air, water and soil, respectively, with such chemicals	**Note:** This programme was initiated in FY2022	Achieved – there were several engagements between our property and asset management teams and tenants regarding ESG initiatives. We also sent an ESG-specific newsletter to 100% of our tenant database in early September 2022. The treatment of hazardous materials is covered by our Comsaf audits, which include tenant compliance

UN SDG 4 QUALITY EDUCATION

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 4.1 **(also UN SDG 4.3)** **Promoting equity and equality:** Inclusion of marginalised/underrepresented groups in the company's bursary programme	Percentage of tertiary qualifications completed by designated groups (as defined in empowerment legislation) within Redefine that was funded through the company's bursary programme	N/A	Two Indian males completed tertiary qualifications funded by Redefine. 30% of the tertiary qualifications funded by Redefine to be completed in FY2023 are by employees from designated groups

UN SDG 4 QUALITY EDUCATION

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 4.2 **(also UN SDG 8.3)** **Caregiver support programme:** Offering support to caregiver employees through flexible working arrangements where practicable	Measurement of 1 Number of caregivers within the company 2 Of the caregivers within the company, the percentage whose roles allow them to work flexibly 3 Of the caregivers who can work flexibly, the percentage who have flexible working arrangements in place	**Note:** The measurement of the number of caregivers was initiated in FY2022	1 129 2 100% 3 100% These results are based on an internal survey conducted in 2022 on the number of caregivers within the company
UN SDG 4.4 **(also UN SDG 8.6)** **Learnership Programme:** Providing internship opportunities for young graduates through the Learnership Programme	Graduation rate from the internal Learnership Programme **Skills development:** Achieve targets for participation in learning programmes, learners, apprenticeships and internships by 1 Black employees 2 Black employees with disabilities 3 Junior management 4 Employees with a disability as defined under the employment equity criteria in the BBBEE Property Sector Code, as revised from time to time	N/A	In 2022, the projected graduation rate from the internal Learnership Programme is 96.7% Skills development achievement (based on BBBEE scores): 1 4/4 2 1.90/3 3 0% 4 12 disabled employees
UN SDG 4.7 **Sustainability awareness:** Increasing sustainability awareness among employees through policies, training and campaigns	Percentage of employees who receive training on sustainability in the real estate sector, and how Redefine can contribute to sustainable business practices	Threshold: 60% Target: 80% Stretch: 100%	Achieved (on-target) – 78.6% of employees have attended one or more ESG awareness training interventions

Short term ESG metrics continued

UN SDG 5 GENDER EQUALITY

KPA	KPI (measurement method)	2022 target	2022 performance
UN SDG 5.1 **Women in the supply chain:** Supporting black women-owned businesses as part of our transformation objectives	Percentage of BBBEE procurement spend from all empowerment suppliers that are more than 30% black women-owned, based on the applicable BBBEE procurement recognition levels as a percentage of total measured procurement spend	Targets from the BBBEE codes/ Property Sector Charter	2022: 4/4
UN SDG 5.2 **Prohibition of human rights abuses on our properties:** Ensuring that our premises are not used for human trafficking and/or forced labour or sexual exploitation	Promoting the use of the whistle-blower mechanism if any possible illegal activity is detected at Redefine-owned, properties and partnering with the local police/community safety organisations to investigate any reasonable suspicion of human rights abuses on our properties	N/A	Achieved - a whistle-blower awareness session was conducted in April 2022 by Whistle Blowers (Pty) Ltd to explain how the whistle-blower hotline works Further work is required to partner with local policy/ community safety organisations regarding potential human rights abuses
UN SDG 5.6 **Retention of employees taking parental leave:** Implementing measures to retain caregiver employees, particularly employees that take parental leave in line with internal policies	Return to work and retention rate of employees that took parental leave, by gender, expressed as a percentage **Note**: In future, the ability to access reproductive healthcare will be considered as part of our EVP **Also see target under UN SDG 4.2, which is relevant here**	N/A	Achieved – 100% of employees who took parental leave in 2022 returned to work


Learnership Programme, Gauteng, South Africa

Short term ESG metrics continued

UN SDG 6 CLEAN WATER AND SANITATION

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 6.1 **Water impact assessments:** Conducting impact assessments that explicitly consider the ability of communities to access safe and affordable water	Water impact assessments in areas where our properties are 1. Located in water-stressed areas, as identified in the WRI Aqueduct Water Risk Atlas 2. Adjacent to vulnerable communities whose access to water may be compromised	**Note:** This programme was initiated in FY2022	1. Achieved – 100% coverage of our properties in the WRI Aqueduct Water Risk Atlas 2. Achieved – according to a CSI analysis conducted in July 2022, there were 45 vulnerable communities surrounding 19 selected buildings in the portfolio at that date. Of the 13 buildings that serve these communities and have been included in the five-year CSI implementation plan, according to the WRI Aqueduct Water Risk Atlas, 62% are located in water-stressed areas, 31% are exposed to extreme baseline water risk, 8% are exposed to riverine flood risk, and 0% are exposed to coastal risk. The CSI interventions for the communities surrounding these buildings will be reviewed to take into account adequate responses to the water risks faced by those communities as well as the availability of groundwater sources as part of a multipronged response to water scarcity where properties and communities are exposed to extreme baseline water stress
UN SDG 6.2 **Adequate and equitable sanitation and hygiene:** Ensuring that there are adequate and equitable sanitation facilities in the buildings over which we have operational control, in particular providing personal protective equipment and menstrual facilities for women and girls	Confirmation that the company provides personal protective equipment and menstrual hygiene management measures in all of the buildings over which we have operational control	N/A	1. Achieved - the company has a personal protective equipment policy; implementation thereof is measured by Comsaf through independent health and safety audits 2. Not achieved – the company does not have a register of menstrual hygiene facilities in common area bathrooms in our buildings. This will be reviewed in 2023

UN SDG 6 CLEAN WATER AND SANITATION

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 6.3 **Tenant awareness:** Reduction of water usage by tenants, through a tenant awareness campaign that includes water resource management	Reduction of water consumption by tenants (through a reduction in tenant water consumption included in Scope 3 emissions), calculated through the annual carbon footprint assessment	**Note:** This programme was initiated in FY2022	Achieved – total water withdrawn measured in the carbon footprint reduced by 0.4%, however this was due in large part to vacancies. Our ability to measure the reduction in water consumption by tenants will be enhanced once our smart water meter rollout commences in FY2023, which in turn was held back by global supply shortages
UN SDG 6.6 **Biodiversity management:** Incorporating biodiversity risks into the management of existing buildings, including through water efficiency arrangements, and a due diligence process for acquisitions or disposals	1. Number of acquisitions or disposals that noted significant biodiversity risks, based on whether the properties are located in protected areas 2. Number of existing properties that noted significant biodiversity risks, based on whether the properties are located in protected areas, including the percentage of those properties with water-saving features, including landscaping policies **Note:** Protected areas are those that are designated on the Protected and Conservation Areas Database maintained by the department of environment, forestry and fisheries	N/A	1. Not achieved – none of our disposals incorporated biodiversity risks. In October 2022, we applied an ESG due diligence checklist for a potential acquisition, which noted that there were no material biodiversity risks 2. Achieved – based on the ESG building scoring matrix, 6.8% of our South African portfolio under our operational control is located in a wetland. The ESG team will assess the number of properties that have notable biodiversity risks

Short term ESG metrics continued

UN SDG 7 AFFORDABLE AND CLEAN ENERGY

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 7.1 Investment in sustainable energy solutions: In addition to extending the solar PV rollout, investigating alternative types of sustainable energy, such as battery storage and biomass energy	Investigating the feasibility of introducing other sources of renewable energy into our operations, particularly as an alternative to relying on diesel generators	N/A	Achieved – solar battery storage facilities were installed at Kwena Square in 2022. However, these only alleviate the peak load and do not act as substitute for diesel generators during loadshedding. Furthermore, solar battery storage remains expensive. Research into solar-powered battery storage technologies is ongoing
UN SDG 7.2 Net zero building journey: Increasing the generation of renewable energy throughout the portfolio	Renewable electricity capacity (as annual capacity installed across the portfolio in the reporting year)	Threshold: 2MWp Target: 3MWp Stretch: 4MWp **Note:** This is an absolute target that measures our progress in generating renewable energy	Achieved – 11.6MWp of solar PV reached system commissioning phase at the end of FY2022, i.e. pending final project completion but already operational at a building level
UN SDG 7.3 Net zero building journey: Reducing consumption of grid-supplied energy through energy management and efficiency initiatives	Energy savings from implemented initiatives (measured in kWh)	Threshold: 1 300MWh (this equates to 5% of Scope 2 kWh on a like-for-like basis) Target: 1 841MWh (this equates to 7% of Scope 2 kWh on a like-for-like basis) Stretch: 3 945MWh (this equates to 15% of Scope 2 kWh on a like-for-like basis) **Note:** This is an absolute target that measures our progress in conserving energy	Not achieved – Scope 2 emissions increased by 6% according to our 2022 carbon footprint assessment

UN SDG 8 DECENT WORK AND ECONOMIC GROWTH

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 8.1 BBBEE scorecard: Improving the company's BBBEE contributor level	Improvement in the company's BBBEE contributor level on an annual basis after external BBBEE verification	Threshold: level 3 Target: level 2 Stretch: level 1	Achieved – level 1 contributor level was achieved in December 2021
UN SDG 8.3 Ownership and employment equity: Contributing to employment and wealth generation through the achievement of ownership, economic and representation-related targets, particularly for underrepresented social groups	Achieving ownership and economic targets for 1 Black people 2 Black women 3 Broad-based ownership scheme 4 New entrants **Measurement method 2:** Achieve black and black female representation targets for 1 Senior management 2 Middle management 3 Junior management 4 Employees with disabilities As defined under the employment equity criteria in the BBBEE Property Sector Code, as revised from time to time. As a forward-looking measure, we will focus on measuring job creation within the value chain, to the extent to which this is attributable to Redefine	Targets from the BBBEE codes/ Property Sector Charter	**Measurement method 1** 1 4/4, 4/4 2 2/2, 2/2 3 2.5% 4 2/2 **Measurement method 2** 1 2.37/4, 1.01/3 2 0.93/3, 0.36/1 3 0.66/1, 0.66/1 4 1/1
UN SDG 8.5 (also UN SDG 8.2) Pay parity: Monitoring steps taken to give effect to the principle of equal pay for work of equal value	**Monitor** 1 The ratio of standard entry level wage by gender compared to local living wage 2 The company's internal Gini coefficient and Palma ratio 3 The ratio of the annual total compensation to the CEO to the median of the annual total compensation of all employees	N/A	1 Males: R134 240 Females: R127 083 2 0.43, 2.28 3 18.57

Short term ESG metrics continued

UN SDG 8 DECENT WORK AND ECONOMIC GROWTH

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 8.8 **Decent work:** Promoting human rights and decent working conditions in the supply chain	An explanation of the assessment performed on suppliers for which decent work for their employees is at risk, including measures taken by the company to address these risks	N/A	Partially achieved – in the initial supplier sustainability audit, we targeted 15 suppliers, of which three were cleaning, hygiene and pest control suppliers and one was a security service provider. While their social scores (which include human rights questions) varied from D (for the security and one of the cleaning service providers) to B and A (for the other two cleaning service providers), we will engage with them to determine their methods to address those risks

UN SDG 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 9.3 **Economic development:** Investing in property development and transformational infrastructure projects that support the development and empowerment of small and microenterprises and contributing towards equitable access to economic resources in underresourced areas. This will be measured as economic development investment as a percentage of total annual investment	Measuring the targets under the economic development criteria in the BBBEE Property Sector Code, as revised from time to time	Targets from the BBBEE codes/ Property Sector Charter	1 1.85/2 2 5/5
UN SDG 9.4 **Innovation of better products and services:** Increasing spend on research and development to create or upgrade products or infrastructure or introduce services that are fit for purpose in a changing operating environment	Expenditure on research and development as a proportion of turnover during the reporting period	N/A	Achieved – growth in digitisation spend was 12.5% between 2020 and 2022

UN SDG 10 REDUCED INEQUALITIES

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 10.1 **Living wage:** Paying at least a living wage to all employees that (as far as possible) protects the purchasing power of employees after inflation	Calculation of a living wage that would be appropriate in the cities in which most of Redefine's employees are located, based on the cost of living and other relevant factors (e.g. national minimum wage levels) and measuring the percentage of employees who earn above this level. This exercise can be done in consultation with the Living Wage Foundation	**Note:** This programme was initiated in FY2022	Achieved – in August 2022, the REM approved an internal living wage of R106 080 per year for all employees, which was put forward by management after research was conducted into what would constitute an appropriate living wage
UN SDG 10.3 **Quality of anti-discrimination policy:** Considering the quality of the diversity and inclusion policy and demonstrating the effectiveness of this policy and associated processes	1 Review the effectiveness of the formal diversity and inclusion policy and the implementation thereof, taking into account findings (if any) from the internal audit function 2 Maintain a record of all legitimate issues raised through the grievance policy or whistle-blower hotline that impact on the company's diversity and inclusion policy	**Note:** This programme was initiated in FY2022	1 A diversity and inclusion policy is in place. According to the 2022 employee engagement survey, 87.35% (2021: 88.13%) of employees agreed with the company's overall approach to diversity management. The internal audit function did not audit the diversity and inclusion policy in 2022 2 The human resources department maintains records of all legitimate issues raised through the grievance policy and whistle-blower hotline that relate to the company's diversity and inclusion programme

