IR

Integrated report

for the year ended 31 August 2023

Opting for the upside

REDEFINE PROPERTIES

We're not landlords. We're people.

IR

WELCOME TO OUR INTEGRATED REPORT
for the year ended 31 August 2023

Our IR provides an opportunity to share our strategic priorities and progress as we continue to work on building a future-ready 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 which will underpin sustained value creation for all stakeholders.

- We are **listed on the JSE**
- We actively manage a **diversified, directly-held property asset platform** with a value of **R96.8 billion** comprising South African and Polish property assets
- Placing **people and ESG at the heart of what we do** is what sets us apart, as it is not just about what we do but how we do it

INTEGRATED THINKING driving our IR

Sustained value creation does not happen in isolation. Continuously embedding integrated thinking into our business requires considering the relationship between the capitals we use or affect and the potential trade-offs inherent to strategic choices. We strive to report transparently, reflecting the value we create, preserve and erode. Understanding these interactions better enables us to deliver sustained value for all stakeholders in the short, medium and long term.

Refer to page 9 for more information about our integrated approach to business and value creation.

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 story.

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 environmental and social goals and impacts enabled by the governance structures that support our sustainability. It includes our **remuneration report** as well as our 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 principles of the International Sustainability Standards Board (ISSB) IFRS S2: Climate disclosures recommendations.

AGM

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

Form of proxy

Navigating our reports

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

Key icons are outlined on page 9.

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

Our reporting suite applies and complies with 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)

Our theme

OPTING for the UPSIDE

We live in extraordinary times. At Redefine, we know that what got us *here* won't get us *there*. Rather, it is how we embrace and respond to the megatrends reshaping our world that will ensure we remain relevant – both now and into the future.

Building a future-ready business begins with the belief that the decisions we make today create a better tomorrow. This hope drives us. It guides our decisions and defines our actions. We know the world continues to evolve at an unprecedented pace and believe that it can be better for all.

Our theme this year is **opting for the upside**. Our reporting suite is designed to showcase how, through the relentless execution of our strategy, we are actively **opting for the upside**. We are moving beyond just future-proofing our business to creating a future-ready business that actively seeks out and embraces real opportunities in our context, creating a legacy that will ensure we continue to serve our stakeholders for years to come.

INDEX

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

1 2 3 4 5

1 Introduction

Centurion Mall, Gauteng, South Africa

ABOUT OUR REPORT

Our purpose is to create and manage spaces in a way that transforms lives. Our reporting suite aims to showcase how we are creating a future-ready business through **opting for the upside** and our relentless efforts to execute and consistently deliver on our strategy to benefit all our stakeholders.

The primary focus of the **IR** is to address the information needs of our investors and funders, supported with relevant information on how we generate, preserve and minimise the erosion of value for our other key stakeholders, including our tenants, employees, suppliers, property brokers, shoppers and communities.

Boundary and scope

OUR INTEGRATED REPORTING BOUNDARY

Covers the risks, opportunities and outcomes arising from our

- **Operating context** Page 23
- **Business model, including the affordability and availability of capitals** Page 13
- **Strategy** Page 39
- FC MC HC SRC IC NC **Use of and impact on the six capitals** Pages 53 to 90
- **Integrated stakeholder engagement** Page 26

OUR FINANCIAL REPORTING BOUNDARY

Aligns with our financial statements reporting boundary (defined by control and joint control) and includes

Subsidiaries	Joint ventures

A list of subsidiaries and joint ventures is outlined in note 59 of the group AFS

Performance information covers Redefine's financial year from **1 September 2022 to 31 August 2023 (FY23)**. Any notable or material events after this date and up to the approval of this report are included and noted accordingly.

In FY22, we concluded our takeover of EPP N.V. (EPP) and now own 95.5% of EPP. The reorganisation of EPP transformed our asset platform, and as a result, our South African and Polish operations now account for 61.9% (FY22: 66.3%) and 38.1% (FY22: 33.7%), respectively, of our property asset platform. In FY22, we disclosed financial information related to our South African and Polish operations over which we have operational control and non-financial information primarily related to our South African operations due to the management control exercised in the full year under review. In this FY23 report, we provide a more integrated view of non-financial information, including EPP.

Assurance

We aim to ensure the integrity of both our financial and non-financial information through a combination of monitoring and oversight by management as well as the use of internal audit and external assurance providers. This process supports our reputation and enhances shareholder value. At board level, our audit committee (AC) focuses on enabling an effective internal control environment across the group; overseeing the integrity of the information used for internal decision-making by management, the board of directors (board), and its committees; and ensuring the integrity of external reports.

Elements of our **IR** were assured as follows:

REPORTING ELEMENT	ASSURANCE STATUS AND PROVIDER
IR	Our IR was prepared by members of the management team within the constructs of a defined mandate. The preparation of the IR comprised various systems, procedures and controls as well as key responsibilities and activities. In accordance with their terms of reference, the board and its committees verified certain information set out in the report and recommended the same to the board for final approval. The report has not been externally assured.
Financial information	The summarised financial information is extracted from the consolidated AFS and includes both audited and unaudited information. PricewaterhouseCoopers Inc (PwC) audited the information in the consolidated AFS and expressed an unqualified audit opinion thereon. BDO South Africa (BDO) assisted in reviewing the effectiveness of the group-wide internal financial controls, supporting the chief executive officer (CEO) and chief financial officer (CFO) attestation as per the JSE Listings Requirements.
Selected non-financial performance metrics	Accredited service providers and agencies verified selected non-financial performance metrics contained in the report, including: ▶ **Honeycomb BEE Ratings Proprietary Limited** independently verified the group's contributor rating according to the Broad-based Black Economic Empowerment Act, No 53 of 2003 and the amended Property Sector Code (Gazette No 40910 of June 2017) ▶ **Terra Firma Solutions** independently verified the group's FY23 carbon footprint/greenhouse gas (GHG) inventory. Verification is at a limited level of assurance and in accordance with the principles of the GHG Protocol Corporate Accounting and Reporting Standard, second edition, 2004 and the ISO 14064-3 international verification standard regarding: ▪ Conformance with the general requirements of the GHG Protocol Corporate Accounting Standard ▪ Completeness and accuracy of the calculated emissions for the financial year ▶ **PwC** performed a limited assurance engagement on the group's FY23 metrics for our Scope 1 and 2 GHG emissions, renewable energy, and total water withdrawn in line with the targets set for our sustainability-linked bond. This assurance engagement has been conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised)), and, in respect of GHG emissions, the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) ▶ **The Ethics Institute** independently conducted a company-wide qualitative ethics risk survey and tabulated Redefine's ethics culture maturity and ethics behaviour risk in accordance with its internally developed methodology ▶ **FluidRock Advisory (FluidRock)**, an external governance service provider, independently assessed the outcomes of the **King IV™** application register for FY23. FluidRock verified Redefine's governance maturity based on the **King IV™** application. The outcome is that Redefine has achieved a rating of "satisfactory applied" for all **King IV™** principles during FY23
All other non-financial performance information	Management verified the processes for measuring all other non-financial information and provided assurance on the same. Information was obtained in line with the group's combined assurance model.

ABOUT OUR REPORT continued

Materiality

Redefine applies a board-approved **double materiality lens** to determine the matters relevant for reporting disclosure, which identifies the matters that impact our ability to create or preserve value (financial materiality) and our impact on the environment, communities and society (impact materiality) in the short (1.5 years), medium (1.5 years to five years) and long term (five years and beyond). We have identified 25 material matters that we group into five overarching material themes and report on them to serve the information and decision-making needs of our stakeholders.