Short term ESG metrics continued

UN SDG 10 REDUCED INEQUALITIES

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 10.4 Progressively achieving greater equality: Working with NGOs to help vulnerable people develop their entrepreneurial capabilities	Provide financial and/or logistical support to at least one registered NGO that helps a clearly defined vulnerable or marginalised group of people to provide them with entrepreneurial skills	**Note:** This programme was initiated in FY2022	Achieved – the Unstuck Soweto Programme benefited 18 businesses with 20 participating entrepreneurs at Maponya Mall. It included training, assignments with coaching, one-on-one mentoring sessions, business pitch days, and coaching workshops
UN SDG 10.5 Anti-fraud and anti-corruption activities policy: Adhering to the anti-fraud and anti-corruption activities policy within the company	1 Percentage of employees that have completed anti-fraud and anti-corruption activities awareness training 2 The internal audit results for the company's adherence to the anti-fraud and anti-corruption activities policy	N/A	1 Partially achieved – while there was no anti-fraud and corrupt activities training, 64% of employees attended ethics survey feedback, 52% attended whistle-blower awareness training, and 52% acknowledged the code of business conduct 2 An internal audit review was conducted in April 2022, and a minor finding was that the fraud policy was not up to date – the updated policy will be tabled for approval by the end of the year
UN SDG 10.7 Protection of vulnerable non-South African workers in the supply chain: Taking steps to ensure that the basic rights of vulnerable non-South African workers in the supply chain are protected by their employers	As part of the supplier sustainability audit, measure 1 Percentage of suppliers for whom the proportion of their workforce comprising vulnerable migrant workers exceeds 10% 2 Percentage of those suppliers who are requested to provide confirmation that the human rights of those employees are observed and protected	**Note:** This programme was initiated in FY2022	Partially achieved – although we conducted a supplier sustainability audit, this was only piloted for 15 suppliers, some of whom are cleaning and security contractors, and not for the entire supplier database. This element will be addressed once the supplier sustainability audit is rolled out more widely in the supplier database

UN SDG 11 SUSTAINABLE CITIES AND COMMUNITIES

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 11.1 Socioeconomic development: Initiating and contributing to socioeconomic development projects that benefit black groups, communities and individuals and that promote transformation and development	Measuring compliance with the targets under the socioeconomic development criteria in the BBBEE Property Sector Code as revised from time to time	Based on BBBEE scorecard	1/1

UN SDG 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 12.1 Waste management: Raising supplier awareness regarding sustainable consumption behaviour	Introduction of a supplier sustainability awareness programme that includes, *inter alia*, guidance on recycling and responsible waste management	**Note:** This programme was meant to be initiated in FY2022	The supplier awareness campaign will only begin in FY2023
UN SDG 12.3 Waste management: Raising tenant awareness and promoting consumer education to improve their willingness to engage in sustainable consumption	Integration of guidance on recycling and responsible waste management in tenant sustainability awareness campaign	**Note:** This programme was initiated in FY2022	Achieved – see under **UN SDG 3.9**

Short term ESG metrics continued

UN SDG 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 16.1 **Standards for conduct for employees:** Ensuring that our employees know how to respond effectively to and de-escalate conflict situations in a way that respects human and cultural rights	Total percentage of employees who have received training on human rights and conflict management	Threshold: 70% Target: 80% Stretch: 100%	Achieved – 95.4% of employees attended diversity and inclusion training, which contributes towards human rights. 12.2% of employees attended conflict management training
UN SDG 16.3 **Ethical behaviour:** Promoting internal facilities for employees to obtain ethical advice and maintain organisational integrity	Effectiveness of ethical behavioural interventions, gauged through the results of the annual ethics risk survey	N/A	Achieved – ethical cultural maturity score: 88th percentile (2021: 88th percentile) and ethics behaviour risk score: 93rd percentile (2021: 91st percentile)
UN SDG 16.5 **Anti-corruption:** Increasing awareness around anti-bribery and corruption principles throughout the value chain	Total percentage of business partners that the organisation's anti-corruption policies and procedures have been communicated to, by type of business partner Business partners in this context include tenants and direct suppliers. Methods of communication will be defined and can include tenant or supplier surveys and the use of the tenant and supplier portals. **Note:** This programme was meant to initiated in FY2022	N/A	Not achieved – the fraud and corrupt activities policy is available on the public website; however, more must be done to communicate the policy to our tenants and suppliers, respectively

UN SDG 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

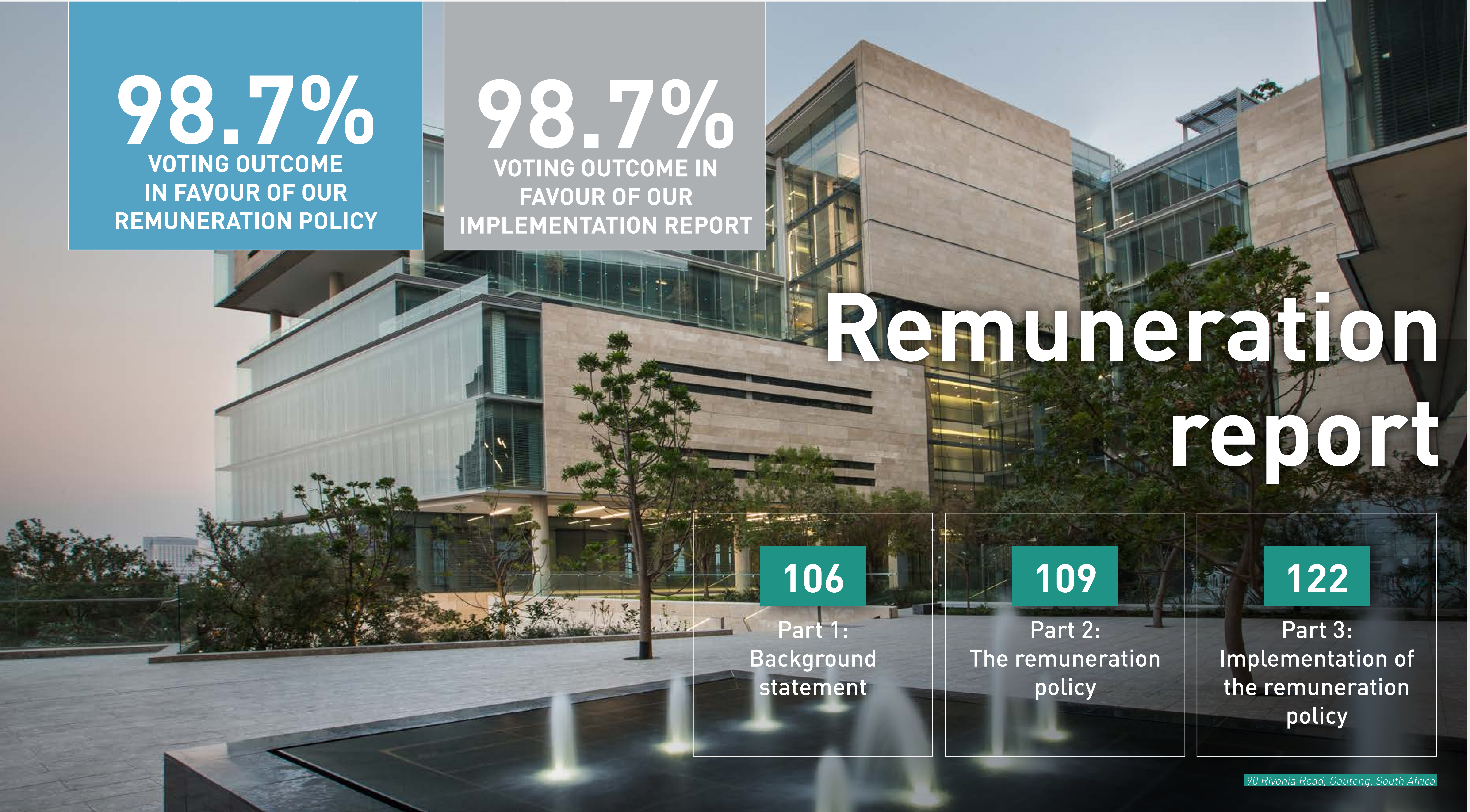
KPA	KPI (measurement method)	2022 target	2022 achievement
UN SDG 16.6 **Effective, accountable and transparent governance structures:** Ensuring the company's internal governance structures (below board level) reflect good governance practices	Results of an internal governance risk review (externally facilitated)	N/A	Achieved – as a result of the October 2021 internal governance review, a corporate governance framework was developed for the organisation that is aligned with ISO 37000. The composition of the executive committee was also reviewed and updated to drive the achievement of the strategy
UN SDG 16.7 See description under UN SDG 8.3	**Management control** Achieve black and black female representation targets for 1 Board 2 Executive directors 3 Executive management As defined under the management criteria in the BBBEE Property Sector Code as revised from time to time. In the case of the board, the targets are as defined in the board diversity policy, as amended from time to time	Targets from the BBBEE codes/ Property Sector Charter	1 2/2, 1/1 2 1.5/2, 0/1 3 1.43/2, 0.95/1
UN SDG 16.10 and 16.4 **Promoting human rights in the supply chain:** Promoting the respect of human rights and fundamental freedoms (e.g. the right to freedom of association and collective bargaining) within the company and among suppliers	Introducing a human rights due diligence process for suppliers. The selection of suppliers that will be subjected to this due diligence process, as well as the methodology used for these due diligences, and appropriate remedial action, was developed in FY2022	N/A	Achieved – a supplier sustainability audit process was introduced during FY2022 for 15 qualifying suppliers, which included questions regarding the observance of human rights, such as freedom of expression, association and collective bargaining, as well as policies against discrimination, harassment and abuse

Short term ESG metrics continued

UN SDG 17 PARTNERSHIPS FOR THE GOALS

KPA	KPI (measurement method)	Target	2022 achievement
UN SDG 17.1 **Tax compliance:** Raising employee awareness on how to remain tax compliant (particularly considering more stringent tax administration requirements) for them to pay their fair share of taxes in a timely and responsible manner	Methods used to assist employees in remaining tax compliant, e.g. awareness campaigns and/or preferential rates negotiated with tax compliance practitioners in favour of Redefine employees	**Note:** This programme was meant to be initiated in FY2022	Not achieved – we annually communicate the beginning of the tax season and where employees can access their IRP5 forms; however, more awareness is needed regarding tax compliance
UN SDG 17.3 **Mobilising private capital towards supporting sustainable development:** Supporting employees who require access to financial advice	Increase in percentage of employees who use AskNelson for financial planning advice	N/A	Achieved – **2021:** Two employees (topics: debt management, budget streamlining, budget building) **2022:** Six employees (topics: debt counselling, debt management, budget building, budget streamlining, motor and household insurance advice, guidance on savings and vehicle finance)
UN SDG 17.17 **Promoting effective public-private and civil society partnerships aimed at promoting sustainability:** Supporting multistakeholder partnerships through the UNGC to share knowledge and perspectives with other companies on science, technology and development	Active participation in UNGC-sponsored initiatives, including 1 The Young UN SDG Innovator Programme 2 Climate Ambition Accelerator 3 Target Gender Equality accelerator programme	N/A	Achieved – we had participants in four UNGC initiatives, i.e. 1 Young UN SDG Innovator Programme (Zukiswa Nkolisa, Pearl Sekgobela, Donna Chiang and Lebogang Masipa) 2 Climate Ambition Accelerator (Victor Mathey and Mbali Madi) 3 Target Gender Equality (Pearl Sekgobela and Mariam Khan) 4 UN SDG Ambition Accelerator (Shameen Jamaludeen and Itumeleng Maile)
UN SDG 17.19 **Public disclosure of corporate sustainability information:** Increasing the accountability, transparency and data quality of our corporate sustainability information	Percentage of quantitative information disclosed through corporate sustainability reporting that is subject to external verification	**Note:** This programme was meant to be initiated in FY2022	To be assessed after the publication of the 2022 ESG report (based on subcomponent of Sustainalytics score on the verification of ESG reporting)

Brackengate 2, Western Cape, South Africa



98.7%
VOTING OUTCOME IN FAVOUR OF OUR REMUNERATION POLICY

98.7%
VOTING OUTCOME IN FAVOUR OF OUR IMPLEMENTATION REPORT

Remuneration report

90 Rivonia Road, Gauteng, South Africa

Part 1: Background statement

Introduction from the chairperson of the REM to shareholders

On behalf of the remuneration committee (REM), I am pleased to present Redefine's remuneration report for FY2022, my first as REM chairperson. The year under review continued on the same challenging and unpredictable path that we have come to know in recent years. As a people-centric business, we are deeply aware of how challenging the year has been for all our stakeholders, with issues that include rising interest rates and inflation and a global energy crisis. Despite the complexity and uncertainty in our operating context, our people remained relentless in pursuit of our strategic objectives. With purpose and people in mind, our board continued to set the strategic direction for the company, and our executive directors remained unyielding in their management of the day-to-day operations of Redefine, ensuring its sustainability.

Creating sustainable value for all stakeholders

Overall, we have made meaningful progress in pursuing sustainable value creation, albeit in a tough operating context. Refer to **page 21** of our IR for more information on our operating context.

In FY2022, Redefine continued to execute a clear and focused strategy that included the acquisition and restructure of EPP, Poland's largest retail landlord, and various other initiatives to deliver on our five strategic objectives. Redefine's R88.9 billion asset platform has been simplified, with South Africa now accounting for 66.3% and Poland for 33.7%. This has strengthened the quality of income that supports Redefine's core investment proposition. Redefine has a sizeable, high quality and well-located portfolio that has proven to be an important factor in navigating weak property fundamentals, particularly in the office sector.

Focusing on fair and responsible remuneration

Despite the challenges facing the property sector and the geographies in which we operate, we believe that appropriately designed, fair and market-related remuneration will drive and retain high-calibre employees. Redefine's remuneration framework is designed to support the company's goal of attracting and retaining top talent that enables us to create sustained value for all our stakeholders. In FY2022, the REM approved Redefine's fair and responsible remuneration policy, executing its oversight and duties in line with its terms of reference and the principles of good corporate governance, specifically Principle 14 of King IV™. In addition, Redefine introduced a minimum wage to meet the minimum needs of employees, lift them out of poverty, and allow them to live a dignified life.

Redefine remains committed to integrating diversity and inclusion into our people practices and culture and providing all employees with an exceptional EVP, professional development, and opportunities for career advancement.

These efforts have been well received by employees, as indicated by our certification as a top employer for the seventh consecutive year by the Top Employers Institute and an employee engagement survey score of 87%.

Our approach to people is premised on the belief that businesses do not create value – people do. Our business is purpose led and people powered, and our flexible working arrangements are designed to support both people and the business to create value for all stakeholders. Our integrated hybrid approach is integral to our EVP and talent retention strategy.

Aligning executive remuneration to create sustained value in the long term

Redefine's executive remuneration KPIs are focused on creating sustained value for all stakeholders. In FY2022, we commenced work to align EPP's executive remuneration structure with Redefine's remuneration policy and executive pay structure to ensure fair and responsible outcomes for all stakeholders.

Executive remuneration KPIs differentiate between short- and long-term objectives to create sustained value. Redefine's short- to medium-term strategy, outlined through five strategic priorities, supports our long-term strategic pathways that will enable us to achieve our moonshot, which is in this decade to deliver the smartest and most sustainable spaces the world has ever known.

Increasing funding for sustainable investment opportunities

As we consider the long-term sustainability of Redefine, we recognise the ever-present and intensifying impacts of climate change. With this in mind, we are excited to have raised R1.5 billion to finance our highly rated green buildings through our maiden green bond auction in September 2022. By placing ESG at our core, Redefine can take advantage of opportunities in the global green bond market that support our long-term target of achieving net zero carbon status by 2050.

Shareholder engagement and voting outcomes

Redefine is committed to ongoing and transparent engagements that strengthen governance and enable us to create sustained value for all our stakeholders. Voting results for the previous three years are summarised below:

	REMUNERATION POLICY		IMPLEMENTATION REPORT	
	For %	Against %	For %	Against %
2021	98.7	1.3	98.7	1.3
2020	96.2	3.8	96.9	3.1
2019	92.3	7.7	70.7	29.3

We met with our key institutional shareholders ahead of the 2022 AGM (in one-on-one meetings with each of their representatives) to discuss the key changes to our remuneration policy and its implementation as presented in the FY2021 report. These meetings were held between 31 January and 2 February 2022. The main issues raised by shareholders and our response are summarised below.

SHAREHOLDER COMMENTS OR CONCERNS	REM RESPONSES
The use of the R186 government bond to measure absolute total return (aTR)	Market practice is to align the bond with the vesting period for the instrument – performance awards for executive directors have a three-year vesting period and a two-year post-vesting holding period. Redefine will use the average five-year bond yield (risk-free rate) and will reference both South Africa and Poland, weighted for the exposure at each vesting or measurement period of the long-term incentive plan (LTIP) instrument.
The use of Sustainalytics rather than Redefine's own ESG targets	During FY2021, Redefine considered it appropriate to include Sustainalytics in the ESG component of the LTIP metric, as it provided an objective view of its long-term ESG risk exposure and management thereof. During FY2022, as part of its ESG journey, Redefine introduced long-term decarbonisation targets for the South African portfolio, which align with science-based target methodology and are reflected in the ESG component of the LTIP from FY2022 onwards, replacing the Sustainalytics measure. The Sustainalytics measurement will continue to apply to in-flight LTIP awards.
The approach taken to set the LTV ratio target and the aim in terms of the glidepath	Redefine continued with its deliberate degearing strategy and achieved an LTV ratio of c.40.2%, which is in line with its long-term LTV ratio target of below 40%.
EPP's inclusion in the aTR measurement after the acquisition	The risk-free rate will be weighted to reference both South Africa's and Poland's average five-year bond yields, weighted for the exposure at each vesting or measurement period of the LTIP instruments.
Standardisation of commonly used metrics across the REIT sector, including LTV ratio and NAV per share	SA REIT best practice recommendation definitions were adopted in the calculation of the LTIP and STI performance measures to allow for a more efficient calculation and comparability against the peer group, specifically in relation to the relative total return KPA measure on the LTIP and the LTV ratio risk measure on the STI.
We are grateful to our shareholders for their valuable input and positive feedback received on the remuneration policy. We remain committed to proactively consulting our shareholders regarding the remuneration policy.	

Part 1: Background statement continued

Remuneration policy

Our remuneration policy is designed to encourage the achievement of our strategy, which is our road map towards achieving sustainable value for all our stakeholders. The company remains a recognised leader in integrated reporting, and the disclosure of remuneration in this report is designed to be fully transparent and easily understandable. Refer to pages 115 to 119 of this report for details regarding changes made to forward-looking STI and LTIP performance conditions.

Our performance and remuneration outcomes

- The aftermath of the COVID-19 pandemic continues to impact on our financial performance and therefore impacted on the remuneration outcomes as follows:
  - Total return of 10.8%
  - Growth in DIPS at 1.4%
  - MSRs were met by the majority of executive directors
  - Increases to salaries for FY2022 were made across all employee levels, including executive directors, as part of our approach to fair and responsible remuneration
  - An STI bonus was paid to employees in respect of FY2022
- FY2019 LTIP performance vesting outcomes for executive directors ranged between 35.2% and 35.8%
- No *malus* and clawback trigger events arose at executive level in FY2022

Goldfields Mall, Free State, South Africa

Activities of the REM

The REM's activities for FY2022 were geared towards monitoring the achievement of Redefine's strategic objectives. Refer to page 46 of our IR for further details on our strategic response.

REMUNERATION ELEMENT	KEY ACTIVITIES
TGP, including benefits	▪ Approved executive director increases ▪ Approved the increase mandate and monitored the aggregate increases for employees and management
Fair and responsible pay	▪ Approved a fair and responsible pay policy and implementation plan ▪ Implemented the monitoring of fair and responsible pay through analyses and reporting to support principles of good corporate governance, specifically King IV™ Principle 14, recommended practice 34(e) ▪ Introduced a minimum TGP that constitutes a Redefine-specific living wage to meet employees' minimum needs
STI	▪ Approved the STI performance conditions and targets for FY2023 ▪ Reviewed the STI performance outcomes for FY2022 and approved the executive director bonus outcomes and aggregate outcomes for employees and management
LTIP	▪ Reviewed and approved proposed awards to executive directors and employees under the LTIP ▪ Approved the performance conditions for the FY2023 LTIP awards
Governance	▪ Reviewed the implementation of the remuneration policy and strategy ▪ Engaged with shareholders regarding the remuneration policy and the implementation thereof ▪ Considered and approved the annual work plan ▪ Reviewed and approved: ▫ The terms of reference ▫ The 2022 remuneration report ▫ The revised *malus* and clawback policy ▪ Reviewed the application of the *malus* and clawback policy and determined that no *malus* and clawback trigger events arose in FY2022 ▪ Monitored the achievement and continued maintenance of the minimum shareholder requirements to support the direct alignment of executive directors with shareholders ▪ Obtained independent confirmation on the accuracy of the vesting calculations ▪ Commenced the work to align EPP's remuneration structure
Vesting conditions for the matching share scheme (MSS) and restricted share scheme (RSS)	▪ Reviewed the vesting conditions for the in-flight RSS and MSS for executive directors
Non-executive directors	▪ Reviewed and recommended FY2023 non-executive fee increases for approval at the February 2023 AGM
Benchmarking of executive pay and non-executive director fees	▪ During FY2022, the REM engaged with PwC to perform executive director total reward and non-executive director fee benchmarking. Details regarding this process are set out on pages 113 to 114 of this report

Part 1: Background statement continued

Proposed restructure of the Share Purchase Scheme

Since FY2019, we have made significant progress in simplifying our remuneration structure to align with best practice. In implementing this restructure, we have had to balance the interests of our employees with our broader stakeholder interests. This included the discontinuation of the MSS and legacy share incentive plans, including the following key changes:

- All awards are now fully linked to performance and the retention element has been removed
- The STI deferral percentages were adjusted in accordance with accepted market benchmarks
- A two-year, post-vesting holding lock was introduced for executive directors, during which time the shares are owned by participants and are no longer subject to forfeiture, but cannot be disposed of
- The LTIP quantum vesting can be adjusted in the event of windfall gains
- The LTIP allocation tiered between the executives and is aligned to the agreed market benchmarks

In order to bolster our ability to attract, reward and retain key employees, our remuneration structure focuses on variable pay linked to performance with phased performance targets and compulsory deferral of STI awards for executives. We believe that this approach is fundamental to achieving consistent delivery of strategy and effectively aligns the generation of shareholder value with rewarding key employees beyond the short term.

The final phase of the discontinuation of the legacy share incentive schemes relates to the proposed unwinding of the Redefine Share Purchase Scheme (SPS) that was adopted in 2013. The majority of the awards made in terms of the SPS come to maturity in 2023. However, given the decline in Redefine's share price due to the difficulties experienced in the property sector, the SPS is under-water and we are proposing the unwinding of the SPS.

The details of the proposed unwinding of the SPS are provided in annexure 1 to the notice of AGM. Subject to shareholder approval, 6.8 million shares awarded to participants under the SPS will be disposed of on-market with the proceeds thereof being applied to accrued but unpaid interest and the balance applied to the partial settlement of the outstanding capital balances due in terms of the SPS.

Thereafter the net outstanding capital balance of approximately R51.4 million will be waived, releasing SPS participants from their obligation to settle the net outstanding capital balance due in terms of the SPS.

As the waiver of the R51.4 million will be deductible in terms of s10(1)(nE) of the Income Tax Act, No 58 of 1962 (as per the draft advanced tax ruling issued by SARS), the net financial impact of the proposed unwinding of the SPS is expected to be approximately R8.7 million (as at 31 August 2022), determined with reference to the expected proceeds to be received following the on-market disposal of the shares awarded under the SPS and the expected credit losses provision of R42.8 million. Participants under the SPS will incur a capital gain tax cost of approximately R1.3 million upon implementation of the proposed unwinding of the SPS, as the base cost of the SPS shares is reduced by the amount of debt waived.

The unwinding of the SPS is being proposed in a manner that we believe is fair and sensitive to maintaining shareholder value. A balanced outcome for both our shareholders and our key employees is in our view achieved through the unwinding of the SPS, as the participants have received no benefit under the SPS since its inception and the executives and key employees have previously forgone approximately R26.5 million in benefits under previously discontinued legacy schemes and will personally incur a capital gains tax cost of approximately R1.3 million in relation to the unwinding of the SPS.

We believe that we now have a future-fit remuneration structure, which promotes shareholder value creation through market cycles, while driving performance and enabling us to attract, reward and retain key employees, thereby contributing positively to enhancing the long-term competitive edge of our business.

Future focus areas

During FY2023 the REM will focus on:

- Continuing to engage with our institutional investors ahead of the AGM to promote alignment with stakeholder requirements
- Proactively monitoring remuneration trends and the company's ability to attract and retain talent
- Ongoing review of the total reward framework and any additional enhancements required post-AGM
- Continuous professional development of the REM, including monitoring the proposed amendments contained in the 2021 Companies Amendment Bill, which will affect remuneration disclosure and voting going forward
- Ongoing monitoring and oversight to ensure fair and responsible remuneration practices

Advisors

During the year under review, we received guidance and market practice insights regarding our remuneration policy and practices from independent advisors, including PwC, REMchannel® and 21st Century Pay Solutions. The REM considered the advice, opinions and services received and was satisfied that these were independent and objective.

Appreciation

I wish to thank the REM for its contribution during the year under review. During FY2022, two committee members resigned. I would like to thank Bridgitte Mathews and Daisy Naidoo for their invaluable contributions to the committee. I would also like to welcome Lesego Sennelo and Cora Fernandez to the committee. As the newly appointed REM chairperson, I am grateful to be working with such a dedicated and knowledgeable team and look forward to our engagements in FY2023.

In conclusion

In FY2022, the REM rigorously debated each decision and at all times acted in the best interests of all stakeholders. The REM is satisfied that the remuneration policy achieved its stated objectives for FY2022.

We welcome any comments that you may have on our report or any concerns regarding the remuneration policy or the implementation thereof. We strive to continuously align our remuneration practices with current market trends and look forward to engaging with you and receiving your support on the resolutions for both the remuneration policy and implementation report at the AGM on 23 February 2023.

Yours sincerely

N Langa-Royds
Chairperson of Redefine's remuneration committee

Ntombi Langa-Royds
Chairperson of Redefine's remuneration committee

R106 080
Redefine-specific minimum TGP

REM index

Part 2: The remuneration policy

This section of the report provides an overview of Redefine's philosophy and remuneration principles in respect of all employees and the detailed principles applicable to the executive directors, prescribed officers, and non-executive directors.

Remuneration governance

The REM is appointed by the board with delegated powers and operates independently from executive management. It provides oversight and makes decisions regarding remuneration-related matters within its mandate. Where relevant and required, the REM will make recommendations to the board for its consideration and final approval. The REM's terms of reference provide the scope of responsibility, as delegated by the board, to review and make decisions on the remuneration policy and its implementation. The terms of reference are approved by the board. The roles and duties of the REM are set out in the terms of reference available on our website. The REM has four scheduled meetings a year, which are scheduled in line with the company's financial reporting cycle. The REM schedules additional *ad hoc* meetings as needed.

The composition of the REM and the attendance of meetings by its members during FY2022 are set out on page 80 in the governance section.

The REM members do not decide on their own remuneration; instead, they request that executive management propose directors' fees and the fee structure (through independent advice and benchmarking). These fees are then tabled before the board and recommended to shareholders for approval by special resolution.

The REM chairperson reports to the board following each REM meeting and attends the AGM to respond to questions from shareholders on the REM's areas of responsibility. The activities of the REM in FY2022 are set out page 88 of this report.