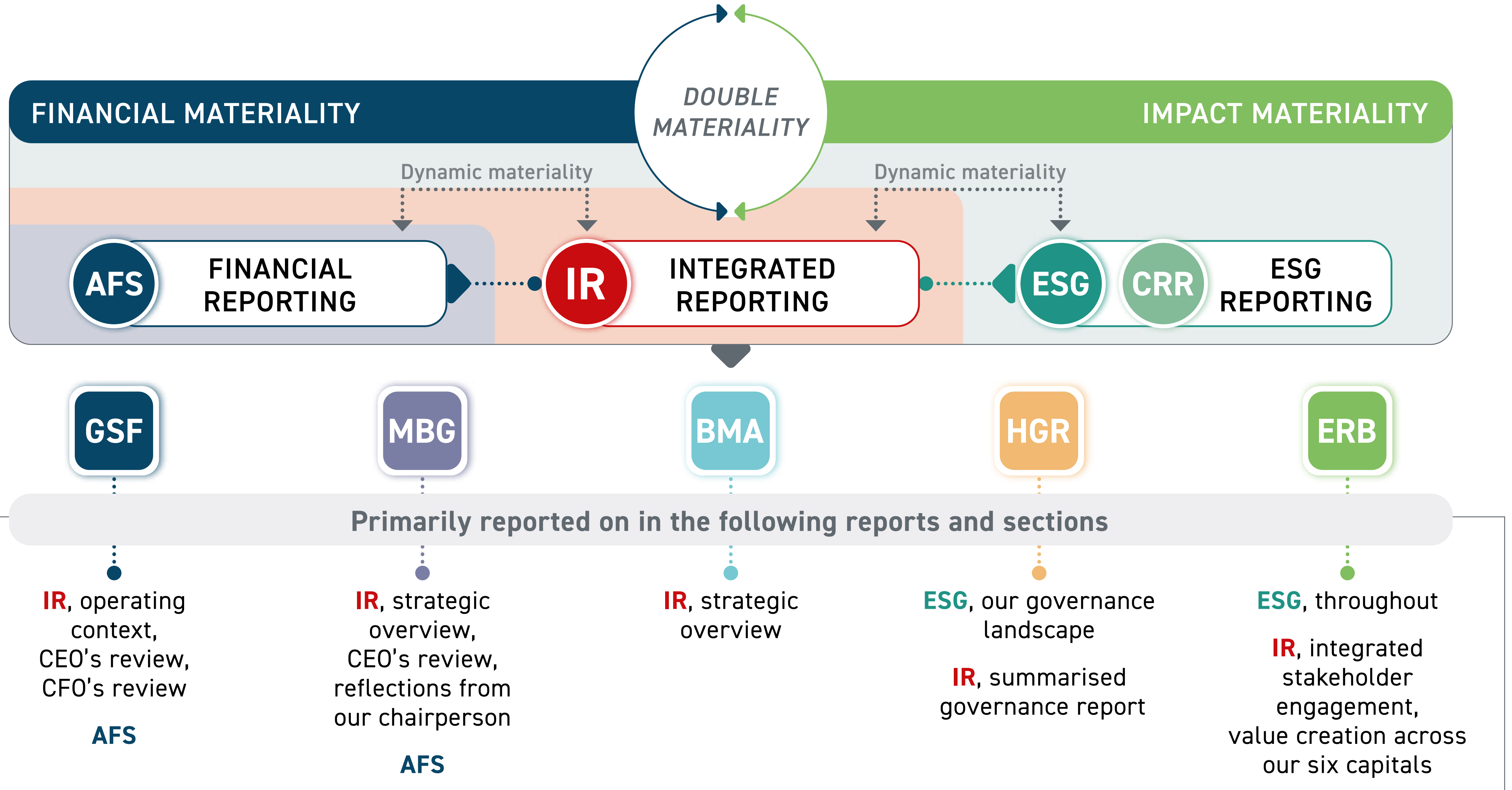
We have used our key risks and opportunities arising from our operating context and stakeholder relationships in South Africa and Poland to determine the material matters on which to report.

Dynamic materiality

We appreciate the dynamically evolving operating context and its potential impact on our matters. As such, we set materiality annually through our well-established quarterly review process. We believe that our reporting reflects the dynamic nature of the matters that impact our value creation.

Our material themes

GSF	Impact of geopolitical and socioeconomic factors on the cost of capital and growth
ERB	The evolving role of business in creating a prosperous and sustainable society
BMA	Business model adaptability to the rapidly evolving context
HGR	Heightened demands of governance and regulatory compliance
MBG	Managing for long-term business growth



Refer to page 35 for more information on how we determine our material matters and themes.
Refer to pages 53 to 90 for more information on our material matters across the six capitals.

Outlook

Outlook information answers the question, "What challenges, opportunities and uncertainties are we likely to encounter in pursuing our strategy, and what are the potential implications for our business model and future performance?"

Outlook information can be found throughout this report, particularly in the following sections

- Reflections from our chairperson – Page 7
- Our operating context – Page 23
- Chief executive officer's review – Page 37
- Performance against our strategy – Page 40
- Chief financial officer's review – Page 48

- FC – Financial capital – Page 54
- MC – Manufactured capital – Page 57
- HC – Human capital – Page 70
- SRC – Social and relationship capital – Page 74
- IC – Intellectual capital – Page 81
- NC – Natural capital – Page 84

Forward-looking statements

This report contains forward-looking statements regarding Redefine's future performance and prospects. While these statements represent our judgements and future expectations at the time of preparing this report, several emerging risks and opportunities, and other important factors could materially change the anticipated outcomes. These may include factors that could positively or adversely affect our business and financial performance.