The REM is satisfied that it has carried out its responsibilities for FY2022 in accordance with its mandate.

Remuneration philosophy

Remuneration is integrated into other management processes that align with achieving the company's strategic objectives. The strategic principles included in the remuneration policy align with the broader human resources strategy, which supports the overall business strategy.

To reinforce a culture of enterprise and innovation, the targeted remuneration mix offered to key talent is deliberately weighted more heavily towards variable pay (STIs and LTIPs) that is linked to the achievement of predetermined performance conditions. The performance conditions are selected and align with the company's strategic objectives, and the targets are set at levels that encourage high performance but avoid excessive risk-taking behaviour by executive directors. Financial rewards are complemented with non-financial rewards, such as career development and training opportunities.

The desired outcomes of the company's remuneration policy include

- Attracting, motivating, rewarding and retaining talent
- Promoting the achievement of strategic objectives within the organisation's risk appetite
- Promoting positive outcomes across the six capitals that the company uses or affects
- Promoting an ethical culture and responsible corporate citizenship
- Enhanced internal fairness through consistent remuneration decision-making
- Appropriate and responsible remuneration decisions
- Enhanced employer of choice profile

Kwena Square, Gauteng, South Africa

Part 2: The remuneration policy continued

Fair and responsible pay

Internal equity

Our people are our most strategic asset – a key resource and strategic differentiator. Their knowledge, skills, attitude and innovation enable us to realise our vision of being the best South African REIT. Redefine implemented a fair and responsible pay policy. The purpose of the policy is to set out the company's approach regarding fair and responsible pay and the management thereof to support and uphold fair, consistent and responsible remuneration outcomes that align with the strategic direction and specific value drivers of the business. Fair remuneration does not mean everyone at Redefine is paid the same amount – it means paying employees an appropriate amount when they perform work of equal value, while accounting for factors such as performance, experience, tenure and job requirements (including risk, complexity, level of responsibility of decision-making, and consequence to and impact on the organisation) and includes remuneration that is impartial and free from discrimination, self-interest, prejudice or favouritism. Redefine's responsible pay philosophy is to achieve balanced remuneration outcomes that are fair and responsible to all stakeholders with a clear pay-for-performance link to outcomes and stakeholder value creation over the long term. Fairness and responsibility are both ethical values and in the context of Redefine's remuneration are more than just paying above the national minimum wage. The company will continuously apply its commitment to fair and responsible remuneration through honest conversations with employees, setting performance objectives, accurate reporting, and other actions to internal and external stakeholders. Redefine's values underpin its day-to-day decisions and inform remuneration decisions. Redefine approaches vertical and horizontal pay gap issues from a sustainability, fairness and inclusiveness perspective.

Pay gap analysis

In terms of fair and responsible remuneration policy, we use several statistical analyses to measure and then manage our internal pay parity levels. Based on the salary increase mandates for FY2023, the CEO earns 10.3 (2022: 10.6) times the TGP of the average employee. The average TGP includes base salary and benefits and includes all permanent employees other than the CEO (including executive management). We aim to focus on the EVP, including granting market-related salary increases for more junior employees in order to gradually increase their average TGP. Other measures that contribute towards long-term wealth creation for our employees (including both short- and long-term incentive plans) are described throughout this report. We are confident that our remuneration policy and implementation framework will enable us to meaningfully manage our internal pay gap.

Gender pay gap analysis

Our diversity policy reaffirms our commitment to promoting an inclusive culture – for more information regarding our efforts to promote diversity on a holistic basis, refer to our diversity policy available on our website as well as page 78 of this report. An important component of this commitment includes (but is not limited to) the promotion of gender diversity throughout our practices and company culture, which includes equity in pay between men and women doing work that is of equal value. When determining our internal gender pay gap, the median on-target total reward (TR) – which is determined as the sum of the TGP, on-target STI and on-target LTIP – of female employees was calculated as a percentage of the median on-target TR of male employees. The analysis of the gender pay gap between the median female and male TR shows that based on an overall comparison, males are paid 11% more than females on average. This gap is influenced by the fact that at an executive management level (which includes the highest paid employees in the organisation) there was no female representation. Our efforts to improve representation at senior management levels are described on page 78 of this report. We also use external consultants to measure our internal gender pay gap on an annual basis and provide us with guidance on how to identify unjustifiable differentials in TR between male and female employees doing work of equal value, and we take steps to progressively address these differentials when making salary increases.

Minimum wage

Based on extensive research and Redefine's commitment to making a positive impact on all its stakeholders, the REM approved the implementation of a Redefine-specific living wage and is committed to paying a salary that meets employees' minimum needs, lifts them out of poverty, and allows them to live a dignified life. The adoption of a minimum TGP of double the rate of the national minimum wage for contract cleaning workers was approved. The minimum TGP will be reviewed and amended as and when changes are announced by the minister of employment and labour.

Redefine's minimum TGP for FY2023 is R106 080 per year (living wage). To further mitigate the great impact the rising cost of living has had on employees earning at the minimum range of the pay scale, these employees receive either a fixed increase of R9 000 per annum or a 6.5% increase, whichever is the greatest.

An annual increase in TGP for all other employees below executive level was approved at 5.0% to 6.5%, with the annual aggregate capped at 6.5%, subject to performance, pay scale, market benchmarks, and talent retention considerations.

Redefine is committed to fair and responsible remuneration and takes proactive steps to prioritise this principle across the company. Redefine conducts a rigorous examination of internal pay at various levels, including remuneration differentials based on gender and race.

Steps include

- Calculating the company's Gini coefficient and Palma ratios to assess the income distribution and pay inequality in the company
- Conducting assessments of equal pay for work of equal value
- Taking progressive steps to address any unjustifiable differences identified
- Regularly performing benchmarking or salary survey exercises to compare remuneration levels against the market
- Tracking year-on-year progress from an overall internal equity perspective

Redefine also takes active steps to improve the working conditions for employees at all levels, which are set out on this page.

Part 2: The remuneration policy continued

LTIP

All employees are eligible to participate in the LTIP, which is used as a means of retaining talent, uplifting individuals, and narrowing the pay gap. The scheme is multifaceted and intended to reward outperformance and incentivise employees to contribute to the growth of the company.

Career development

We believe that fair and responsible remuneration is based on the premise of a living wage. Included in this is the principle of improving the lives of employees within our organisation not only through pay but also through wider initiatives. In line with this principle is our commitment to career development and the professional advancement of our employees. We encourage their development through career mapping and initiatives that form part of our overall EVP. These are expanded on in the social section of this report (page 51) and the human capital section of our IR (page 85).

Financial education

The company provides financial wellness training to employees to assist them in avoiding over-indebtedness. Systems are in place to monitor the enforcement of garnishee orders or emoluments attachment orders that reduce the net salaries of employees.

Fair and responsible remuneration remains a key focus area for the REM for FY2023, and we will continue to conduct detailed fair pay analyses annually to identify and rectify any unjustifiable disparities.

Elements of remuneration and its alignment to our strategy and performance

Redefine provides both fixed and variable elements of remuneration to all employees as part of its organisation-wide remuneration structure.

An overview of the various elements of remuneration is provided in the table below.

	ELEMENT	DESCRIPTION	ELIGIBILITY	TIME PERIOD
FIXED PAY	TGP	Basic salary + employer retirement fund contribution + company risk cover (death, disability and severe illness) + employer medical aid contribution (optional) + travel allowance	**All employees**	Monthly
PAY	STI	A cash bonus to incentivise employees to achieve Redefine's short- and medium-term goals	**All employees**	Annually
PAY	LTIP	**The LTIP comprises three instruments** • Deferred bonus awards (compulsory STI deferral into shares)	**Executive directors**	Deferred bonus awards have a vesting period of three years, with vesting occurring in tranches in year one, two and three
		• Performance awards	**Employees from Paterson D Upper level and executive directors**	Performance awards have a three-year vesting period that must be in line with the company's financial year. The performance awards of executive directors will also be subject to a post-vesting holding period of two years
		• Cash awards	**Employees on Paterson A to D Lower levels**	Cash awards also have a three-year vesting period that must align with the company's financial year
WEALTH AT RISK	MSR	An MSR that intends to encourage executive directors to build or increase their shareholding in Redefine through the incentive plans and to become personally invested in the company. This increases executive ownership and skin in the game and encourages alignment between management and shareholders	**Executive directors**	Executive directors are required to hold shares equal in value to at least 200% of their TGP, which must be accumulated over five years from the later of the introduction of the MSR policy (i.e. from 1 September 2015) or the appointment of the executive director

Linking variable pay to our strategy

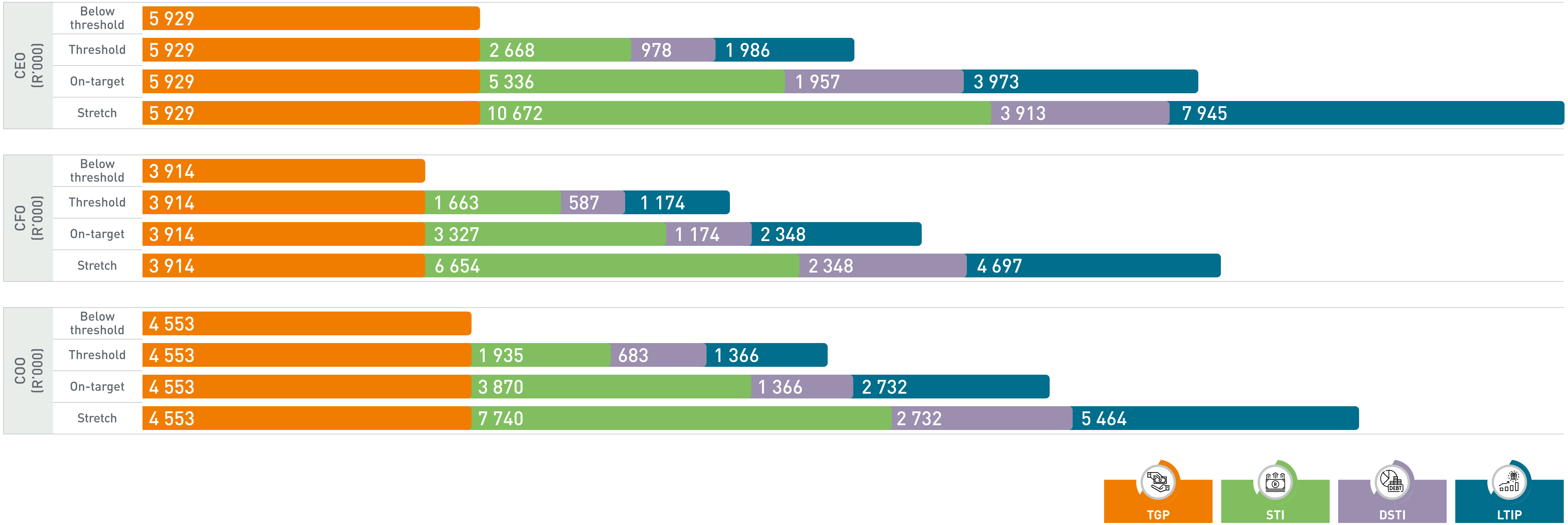
Our strategy is executed through our five strategic priorities by adopting an integrated approach. Our remuneration structures are designed to assist us in measuring our performance against our strategic objectives using relevant KPIs. These individual KPIs have additional elements of company financial performance, which directly influence Redefine's cash flow, profitability, and behavioural competencies, such as leadership, values, transformation and sustainability. Refer to the alignment of remuneration to the strategy on page 53 of our IR.

Part 2: The remuneration policy continued

Package design for executive directors

Remuneration of the executive directors and prescribed officers is structured to take cognisance of the short- and long-term objectives of the company and is designed to support alignment with the company's overall business strategy and financial performance. The mix is aimed at ensuring an optimal balance of remuneration between guaranteed pay and both STIs and LTIPs. The REM monitors and reviews remuneration on an ongoing basis to ensure that the relative percentages of guaranteed and variable pay are market-related and align with the strategic objectives to create sustained value for all stakeholders.

The graphs set out potential remuneration outcomes for each executive at below threshold, threshold, at target and stretch levels of performance.



Part 2: The remuneration policy continued

Benchmarking

Employees below executive level

The company subscribes to an external reward management platform that provides us with extensive insight into remuneration and reward trends across industries as well as the benchmark information used at all employee levels below executive management (in order to remain competitive).

Executive directors

External benchmarking for executive directors is undertaken on an annual basis. A comparator group comprising JSE-listed companies is used for benchmarking purposes. The comparator group is reviewed every three years to ensure that its composition remains relevant to Redefine. The total reward comparator group was reviewed and approved in FY2021. As a result of the EPP transaction, the REM, with the assistance of its advisor, performed an assessment of the appropriateness of the comparator group and concluded that the use of the existing comparator group remains appropriate.

The total reward comparator group comprises the companies listed below.

BENCHMARK COMPARATOR GROUP (FOR TOTAL REWARD)

Alexander Forbes Group Holdings	Growthpoint Properties	Resilient REIT
Capital & Counties Properties*	Hyprop Investments	Sirius Real Estate*
Coronation Fund Managers	NEPI Rockcastle*	Transaction Capital
Equites Property Fund	PSG Group	Vukile Property Fund
Fortress REIT	PSG Konsult	
Globe Trade Centre*	Rand Merchant Investment Holdings	

**Foreign-based companies. The REM considered the inclusion of foreign-based companies appropriate, as 32% of Redefine's property portfolio is based in foreign territories, which is subject to an appropriate cost of living adjustment. Furthermore, the foreign portfolio component contributes 32% of the total distributable income of the company, highlighting the material nature of Redefine's foreign operations and investments. The number of foreign companies is limited to four companies, representing 22% of the comparator group*

Fixed pay

TGP

Objective

TGP is a core element of remuneration, which reflects the market value of the role, with increases linked to company and individual performance

Components of fixed remuneration

TGP is structured to include a basic salary and benefits that include:

- Employer retirement fund contribution
- Group risk cover (death, disability and severe illness)
- Employer medical aid contribution (optional)
- Travel allowance (if applicable)

Annual reviews

- Reviewed annually in August (aligned with the company's financial year) for the purpose of determining increases. The review is informed by:
  - The consumer price index
  - Internal equity and the principle of fair and responsible remuneration
  - External market surveys (employees below executive level)
  - External benchmarking (for executive directors)
  - Predetermined performance criteria
  - Affordability
- Average employee increases are taken into account when determining executive salary increases

Annual increases

Increases are effective on 1 September each year

Positioning

TGP is typically positioned at the median. To ensure that the company is able to attract and retain scarce and critical skills as well as top talent in a competitive job market, the company's aims to remunerate these positions at TGP levels between the 50th and 75th percentiles

Policy changes for FY2023

Introduction of our company-specific minimum TGP (living wage) of R106 080

Centurion Lifestyle Centre, Gauteng, South Africa

Part 2: The remuneration policy continued

Variable pay

STI

Policy changes

- No material changes

Overview

Redefine aims to encourage and reward a high-performance culture through the use of a cash bonus linked to performance against contracted deliverables as part of the remuneration structure for all employees. The STI takes the form of a bottom-up additive plan, which is fully linked to performance and targets that align with Redefine's short-term performance objectives.

In respect of financial and non-financial metrics that make up the performance score, linear vesting applies between vesting levels, and performance is measured over a 12-month period. Company performance conditions are cascaded into each participant's individual scorecard, and the participant's performance is assessed against their scorecard as part of the company's performance management process.

Operation

Each participating employee's bonus is determined by way of the following formula

#financial + non-financial

BONUS = (TGP × on-target percentage) × (company performance score# + personal performance score)

On-target percentage and capping

Grades	On-target percentage of TGP	Maximum percentage of TGP (capping)*
CEO	90%	180%
CFO	85%	170%
COO	85%	170%

* The STI is inherently capped in terms of the formula

Performance condition weightings

	Personal performance weighting percentage	Company performance weighting percentage	
		Financial	Non-financial
CEO, CFO and COO	20%	60%	20%

Payment

Bonuses are payable in cash in December each year in respect of the previous financial year.

Termination of employment

If an employee's employment with the company ends before the payment date, the STI will be treated as follows

- Fault termination (resignation, dismissal, voluntary retirement and mutual separation): The employee's bonus will be forfeited on the date of termination of employment unless the REM and/or executive committee (as appropriate) decides otherwise in their sole discretion
- No-fault termination (death, redundancy, retirement, disability, employer company ceasing to be a member of the group): Employee may qualify for a *pro rata* bonus, based on the number of months served in the relevant financial year

Safeguard

Where the personal performance rating is lower than the target, no bonus will be paid to executive directors, unless otherwise determined at the discretion of the REM.

Remuneration REM discretion

The REM has the discretion to override the payment of a bonus despite it being formulaically calculated in order to mitigate any unintended or unjustified outcomes (including affordability).

100%

THE PERCENTAGE OF VARIABLE PAY THAT IS LINKED TO PERFORMANCE

Part 2: The remuneration policy continued

FY2023 COMPANY PERFORMANCE CONDITIONS

STI performance conditions

Company financial (60%) + non-financial performance (20%) + individual performance (20%) = 100%

Weighting		KPI	Below threshold (0%)	Threshold (50%)	Target (100%)	Stretch (200%)
	Financial metrics					60%
20%	Absolute DIPS growth	Absolute DIPS growth relative to approved budget	< 94%	95% budget	Achieved budget	105% of budget
20%	Relative DIPS	Growth in DIPS measured against the relative performance benchmark comparator group FTSE/JSE SA REIT Index	Bottom quartile	Lower quartile	At the median	Upper and top quartile
20%	**Risk measures**	Stabilise LTV ratio	> 43%	42%	40%	38%
	Non-financial metrics					20%
4%	Transformation	Performance on BBBEE scorecard	Below 90 points	90 points	95 points	100 points
3%	Water efficiency	2.28% per annum water efficiency target (ML)	Less than 2.28%	2.28%	3.76%	7.52%
3%	Renewable energy	Increase in installed capacity (MWp)	Less than 5%	5%	6.66%	8.33%
3%	Reduction in emissions	5% per annum reduction of Scope 1 and 2 GHG emissions (tCO_2e)	Less than 5%	5%	7%	9%
7%	Organisational health matrix	Performance on metric, which includes risk, governance, internal controls, ICT systems, and audit findings	Lower than previous year's score	Maintained previous year's score	5% Improvement on score	8% improvement on score
	Individual performance conditions					20%
	Specific KPIs common to all executive directors linked to short-term value-creation indicators					**4% delivery on personal targets**
2%	ET	**Employee engagement score** Lower than previous year's score	Lower than SA benchmark	Equal to SA benchmark	10% better than SA benchmark	20% better than SA benchmark
2%	ET	**Top employer status** Not certified as a top employer	Maintained top employer status	Between 1% to 4% within benchmark group score	5% better than benchmark group score	Maintained top employer status and 10% improvement on score
	Each executive director has specific KPIs linked to short-term value-creation indicators					**16% delivery on personal targets**

Weighting		KPI	Below threshold (0%)	Threshold (50%)	Target (100%)	Stretch (200%)
	AJ KÖNIG					
4%	OC	Implement LTV ratio reduction plan	Reduction initiatives < 0%	Maintain	Reduction initiatives totalling 1%	Reduction initiatives totalling 2%
4%	IS	Stabilise distributable income from EPP	Below €35 million	€35 million	€40 million	€45 million
4%	OE	**UN SDG 9** (Industry, innovation and infrastructure) Net zero pathway: Number of buildings under Redefine's operational control that are built as or converted to either net zero operational carbon, water or waste, based on landlord emissions	No buildings certified	One building certified	Two buildings certified	Three buildings certified
2%	GR	**UN SDG 3** (Good health and wellbeing) and **UN SDG 11** (Sustainable cities and communities) Tenant health and safety: Certification of buildings through a WELL-related building standard, with a minimum of a WELL Bronze certification	No buildings certified	One building certified	Two buildings certified	Three buildings certified
2%	GR	**UN SDG 11** (Sustainable cities and communities) Community development: Number of properties that incorporate place-making facilities that contribute to local social and economic development, e.g. public spaces, learning hubs, co-working spaces	Fewer than two completed facilities	Two facilities	Three facilities	Four facilities

Linear interpolation applies between performance targets

REM index

Part 2: The remuneration policy continued

FY2023 COMPANY PERFORMANCE CONDITIONS continued — STI performance conditions

Company financial (60%) + non-financial performance (20%) + individual performance (20%) = 100%

Weighting		KPI	Below threshold (0%)	Threshold (50%)	Target (100%)	Stretch (200%)
NG NYAWO						
4%	OC	Broaden funding sources and lower cost of debt	No new funding sources introduced	Maintained healthy liquidity levels	Introduced one new funding source or mechanism	Introduced two new funding sources or mechanisms
4%	OC	Net cash inflow from operating activities (cash conversion percentage) on a like-for-like basis	Below 48.5%	48.5%	49.0%	49.5%
2%	OE	Harness technology (current digital ratio is at 5%)	No improvement to digital ratio	Improve digital ratio to 10%	Improve digital ratio to 15%	Improve digital ratio to more than 15%
2%	OE	**UN SDG 9** (Industry, innovation and infrastructure) Innovation for better products and services: Increase in expenditure on research and development as a proportion of turnover	No increase in expenditure	2% increase in expenditure	5% increase in expenditure	10% increase in expenditure
2%	GR	**UN SDG 4** (Quality education) Learnership Programme: Retention conversion rate from the internal Learnership Programme, measured as a percentage of learner intake	Below 2.5%	2.5%	5%	7.5%
2%	GR	**UN SDG 4** (Quality education) Sustainability awareness: Percentage of employees who received training on sustainability	< 60%	60%	80%	100%

Weighting		KPI	Below threshold (0%)	Threshold (50%)	Target (100%)	Stretch (200%)
LC KOK						
3%	OE	Active portfolio net operating income margin	Regressed by > 100bps	Regressed by 100bps	Maintained prior year's margin	Improved by 100bps
3%	OE	Active portfolio tenant retention	Regressed by > 100bps	Regressed by 100bps	Maintained prior year's margin	Improved by 100bps
3%	OE	**UN SDG 12** (Responsible consumption and production) Tenant health and wellbeing: Tenant awareness campaign on sustainability, which includes awareness around responsible energy and water consumption, waste management, and hazardous materials	Less than 5% by GMR	5% by GMR	7.5% by GMR	10% by GMR
3%	OE	**UN SDG 12** (Responsible consumption and production) Application of sustainable principles to procurement: Number of qualifying suppliers that are subject to a supplier sustainability audit	Fewer than five qualifying suppliers	Five qualifying suppliers	10 qualifying suppliers	15 qualifying suppliers
4%	GR	**UN SDG 11** (Sustainable cities and communities) Physical resilience of our buildings: Improvement in the physical resilience of our buildings Measurement method: Increase in the number of buildings (new or existing) that are certified or recertified through the GBCSA certification framework or a recognised international certification framework (e.g. LEED, EDGE). Recertified buildings must achieve a 4 Star Green Star rating or higher (or the equivalent thereof) to count towards the achievement of the target	< 20 new certifications/ recertifications	20 new certifications/ recertifications	30 new certifications/ recertifications	40 new certifications/ recertifications

Linear interpolation applies between performance targets

Part 2: The remuneration policy continued

LTIP

Policy changes

Change in ESG performance measure

Several of our investors expressed reservations regarding the use of Sustainalytics as an LTIP performance condition. They did accept, however, that setting long-term quantitative ESG targets is still relatively difficult, particularly, given the lack of guidance or examples for real estate companies operating in the South African context, and they recognised the importance of focusing on the company's ESG performance in the long term.

Management has developed a preliminary set of science-based targets, which will form the basis of Redefine's decarbonisation strategy and are reflected in the targets on this page, which will replace the previous Sustainalytics measure. We have excluded Scope 3 emissions (which are primarily based on tenant electricity consumption), as they fall outside of our direct control. We have also excluded EPP from the target, as the South African team (outside of the executive committee) has very limited direct influence over EPP's ESG performance.

In order to set targets, we needed to establish a baseline year from which to calculate the decarbonisation pathway. As FY2020 and FY2021 were unusual years with significant business interruptions due to COVID-19 and the associated lockdowns (which resulted in an artificially low carbon footprint), we deemed it appropriate to use an FY2019 baseline.

Overview

The purpose of the LTIP is to

- Recognise the contributions participants made to the growth of the company, ensuring a close link between pay and performance
- Attract and retain suitably skilled and competent talent
- Align the interests of the participants and the interests of shareholders
- Motivate participants to remain in the employ of the company and to execute and enhance the group's future performance and growth strategies

All employees are eligible to receive annual awards in terms of the LTIP. The LTIP provides for the following awards

- Deferred bonus awards: Annual awards comprising the conditional right to receive a number of shares at a future date and determined with reference to the STI, the vesting of which is subject to the employee remaining in the employ of the company over the vesting period
- Performance awards: Annual awards comprising the conditional right to receive a number of shares at a future date and based on a percentage of TGP, the vesting of which is subject to the employee meeting company financial and non-financial performance conditions and remaining in the employ of the company over the vesting period
- Cash awards: Made on an annual basis and based on a percentage of TGP, the vesting of which is subject to company financial performance conditions and individual performance. These awards are settled in cash

Instruments

	Performance awards	Deferred bonus awards
Eligibility	Executive directors	Executive directors
On-target allocation percentages (% of TGP)	CEO 67% CFO 60% COO 60%	CEO 33% CFO 30% COO 30%
Performance period	Three years	N/A as performance conditions were met on the way in
Vesting period	Three years	Vesting period of three years with vesting occurring in equal tranches in year one, two and three
Post-vesting holding period	Executive performance awards are subject to a two-year post-vesting holding period	None

Performance condition weightings

	Performance awards
Company financial performance	75%
Company non-financial performance	25%

Change of control

A portion of the award will vest on a change of control, which will be prorated for the number of months served during the vesting period and adjusted based on the extent to which the performance conditions, if applicable, have been met. The portion that does not vest will continue to be subject to the terms of the award.

Share usage limit and settlement

Performance awards and deferred bonus awards are settled in shares following vesting. In line with Redefine's existing practice, the LTIP only provides for settlement of shares by way of a market purchase, thereby ensuring that the LTIP is not dilutive to shareholders.

Cash awards are settled in cash following the expiry of the vesting period.

REM discretion

The REM has the guided discretion to adjust the outcomes of a performance award or deferred bonus award downward upon vesting to mitigate any potential windfall gains.