Board responsibility statement

Redefine's board acknowledges its responsibility to ensure the integrity of the IR. The board, in its opinion and having applied its collective mind to the preparation and presentation of the IR, believes it addresses all material matters and offers a balanced view of Redefine's strategy and how it relates to the organisation's ability to create value in the short, medium and long term.

The board believes that the IR adequately addresses Redefine's use of and effects on the capitals and how the availability of these capitals affects Redefine's strategy and business model. The board confirms this IR was prepared in accordance with the Integrated Reporting Framework.

The board is ultimately responsible for the IR, which is prepared under the supervision of management and subject to a rigorous internal and external review process. The IR is submitted to the AC who reviews its content and the collation process, relying on the assurance provided on the various reporting elements. The AC recommended the report for board approval.

Board of directors

Sipho M Pityana
Independent non-executive chairperson

Amanda Dambuza
Independent non-executive director

Andrew König
Chief executive officer (CEO)

Cora Fernandez
Independent non-executive director

Diane Radley
Independent non-executive director

Leon Kok
Chief operating officer (COO)

Lesego Sennelo
Independent non-executive director

Nomalizo (Ntombi) Langa-Royds
Independent non-executive director

Ntobeko Nyawo
Chief financial officer (CFO)

Simon Fifield
Independent non-executive director

REFLECTIONS FROM OUR CHAIRPERSON

On behalf of the board, I am pleased to present our FY23 integrated reporting suite, which comprehensively reflects Redefine's performance and impact over the past year. Our IR aims to provide strategic insights into how we create value for our key stakeholders.

Introduction

In FY23, the global economic context continued to be characterised by a complex interplay of factors.

Growing geopolitical tensions continued to escalate around the globe. Notable conflicts include the ongoing Russia-Ukraine war and the conflict in the Middle East, which has the potential to become a regional conflict. In a globalised economy, geopolitical conflicts disrupt trade and supply chains, directly affecting macroeconomic stability, including food and energy security.

In addition to these pressures, high energy prices and the aftershocks of the COVID-19 pandemic resulted in persistently elevated inflation rates, affecting consumer purchasing power and business operational costs, which caused central banks to intervene by hiking interest rates steeply.

In South Africa, economic growth remained constrained by energy insecurity due to loadshedding, lower levels of consumer discretionary spending, rising living costs, and persistently high unemployment rates. Many of these factors, which are beyond our control, have exerted pressure on our operational costs. These pressures were further compounded by increased sociopolitical uncertainty due to the upcoming national elections.

In addition to this, service delivery and infrastructure reliability remain inadequate despite increasing municipal, water and electricity costs. Energy constraints are now coupled with water and road infrastructure challenges at a municipal level and rail infrastructure deterioration at a national level. The failure of this infrastructure has a direct impact on real estate assets.

Despite these seemingly insurmountable obstacles, South African businesses continue to see the potential in the country and work tirelessly to mitigate the impacts of failing infrastructure and to find win-win opportunities through collaboration with government. In 2023, the South African government and organised business announced plans to remove obstacles to inclusive economic growth and job creation by focusing on energy, transport and logistics as well as crime and corruption.

> While the operating context remains challenging, I cannot help but see the inherent opportunities. There is much to do to address the challenges we face as a country. Still, we believe that we can progress in addressing these issues through a pragmatic and collaborative approach to **ensure we leave a positive legacy behind.**

Realising upside opportunities

Looking at the real estate sector, I believe South African REITs remain undervalued, particularly given their positive long-term prospects and considering that well-managed REITs are already poised to provide attractive upside opportunities in 2024 when interest rates start to ease.

By the very nature of their design, REITs hold the prospect of capital upside and distribute the majority of earnings available for distribution in the form of dividends, bridging the gap between bonds and equities for investors. These compulsory dividend distributions and the associated predictable cash flow provide a stable income stream for investors, similar to bonds. However, investors also benefit from management experience as they focus on decreasing vacancy rates, maximising rental income, realising growth opportunities, and increasing the share prices – thereby offering investor capital appreciation, similar to equities.

However, a significant gap exists between balanced funds' expected and actual exposure to real estate. South African investors have historically been cautious in their exposure to local and global property markets. The downturn in performance and volatility of South African REITs since 2018 further fuelled investor caution.