REM index

Part 2: The remuneration policy continued

LTIP continued

Termination of employment

If an employee's employment is terminated before the vesting date for performance awards, deferred bonus awards or cash awards (collectively referred to as awards), the awards will be treated as follows:

- Fault termination (resignation, dismissal, voluntary retirement and mutual separation): All unvested awards of a participant will be forfeited on the date of termination of the employment. No consideration will be payable to the participant. In the case of executive directors, any vested shares that are subject to a post-vesting holding period will not be forfeited but will continue to remain subject to the holding period until the release date (two years from vesting)
- No-fault termination (death, redundancy, retirement, disability, employer company ceasing to be a member of the group): A *pro rata* portion of the awards will vest on the date of termination of employment or a date as soon as reasonably possible thereafter, when the company determines the extent to which the performance condition(s), if applicable, and/or any further conditions have been fulfilled. Vested shares that are subject to a post-vesting holding period will be released to the employee

Mall of the South, Gauteng, South Africa

LTIP performance conditions for FY2023

Weighting		KPI	Below threshold (0%)	Threshold (50%)	Target (100%)	Stretch (180%)
	Company performance conditions					
	LTIP performance conditions	Company financial performance (75%) + non-financial performance (25%) = 100%				
	Company financial performance conditions					75%
25%	**Absolute total return (aTR)**	aTR measured against Redefine's targeted return of the risk-free rate (five-year average) plus 200bps#	**aTR > -1%** variance of targeted return over three years	**aTR < -1%** variance of targeted return over three years	**aTR equal** to targeted return over three years	**aTR > +1%** variance of targeted return over three years
	Total return = (Closing NAVps* − opening NAVps + DPS** for the year) ÷ opening NAVps *NAVps: SA REIT NAV per share **DPS: Dividend per share					
25%	**Relative total return (rTR)**	Average rTR measured against FTSE/JSE SA REIT Index over three years	Bottom quartile	Lower quartile	At the median	Upper and top quartile
25%	**Relative total shareholder return (rTSR)**	Relative rTSR measured against the FTSE/JSE SA REIT Index over three years	Bottom quartile	Lower quartile	At the median	Upper and top quartile
	TSR = (year-on-year change in 90-day VWAP*** + DPS for the period) ÷ opening 90-day VWAP ***VWAP: Volume-weighted average price					
	Company non-financial performance conditions					25%
25%	**ESG goals**	Percentage reduction of Scope 1 and 2 GHG emissions (tCO_2e) on a like-for-like basis (for South African operations only, from 2019 baseline year)	**Below 15%**	**15%**	**21%**	**28%**

Linear interpolation applies between levels

 # Given the exposure to EPP after the restructure, the average five-year bond yield (risk-free rate) will reference both South Africa and Poland, weighted for the exposure at each vesting or measurement period of the LTIP instrument (this will be effective FY2023. For the avoidance of any doubt, the KPI and associated targets will apply prospectively)

REM index

Part 2: The remuneration policy continued

Historical LTIP structure for executive directors

Although no new LTIP awards will be made in terms of the previous LTIP structure, tranches of unvested awards are still in flight. The summarised overview of these structures (below) provides context for the vesting outcomes to be reported in the implementation report.

RSS	▪ Participants were awarded conditional shares, being a right to delivery of Redefine shares at a future date (subject to conditions being met) ▪ Vesting of awards is subject to meeting performance conditions and remaining in the employ of the company over the vesting period
MSS	▪ Participants were invited to utilise a predetermined percentage of their after-tax annual STI to acquire Redefine shares (qualifying shares) ▪ Participants holding these shares for three years will receive matching Redefine shares (matching conditional shares) at no consideration from the company, based on a multiple linked to company and individual performance. The vesting of MSS shares is subject to meeting performance conditions and remaining in the employ of the company over the vesting period
SPS	▪ Participants were awarded the opportunity to acquire Redefine shares by way of an interest-bearing loan (JIBAR plus 200bps) granted by the company. The rationale was to enhance executive and shareholder alignment by achieving and encouraging direct ownership of Redefine shares by executive directors. The intention was for the SPS to act as a management buy-in plan and expose participants to the real financial risk of share price growth and the repayment of the full loan for purchase of the shares (even in instances where the share price decreased from the purchase date). Therefore, there are no vesting conditions. The scheme applies to executive directors. No further awards will be made under the SPS and Redefine proposes unwinding and cancelling the SPS subject to shareholder approval. For relevant details about the SPS, refer to note 10: Loans receivable in our **AFS**

Minimum shareholding requirements

The MSR policy for executive directors is intended to encourage executive directors to build or to increase their shareholding in Redefine through the incentive plans and to become personally invested in the company. This increases executive ownership and skin in the game and encourages alignment between management and shareholders.

The salient features are as follows

- Executive directors are required to hold shares equal in value to at least 200% of their TGP, which must be accumulated over five years from the later of the introduction of the MSR policy (i.e. from 1 September 2015) or the appointment of the executive
- The executive must maintain the target shareholding throughout their tenure with the company
- Shares in Redefine must be held outright, and unvested awards will not count towards this requirement
- Executive directors may satisfy the MSR by purchasing shares in Redefine using their after-tax bonuses or by retaining shares that have already vested under the deferred short-term incentive (DSTI) and the LTIP
- Executive directors will not be entitled to a larger-than-normal (market benchmark) STI or LTIP award in any year to assist them in meeting their MSR
- Executive directors may be required to hold the shares pledged towards the MSR in a separate account

When assessing compliance with the MSR, the REM will take into account unforeseeable circumstances that may render it impractical to achieve the MSR by the due date.

Refer to page 127 for the MSR test as at 31 August 2022.

Malus and clawback

The *malus* and clawback policy applies to all awards granted under the STI and LTIP for all participants, except those awards and participants that the REM designates as being excluded from the ambit of this policy. The REM has full and final authority to make all decisions and determinations under the *malus* and clawback policy. Where decisions and determinations relate to and/or will have an effect on executive directors, the REM will make the relevant recommendations to the board for its ultimate approval.

Malus

On or before the vesting date of an award, the REM may reduce the quantum of a variable pay award in whole or in part after an actual risk event (trigger event) occurs which, in the judgement of the REM, arose during the relevant vesting or financial period.

In the event of early termination of employment during the vesting period of an award, the REM will consider whether a trigger event arose between the award date and the date of termination of employment.

Clawback

The REM may apply clawback and take steps to recover a variable pay award that has vested in a participant (on a pre-tax basis) due to a trigger event which, in the judgement of the REM, arose within the three years preceding, or during, the clawback period. The clawback period will run for three years from the payment or vesting date of the awards.

In the event of a breach of duties by a participant, Redefine reserves the right to pursue any remedies available to it in terms of the clawback policy as well as common and statutory law.

For LTIPs, the clawback policy provides for the implementation of certain methods of recovery in the event that the participant disposes of the shares after the vesting date but before the clawback period ends, as well as in the event that the shares are retained throughout the clawback period.

Redefine's revised *malus* and clawback policy applies to any variable pay awards (excluding the SPS) made from 30 November 2020 onwards. Decisions made by the REM regarding the application of *malus* and/or clawback are final and binding.

Summarised trigger events for *malus* and clawback

- Actions or conduct (including omissions) that, in the reasonable opinion of the REM, amount to grounds for termination of employment for (gross) misconduct or negligence, dishonesty or fraud
- The discovery of a material misstatement or inaccurate calculations resulting in a restatement or amendment of the audited **AFS**
- The discovery that the assessment of any performance metric or criteria in respect of an award was based on error or on inaccurate or misleading information
- An event or behaviour (including inaction) of the participant or the existence of events attributable to a participant that has led (in part or wholly) to the censure of any group company by a regulatory authority (e.g. the Competition Commission) or has had a significant detrimental impact on the reputation of Redefine (according to the board)
- The discovery that any information used in the decision to grant an award or determine the quantum thereof was erroneous, inaccurate or misleading

Part 2: The remuneration policy continued

Executive director service agreements

Executive directors are on standard employment contracts with three-month notice periods. They are also subject to the company's rotation policy for executive directors (see the corporate governance section of this report on page 75). While the normal retirement age is 65, the company's retirement policy makes provision to extend the working relationship between the executive and the company beyond the normal retirement age. There are no contractual arrangements for balloon payments or other special severance payments or loss of office payments on termination of employment for underperformance. For early termination, there is no automatic entitlement to bonuses or share-based payments, and any bonus payments made on early termination are at the REM's discretion. Redefine does not impose restraints of trade on executive directors or employees, subject to the REM's discretion to negotiate a restraint of trade agreement where it deems it necessary.

Buy-out awards and termination payments

Redefine may make buy-out awards to new executive directors and key employees to enable it to attract and secure the necessary talent for the achievement of long-term objectives. It is acknowledged that it is sometimes necessary to compensate such employees for the loss of unpaid bonuses or unvested LTIP awards due to them leaving their previous employment. In the instance of unpaid bonuses, the buy-out award may be made in cash or in shares to the value of the unpaid bonus. In the instance of unvested LTIPs, the fair value of the buy-out award will not exceed that of the award forfeited. The awards will generally be made subject to a minimum of a three-year vesting period. The award will also be subject to forfeiture should the employee leave the company during the vesting period and may be subject to prospective performance conditions as determined by the REM. Clawback applies for a period of three years following the vesting of the award. Should the executive or key employee leave the employment of the company during this period, the REM has the discretion to claw back the vested buy-out awards.

External appointments

Neither executive directors nor employees may sit on other listed or unlisted companies' boards as directors. The limit does not apply to seats held by executive directors or employees on the boards of Redefine subsidiaries, investee companies, or the boards of industry organisations or trusteeships or directorships of private companies in their personal capacities (subject to same being declared and approved).

Non-executive director fee policy

Non-executive director fees are reviewed annually (based on inflation) and reflect the expertise, responsibilities, and contribution of the non-executive directors throughout the year and not only during meetings. The fees comprise an annual fee as tabulated on this page of this report. Fees are benchmarked at the median of the market.

The fee proposals endorsed by the board are proposed at the AGM for shareholder approval, by special resolution, prior to payment for the following financial year. Proposed non-executive director fees are set out on this page. Non-executive directors are paid in cash. There are no international directors on the board. Non-executive directors do not receive consulting fees nor *ad hoc* fees for additional meetings. Non-executive directors are paid an annual board fee and a separate annual fee for the committees on which they sit.

In addition, non-executive directors are reimbursed for travel expenses on official business, where necessary, as well as other direct business-related expenses.

The board is of the view that the current fee structure of an annual fee rather than a retainer and meeting attendance fee is more appropriate for the board and the committees in light of the workload and responsibilities of the members. Non-executive directors do not participate in the company's variable pay plans in order to avoid any potential conflict of interest and to maintain their independence.

None of the non-executive directors have a contract of employment with the company. Their appointments are made in terms of the company's MoI and are confirmed initially at the first AGM following their appointment and thereafter at a minimum of three-year intervals.

Non-executive director proposed fees

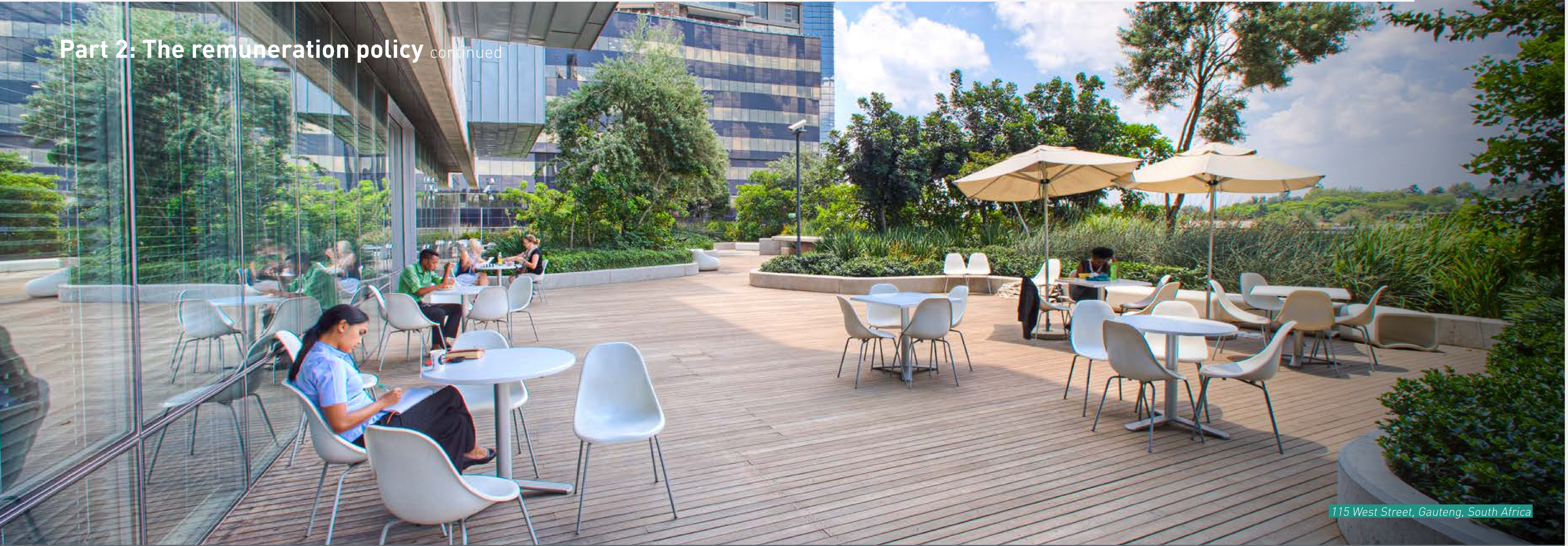
In terms of sections 66(8) and 66(9) of the Companies Act, the REM recommended that the company remunerate its non-executive directors for their services as directors and/or pay any fees related thereto as detailed in the following table. The proposed remuneration excludes VAT, which will be added by the directors in accordance with current VAT legislation, where applicable.

Non-executive director fees reflect the directors' roles and membership of the board and its committees. An average fee increase of 5.09% is proposed for FY2023. In the REM's view, the fees paid to non-executive directors are sufficient to attract and retain board members with the appropriate level of skill and expertise. Non-executive director fees are reviewed annually and put forward to shareholders for approval.

Committee and role	Proposed FY2023 fees excl VAT (R)	FY2022 fees excl VAT (R)	Proposed % increase in fees
Independent non-executive chairperson	1 395 600	1 329 120	5%
Non-executive director	509 700	485 427	5%
Audit chairperson	313 100	298 200	5%
Audit member	171 600	161 880	6%
Risk, compliance and technology chairperson	257 200	244 950	5%
Risk, compliance and technology member	123 000	117 150	5%
Remuneration chairperson	257 200	244 950	5%
Remuneration member	123 000	117 150	5%
Nomination chairperson	145 400	138 450	5%
Nomination member	81 300	76 680	6%
Social, ethics and transformation chairperson	237 100	225 780	5%
Social, ethics and transformation member	118 500	112 890	5%
Investment chairperson	237 000	225 780	5%
Investment member	119 700	112 890	6%

The fees paid to non-executive directors during the reporting period are included in the table above.