Changes to Regulation 28 (of the Pension Funds Act, No 24 of 1956, as amended), which allows retirement funds to invest up to 45% offshore, up from 30% previously, have increased fund managers' options. Balanced funds continue to decrease their exposure to local listed property in favour of equities and bonds. Those who see the benefits of diversification through real estate exposure often choose to do so offshore. While the potential of South African REITs remains attractive, volatility and liquidity are a concern.

Although listed real estate underperformed compared to equities through the monetary tightening cycle, historically, listed real estate tends to outperform when the interest rate hiking cycle ends. Operating fundamentals and occupancy have stabilised in the South African real estate market, allowing investors to take advantage of the current depressed economic conditions as we reach the bottom of the interest rate cycle. REITs with global exposure, on the other hand, offer geographic diversification in addition to sectoral diversification, niche real estate exposure, and a currency hedge. Redefine affords these benefits to its investors.

> **Given these investment factors, I encourage multi-asset fund managers to consider and recognise the potential upside of an appropriately diversified REIT like Redefine, particularly as we come to the end of the interest rate hiking cycle locally and globally.**

REITs have long proven themselves an effective vehicle for diversification, providing income and growth in the long term. The office sector in Cape Town and the self-storage sector in Poland are examples of where Redefine has opted for the upside and is realising positive returns in key markets.

Sipho M Pityana
Independent non-executive chairperson

REFLECTIONS FROM OUR CHAIRPERSON continued

Creating value for a wide range of stakeholders

The state of a country's real estate market not only mirrors its economic health but also actively contributes to economic growth. Redefine's purpose – to create and manage spaces in a way that transforms lives – also speaks to the role real estate plays in the economy beyond its direct contribution. The offices where business is conducted, the stores where consumer needs are met, and the factories that support various industries are spaces created by the real estate sector; these retail, office and industrial spaces drive gross domestic product (GDP) growth.

This year, Redefine outlined the value it creates for key stakeholders through a stakeholder value-added statement. As this statement outlines, a considerable percentage of the value we create is distributed to municipalities for service delivery and governments in the form of taxes paid.

Refer to page 26 for more information.

While there can be no substitute for an effective and efficient state capable of executing its constitutional mandate, we are committed partners in the collaboration between government and businesses to resolve South Africa's socioeconomic challenges. For example, Redefine has already identified and executed several collaborative opportunities in South Africa. Through the disposal of the government-tenanted portfolio, Redefine has formed a majority black-owned joint venture with Talis Property Fund Proprietary Limited (Talis Fund), securing long-term leases with government and resulting in improved long-term prospects for these assets.

A key highlight for us was the value distributed to our shareholders this year. Supported by the disciplined execution of our investment strategy – anchored by a high-quality, diversified property asset platform – Redefine delivered risk-adjusted returns and sustainable growth through the prevailing market cycle. As a result, we declared and paid a total dividend per share of 43.80 cents for FY23.

Instilling good governance practices group-wide

Good governance remains the cornerstone of value-creation goals in any business. The board's responsiveness to trends in our operating environment, particularly around risk management, digital transformation and strategic execution, stands us in good stead. We continue to apply an enterprise-wide approach to governance and are pleased with the full integration of EPP during FY23.

Following our annual board assessment, we believe that we have appropriately diverse skills, experience, and gender and racial composition to sufficiently enrich governance and strategic decisions. Through this exercise, we were satisfied that all directors have sufficient capacity to dedicate to the work of the board, and the search for an additional director to succeed Marius Barkhuysen, who retired in February 2022, continues. The board is supported by a professional executive and management team with exceptional competencies and equipped with future-ready skills.

Refer to page 13 and our ESG report for more information.

Responsive transformation in the REIT sector

Transformation across multiple diversity measures is evident in all facets of Redefine's business. As a result, Redefine's transformation efforts have once again achieved level 1 broad-based black economic empowerment (BBBEE) contributor status. At a time when only 21% of executives in the South African REIT sector are female, Redefine has made meaningful progress with 50% female representation at board level and 57% at executive committee level. Furthermore, in October 2022, the Gender Mainstreaming Awards acknowledged Redefine's progress in diversifying its workforce and driving equality, placing us among the top three JSE-listed companies for gender reporting.