Part 2: The remuneration policy continued



115 West Street, Gauteng, South Africa

Shareholder engagement and voting

In line with King IV™, the company will table its remuneration policy and implementation report for two separate non-binding advisory votes by shareholders at the AGM. In the event that 25% or more of the shareholders vote against either resolution (or both), the REM will engage with the dissenting shareholders to ascertain their concerns with the company's remuneration framework. In addition to the engagement as a result of voting outcomes at an AGM, the REM also undertakes proactive engagement prior to the AGM.

The REM may engage with shareholders using one or more of the following methods:

- One-on-one engagement is the preferred method (in-person and virtual meetings)
- Emails and telephone calls with individual shareholders (where one-on-one meetings are not feasible) and other methods of communication to the relevant contact persons of the shareholders
- Responses to shareholder queries explaining in more detail the elements of the remuneration policy that caused concern. Where appropriate, the board may resolve to amend certain elements of the remuneration policy to align the policy with market norms

The REM may take steps to address the valid and reasonable concerns raised by dissenting shareholders and disclose the full shareholder engagement process, responses, and resolutions in the remuneration report for the following financial year.

The remuneration policy contained in this section is subject to a non-binding advisory vote by shareholders at the AGM on 23 February 2023.

Part 3: Implementation of the remuneration policy

Executive directors' and prescribed officers' remuneration

TGP adjustments

Redefine is committed to addressing the internal wage gap. In this regard, when determining average executive remuneration increase levels, we have taken into account the average increase levels for middle management and general employees. In addition to salary increases, the LTIP will further assist in reducing the internal wage gap and gradually create wealth for our more junior employees.

During FY2022, employees below executive level received an aggregate increase of 7.3%, which increases take into account performance, positioning within the pay scales, and market benchmarks. Executive directors received an aggregate increase of 6.5%.

EXECUTIVE REMUNERATION IN SINGLE FIGURE FORMAT

The table provides an analysis of remuneration received in FY2022 (compared to FY2021), presented as the total remuneration of executive directors. As part of Redefine's ongoing governance journey, the tables were updated inline with the King IV™ recommended reporting approach. The FY2021 information was reworked to align with this methodology.

Executive (R'000)	Salary and allowances	Other benefits and payments	Retirement benefits	Bonuses and performance-related payments	Bonus shares/ deferrals^	Share schemes without performance conditions^^	Share schemes with performance conditions^^^	Total
FY2022								
AJ König	4 746	219	727	7 068	2 591	–	478	**15 829**
NG Nyawo	3 153	270	336	4 265	1 505	–	–	**9 529**
LC Kok	3 532	290	558	4 961	1 751	–	492	**11 584**
MJ Ruttell	2 832	–	–	3 289	–	–	236	**6 357**
FY2021*								
AJ König	4 506	205	689	6 030	2 211	–	1 335	**14 976**
NG Nyawo	1 625	150	306	2 252	795	3 039	–	**8 167**
LC Kok	3 354	273	529	4 605	1 625	–	1 083	**11 469**
MJ Ruttell	2 683	–	–	2 852	998	–	335	**6 868**

^ Included in the same year as the STI bonus at the value of the deferral
^^ Included in financial year awarded at the value of the ruling share price on 26 November 2020 of R2.58 per share (being the date of acceptance of the employment contract
^^^ Included in financial year the performance period ends at the five-day VWAP on the vesting date of R4.07 and the actual vesting percentage
** In 2021 there was an error in the calculation of the the DSTI award, which resulted in a slight under allocation of the DSTI. The error was rectified – restated SENS announcement 8 November 2022*

STI 2022 – variable pay performance outcomes: Company performance

COMPANY PERFORMANCE SCORE | **STI performance conditions**

Company financial 60% + non-financial performance 20% + individual performance 20% = **100%**

Weighting		KPI	Below threshold (0%)	Threshold (50%)	Target (100%)	Stretch (200%)	Actual performance	Performance vesting outcome %
	Financial metrics							**77.6%**
20%	Absolute DIPS growth	Absolute DIPS growth relative to approved budget	< 94%	95% budget	Achieved budget	105% of budget	104.3%	185.8%
20%	Relative DIPS	Growth in DIPS measured against the relative performance benchmark comparator group FTSE/JSE SA REIT Index	Bottom quartile	Lower quartile	At the median	Upper and top quartile	10.0%	107.0%
20%	**Risk measures**	Reduce LTV ratio	> 43%	> 42%	40%	38%	40.2%	95.0%
	Non-financial metrics							**34.0%**
4%	Transformation	Performance on BBBEE scorecard	Below 90 points	90 points	95 points	100 points	105.3 points	200.0%
3%	Water efficiency	2.28% per annum water efficiency target (ML)	Less than 70ML	70ML	115ML	230ML	404ML	200.0%
3%	Renewable energy	Increase in installed capacity (MWp)	Less than 3MWp	3MWp	4MWp	5MWp	6MWp	200.0%
3%	Reduction in emissions (tCO_2e)	5% per annum reduction of Scope 1 and 2 GHG emissions (tCO_2e)	Less than 1 758 tCO_2e	1 758 tCO_2e	2 461 tCO_2e	3 164.58 tCO_2e (9% reduction)	1 245.6 tCo_2e	0.0%
7%	Organisational health matrix	Performance on metric, which includes risk, governance, internal controls, ICT systems, and audit findings	Lower than previous year's score	Maintained previous year's score	5% improvement in score	8% improvement in score	9.8%	200.0%

STI 2022 – variable pay performance outcomes: Personal performance

The scorecards below show the STI outcomes of each executive starting with the common performance conditions, followed by the executive-specific performance conditions against performance conditions.

Weighting						
	Individual performance score					**3.1%**
	Specific KPIs common to all executive directors linked to short-term value-creation indicators					**Delivery on personal targets**
2%	**Employee engagement score** Lower than previous year's score	Maintained previous year's score	1% improvement on previous year's score	2% improvement on previous year's score	Maintained previous year's score	50.0%
2%	**Top employer status** Not certified as a top employer	Maintained top employer status	Maintained top employer status and 5% improvement on score	Maintained top employer status and 10% improvement on score	5.2%	104.5%
	Each executive has specific KPIs linked to short-term value-creation indicators					**Delivery on personal targets**

Part 3: Implementation of the remuneration policy continued

COMPANY PERFORMANCE SCORE continued

STI performance conditions

Company financial (60%) + non-financial performance (20%) + individual performance (20%) = 100%

Weighting		KPI	Below threshold (0%)	Threshold (50%)	Target (100%)	Stretch (200%)	Actual performance	Vesting
	AJ KÖNIG						24.4%	
4%	OC	Implement LTV ratio reduction plan	Reduction initiatives < 0%	Reduction initiatives totalling 1%	Reduction initiatives totalling 2%	Reduction initiatives totalling 4%	2.2%	110%
4%	IS	Re-evaluate every property asset's growth prospects	Initiatives not implemented	Establishment of capital allocation framework	Achieve capital uplift on developments in ELI	Implement EPP restructure	Implemented	200.0%
4%	OE	**Net zero pathway**: Number of buildings under Redefine's operational control that are built as or converted to either net zero operational carbon, water or waste, based on landlord emissions	No buildings certified	One building certified	Two buildings certified	Three buildings certified	Three buildings certified	200.0%
2%	GR	**Tenant health and safety:** Certification of buildings through a WELL-related building standard, with a minimum of a WELL Bronze certification	No buildings certified	One building certified	Two buildings certified	Three buildings certified	Three buildings certified	200.0%
2%	GR	Collaboration with local industry bodies	No real estate companies have committed to formally become signatories to the UNGC	Two real estate companies have committed to formally become signatories to the UNGC	Five real estate companies have committed to formally become signatories to the UNGC	Seven real estate companies have committed to formally become signatories to the UNGC	No real estate companies have committed	0.0%

Weighting		KPI	Below threshold (0%)	Threshold (50%)	Target	Stretch (200%)	Actual performance	Vesting
	NG NYAWO						20.0%	
4%	OC	Broaden funding sources	No new funding sources introduced	Maintain healthy liquidity levels	Introduction of one new funding source	Effective interest rate decreased by 50bps	One new funding source and 20bps effective interest rate decrease	140.0%
4%	OC	Credit rating	Regressed on the credit matrix	Maintained the credit matrix	Improved on the national scale rating by one level	Improved on the national scale rating by two levels	Maintained credit matrix	50.0%
2%	OE	Harness technology	No improvement/ change to digitalisation	Improve digital ratio to 10%	Improve digital ratio to 15%	Improve digital ration to more than 15%	14.5%	94.5%
2%	OE	**Innovation for better products and services**: Increase in expenditure on research and development as a proportion of turnover	No increase in expenditure	2% increase in expenditure	5% increase in expenditure	10% increase in expenditure	12.5%	200.0%
2%	GR	**Learnership Programme:** Retention conversion rate from the internal Learnership Programme, measured as a percentage of learner intake	Below 20%	20%	25%	30%	66.7%	200.0%
2%	GR	**Sustainability awareness:** Percentage of employees who received training on sustainability	Below 60%	60%	80%	100%	84.6%	123.0%

REM index

Part 3: Implementation of the remuneration policy continued

COMPANY PERFORMANCE SCORE continued — STI performance conditions

Company financial (60%) + non-financial performance (20%) + individual performance (20%) = 100%

Weighting		KPI	Below threshold (0%)	Threshold (50%)	Target	Stretch (200%)	Actual performance	Vesting
	LC KOK						20.0%	
3%	OE	Active portfolio net operating income margin	Regressed by more than > 100bps	Regressed by 100bps	Maintained prior year's margin	Improved by 100bps	-70bps	65.0%
3%	OE	Active portfolio tenant retention	Regressed by more than > 100bps	Regressed by 100bps	Maintained prior year's margin	Improved by 100bps	160bps	200.0%
3%	OE	**Tenant health and wellbeing:** Tenant awareness campaign on sustainability, which will include awareness around responsible energy and water consumption, waste management, and hazardous materials	Less than 5% by GMR	5% by GMR	7.5% by GMR	10% by GMR	10.0%	200.0%
3%	OE	**Application of sustainable principles to procurement:** Number of qualifying suppliers that are subject to a supplier sustainability audit	Fewer than five qualifying suppliers	Five qualifying suppliers	10 qualifying suppliers	15 qualifying suppliers	15 qualifying suppliers	200.0%
4%	GR	**Standards for conduct of security personnel:** Percentage of security contractors that are hired by Redefine directly who are provided with training on conflict management, human rights, and Redefine's values	Less than 20% of all security contractors	20% of all security contractors	30% of all security contractors	40% of all security contractors	Less than 20%	0.0%

Weighting		KPI	Below threshold (0%)	Threshold (50%)	Target	Stretch (200%)	Actual performance	Vesting
	MJ RUTTELL						29.4%	
6%	IS	Preferential development procurement	Less than 70% of development procurement spend (specifically professional services providers) at BBBEE level 2	70% of development procurement spend (specifically professional services providers) at BBBEE level 2	80% of development procurement spend (specifically professional services providers) at BBBEE level 2	90% of development procurement spend (specifically professional services providers) at BBBEE level 2	95.8%	200.0%
3%	OE	Redevelopment to specification and timeline (including buildings damaged due to violent protest action)	Below 85% of projects delivered to time and specification	85% of projects delivered to time and specification	95% of projects delivered to time and specification	100% of projects delivered to time and specification	97.8%	155.6%
3%	OE	**Investment in sustainable energy solutions**: Installation of additional renewable energy capacity in the reporting period, based on potential increase in capacity across the portfolio if the MWp limit is lifted	Below 7.61MWp	7.61MWp (60% additional capacity)	10.15MWp (80% additional capacity)	12.69MWp (100% additional capacity)	11.6MWp	157.1%
2%	OE	**Water impact assessments:** Water impact assessments in areas where (i) our properties are located in extremely high baseline water-stressed areas, as identified in the WRI Aqueduct Water Risk Atlas and (ii) detecting the areas where our properties are adjacent to vulnerable communities whose access to water may be compromised According to a 2020 analysis, 16% of our portfolio (i.e. 46 properties) is located in extremely high baseline water-stressed areas)	Zero water impact assessment on buildings located in water-stressed areas	Water impact assessments on a number of buildings located in extremely high baseline water-stressed areas (i.e. 8% of portfolio)	Water impact assessments on some buildings located in extremely high baseline water-stressed areas (i.e. 12% of portfolio)	Water impact assessments on all buildings located in extremely high baseline water-stressed areas (i.e. 16% of portfolio)	16.0%	200.0%
2%	OE	**Life cycle approach:** Develop life cycle metrics per sector that optimise the reusability of our assets once they reach the end of their life cycle	Metric per sector not developed	Metric per sector developed and approved	Metric developed and implemented on 10% of buildings per sector	Metric developed and implemented on 15% of buildings per sector	15.0%	200.0%

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Part 3: Implementation of the remuneration policy continued

STI 2022 – variable pay performance outcomes: Summary

The summary shows the STI outcomes of each executive against performance conditions.

	AJ König	NG Nyawo	LC Kok	MJ Ruttell^^	Total
Vesting percentage (A)	139.1%	134.6%	134.6%	144.0%	–
On-target award allocation	90.0%	85.0%	85.0%	80.0%	–
Maximum vesting (stretch)	180.0%	170.0%	170.0%	160.0%	–
TGP (B)	5 647 059	3 727 500	4 336 136	2 853 972	16 564 667
Cash vesting value	7 067 666	4 265 041	4 961 448	3 288 768	19 582 923
DSTI on-target award allocation (C)	33.0%	30.0%	30.0%	N/A	–
DSTI share allocation rand value (D=A*B*C)	2 591 478	1 505 308	1 751 099	N/A	5 847 885
Award price^ (E)	3.95	3.95	3.95	N/A	–
Number of shares (F = D/E)	656 070	381 090	443 316	N/A	1 480 476

^ The five-day clean VWAP price on the award date of 5 December 2022 was used to convert the DSTI share allocation rand value to shares
^^ MJ Ruttell retires on 31 January 2023

LTIP 2022 – unvested awards

The table illustrates on an individual executive level the value of LTIPs allocated, settled and forfeited and the value of the shares not yet vested.

Scheme	Financial year granted	1 September 2021	Allocated in the year	Forfeited	Vested	31 August 2022	Closing share price 31 August 2022^	Total estimated fair value
AJ KÖNIG								
RSS	2018/19	768 056	–	(287 481)	(146 600)	333 975	3.9	1 302 503
RSS STI	2018	144 694	–	–	(144 694)	–	3.9	–
MSS	2019	474 762	–	(314 408)	(160 354)	–	3.9	–
LTIP	2022/21	820 464	869 776	–	–	1 690 240	3.9	6 591 936
DSTI	2022	–	508 309	–	–	508 309	3.9	1 982 405
NG Nyawo								
RSS	2021	1 178 063	–	–	(392 688)	785 375	3.9	3 062 963
LTIP	2022/21	484 988	514 137	–	–	999 125	3.9	3 896 588
DSTI	2022	–	182 717	–	–	182 717	3.9	712 596
LC Kok								
RSS	2018/19	637 934	–	(229 318)	(119 866)	288 750	3.9	1 126 125
RSS STI	2018	116 394	–	–	(116 394)	–	3.9	–
MSS	2022/19	427 062	59 028	(246 839)	(129 049)	110 202	3.9	429 788
LTIP	2022/21	564 178	598 087	–	–	1 162 265	3.9	4 532 834
DSTI	2022	–	373 639	–	–	373 639	3.9	1 457 192

Scheme	Financial year granted	1 September 2021	Allocated in the year	Forfeited	Vested	31 August 2022	Closing share price 31 August 2022^	Total estimated fair value
MJ Ruttell								
RSS	2018/19	383 680	–	(144 497)	(76 972)	162 211	3.9	632 623
RSS STI	2018	73 824	–	–	(73 824)	–	3.9	–
MSS	2019	–	–	–	–	–	3.9	–
LTIP	2022/21	352 766	–	–	–	352 766	3.9	1 375 787
DSTI	2022	–	229 442	–	–	229 442	3.9	894 824

^ The five-day VWAP on 31 August 2022

LTIP 2021 – unvested awards

The table illustrates on an individual executive level the value of LTIPs allocated, settled and forfeited and the value of shares not yet settled.

Scheme	Financial year granted	1 September 2020	Allocated in the year	Forfeited	Vested	31 August 2021	Closing share price 31 August 2021*	Total estimated fair value
AJ KÖNIG								
RSS	2018/19/20	1 214 586	–	(239 043)	(207 487)	768 056	4.4	3 394 808
MSS	2018/19/20	906 000	–	(230 857)	(200 381)	474 762	4.4	2 098 448
LTIP	2021	–	820 464	–	–	820 464	4.4	3 626 451
DSTI	2018	289 387	–	–	(144 694)	144 693	4.4	–
NG Nyawo								
RSS	–	–	1 178 063	–	–	1 178 063	4.4	5 207 038
LTIP	2021	–	484 988	–	–	484 988	4.4	2 143 647
LC Kok								
RSS	2018/19/20	944 714	–	(171 102)	(135 678)	637 934	4.4	2 819 668
MSS	2018/19/20	730 851	–	(169 434)	(134 355)	427 062	4.4	1 887 614
LTIP	2021	–	564 178	–	–	564 178	4.4	2 493 667
DSTI	2018	232 789	–	–	(116 395)	116 394	4.4	–
MJ Ruttell								
RSS	2018/19/20	585 597	–	(110 839)	(91 078)	383 680	4.4	1 695 866
MSS	2018/19/20	173 880	–	(95 449)	(78 431)	–	4.4	–
LTIP	2021	–	352 766	–	–	352 766	4.4	1 559 226
DSTI	2018	147 647	–	–	(73 823)	73 824	4.4	–

* The five-day VWAP on 31 August 2021

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Part 3: Implementation of the remuneration policy continued

The table below relates to the November 2019 awards. Note that for the RSS and MSS awards, the performance conditions set out below are those that were approved for FY2020 and have been applied retrospectively in respect of the relevant vesting period. Performance was measured from 1 September 2019 to 31 August 2022, including the individual performance component, which was measured from 1 September 2019 to 31 August 2022. The 25% retention component has been removed for the 2019 RSS award.

The company introduced a new LTIP in 2021, as its sole comprehensive long-term plan, which replaces the Redefine executive incentive scheme of which the RSS and MSS formed part.

LTIP – RSS awarded in 2019 and vesting in 2022

Weighting			EXECUTIVE		
			AJ König	LC Kok	MJ Ruttell
50%	Company financial performance	aTR measured over net tangible asset value (three-year average)	0.0%	0.0%	0.0%
20%		rTR (three-year average)	40.0%	40.0%	40.0%
10%	Company non-financial performance	ESG goals	100.0%	100.0%	100.0%
20%	Individual performance		85.9%	87.7%	89.2%
100%	2022 LTIP score		35.2%	35.6%	35.8%
–	Award available for vesting		333 975	288 750	162 111
–	Shares vested November 2022		117 515	102 641	58 101

35%

of LTIP shares awarded vested

LTIP – MSS reinvested in 2019 and vesting in 2022

Shares as a result of the participants' election to participate in the share reinvestment plan during 2019 and held for three years was matched at a maximum multiple of three.

Weighting			EXECUTIVE
			LC Kok
50%	Company financial performance	aTR measured over net tangible asset value (three-year average)	0.0%
20%		rTR (three-year average)	40.0%
10%	Company non-financial performance	ESG goals	100.0%
20%	Individual performance		87.7%
100%	2022 LTIP score		35.6%
–	Award available for matching		17 058
–	Shares vested November 2022		18 191

DSTI - deferred portion under the 2019 and 2020 RSS and 2021 LTIP

Executive	DSTI award 2019 third tranche*	DSTI award 2020 second tranche*	DSTI award 2021 first tranche*	Shares vested November 2022
AJ König	–	–	169 436	169 436
NG Nyawo**	–	–	60 905	60 905
LC Kok	–	–	124 546	124 546
MJ Ruttell	–	–	76 480	76 480

** No STI bonus was earned*

*** NG Nyawo was appointed on 1 February 2021*

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Part 3: Implementation of the remuneration policy continued

LTIP – SPS

In terms of the SPS, executive directors were able to purchase Redefine shares by way of a loan from the company. The loan bears an interest rate of JIBAR plus 200bps and is secured by the shares purchased under this scheme. This is not considered remuneration, as the directors pay Redefine a market-related interest rate and bear real financial risk. No further awards will be made under the SPS, and the last award was made in December 2015.

NUMBER OF SHARES PURCHASED UNDER THE SPS				
Executive	August 2021	Acquired	Disposed	August 2022
AJ König	3 339 143	–	–	3 339 143
LC Kok	1 200 000	–	–	1 200 000
MJ Ruttell	–	–	–	–

All shares held by executive directors under the SPS are pledged as security against the outstanding loans. No other shares held by executive or non-executive directors are encumbered. Redefine proposes unwinding and cancelling the SPS, subject to shareholder approval.

Approved LTIP dilution limits

The board has resolved that the company settle the LTIP awards made in terms of the LTIPs by buying shares in the market; thus no shares were issued to settle any LTIP obligation.

Minimum shareholding requirement

The table sets out compliance with the MSR as at 31 August 2022.

EXECUTIVE		TARGET	COMPLIANCE (TARGET ACHIEVED)
AJ König	594%	200%	Yes
NG Nyawo#	–	200%	Not yet applicable
LC Kok	323%	200%	Yes
MJ Ruttell	404%	200%	Yes

Appointed 1 February 2021. In terms of the MSR policy, the shareholding should be met five years from the appointment date of the executive

Non-executive director fees

The table below shows the fees paid to non-executive directors in FY2022, as approved by the REM and the board under the authority granted by shareholders at the AGM held on 17 February 2022. Note that these fees were deemed to be VAT exclusive.

NON-EXECUTIVE DIRECTOR	FEES PAID IN FY2022 (R'000)	FEES PAID IN FY2021 (R'000)	% CHANGE
A Dambuza*	837	744	12.5%
B Mathews**	955	1 174	-18.7%
D Naidoo***	180	952	-81.1%
D Radley#	1 060	982	7.9%
L Sennelo	974	944	3.2%
M Barkhuysen	803	778	3.2%
N Langa-Royds^	879	846	3.9%
SM Pityana	1 644	1 590	3.4%

* A Dambuza was appointed chairperson of the SET effective 14 July 2022. She was also appointed as a temporary member of the AC and stepped down as AC member on 12 September 2022

** B Mathews resigned from the board, effective 20 June 2022

*** D Naidoo resigned from the board, effective 9 November 2021

D Radley was appointed chairperson of the AC on 10 November 2021

^ N Langa-Royds was appointed chairperson of the REM effective 14 July 2022 and stepped down as chairperson of the SET but remained a member

Non-executive director fees are paid quarterly in arrears. The performance of directors is assessed by the chairperson of the NOM on an ongoing basis and by way of an annual board assessment.

Adherence to the remuneration policy

The REM monitored the implementation of the revised remuneration policy in FY2022 and is satisfied that there were no deviations and that it achieved its objectives.

Approval

This remuneration report was approved by the REM of Redefine on 7 December 2022.

The implementation report in this section is subject to a non-binding advisory vote by shareholders at the AGM dated 23 February 2023.

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Definitions

AC	Audit committee
ACI	African, Coloured and Indian
AFS	Annual financial statements
AGM	Annual general meeting
aTR	Absolute total return
bps	Basis points
BBBEE	Broad-based black economic empowerment
board	Board of directors
capex	Capital expenditure
CDP	Formerly the Carbon Disclosure Project
CEO	Chief executive officer
CFO	Chief financial officer
Companies Act	Companies Act, No 71 of 2008 (as amended)
Comsaf	Comsaf Proprietary Limited, our independent health and safety auditor
COO	Chief operating officer
COVID-19	Coronavirus disease 2019
CPI	Consumer price index
CPO	Chief people officer
CRR	Climate risk report
CSI	Corporate social investment
DIPS	Distributable income per share
DSTI	Deferred short-term incentive
EBP	Existing Building Performance
ELI	European Logistics Investment B.V.
EPC	Energy performance certification
ERM	Enterprise risk management
ESD	Enterprise and supplier development
ESG	Environmental, social and governance
EVP	Employee value proposition
FY	Financial year
GBCSA	Green Building Council of South Africa
GHG	Greenhouse gas
GLA	Gross lettable area
GRESB	Formerly the Global Real Estate Sustainability Benchmark
HVAC	Heating, ventilation and air conditioning
IC	Investment committee
ICT	Information and communications technology
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
ILO	International Labour Organization
IR	Integrated report
ISO	International Organisation for Standardisation
ISSB	International Sustainability Standards Board
IT	Information technology
JIBAR	Johannesburg Interbank Average Rate
JSE	JSE Limited
King IV™	King IV Report on Corporate Governance™ for South Africa 2016
kl	kilolitre
kWh	Kilowatt hour
KPA	Key performance area
KPI	Key performance indicator
LED	Light-emitting diode
LGBTIQ+	Lesbian, Gay, Bisexual, Trans, Intersex and Queer
LTIP	Long-term incentive plan
LTV ratio	Loan-to-value ratio
ML	Megalitre
MoI	Memorandum of Incorporation
MSR	Minimum shareholding requirement
MSS	Matching share scheme
MWh	Megawatt hour
MWp	Megawatt peak
NIST	National Institute of Standards and Technology
NOM	Nomination and governance committee
NPS	Net promoter score
NPO	Non-profit organisation
OECD	Organisation for Economic Co-operation and Development
OHS	Occupational health and safety
PAYE	Pay-as-you-earn tax
PEP	Politically exposed persons
PV	Photovoltaic
PwC	PricewaterhouseCoopers Inc
RCT	Risk, compliance and technology committee
Redefine	Redefine Properties Limited
REIT	Real Estate Investment Trust
REM	Remuneration committee
RSS	Restricted share scheme
rTR	Relative total return
rTSR	Relative total shareholder return
SA	South Africa
SA REIT	SA REIT Association
SAPOA	South African Property Owners Association
SASB	Sustainability Accounting Standards Board
SET	Social, ethics and transformation committee
SMME	Small, medium and microenterprise
SPS	Share Purchase Scheme
STI	Short-term incentive
TCFD	Task Force on Climate-related Financial Disclosures
tCO_2e	Tonnes of carbon dioxide equivalent
TGP	Total guaranteed package
UN	United Nations
UNGC	United Nations Global Compact
UN SDGs	United Nations Sustainable Development Goals
VAT	Value-added tax
VWAP	Volume weighted average price
WEPs	Women Empowerment Principles

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Shareholders' diary

IMPORTANT DATES TO NOTE

AGM	Half-year end	Summarised interim financial results published on or about	Interim dividend declaration on or about
23 February 2023	28 February 2023	8 May 2023	8 May 2023

Financial year end	Summarised financial results published on or about	Final dividend declaration on or about
31 August 2023	6 November 2023	6 November 2022

Administration

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JSE share code: RDF ISIN: ZAE000190252
(Approved as a REIT by the JSE)

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