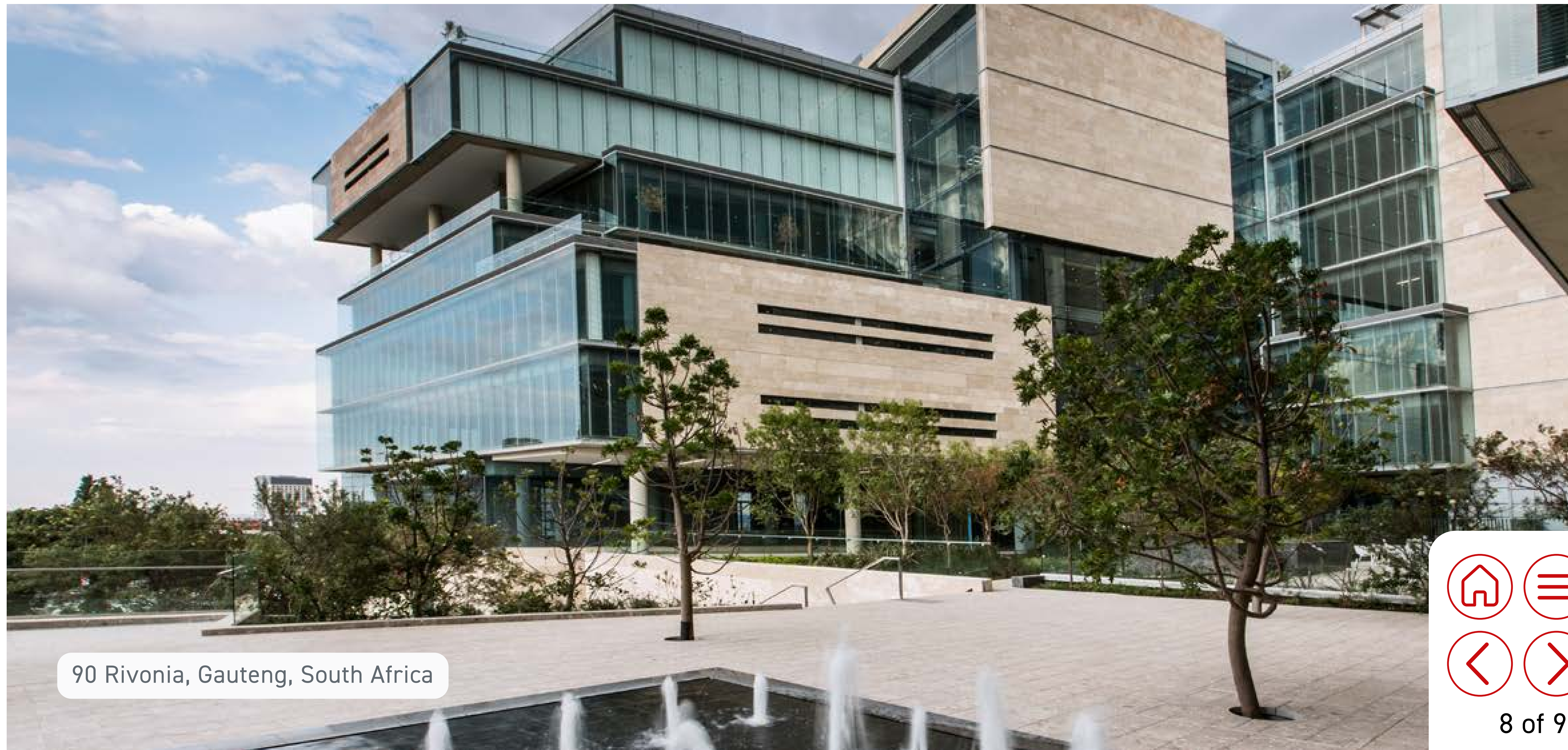
Finding and retaining skilled and executive talent remains a key challenge in the real estate sector.

Redefine focuses on retention and succession planning to ensure a diverse, competent and empowered talent pool with the capability to navigate the sector's complex challenges.

To this end, Redefine's future-ready leadership development programme targets executives and senior management.

Our remuneration framework is designed to attract and retain top talent while ensuring equitable compensation and decent work. Our fair and responsible remuneration practices reinforce this despite the challenges facing the property sector in our countries of operation.

I believe this year's integrated reporting suite exemplifies its theme – **Opting** for the upside.



90 Rivonia, Gauteng, South Africa

OUR INTEGRATED APPROACH TO BUSINESS AND VALUE CREATION

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

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

OUR APPROACH IS DRIVEN FROM A PLACE OF PURPOSE

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

Our mission in this decade to deliver the smartest and most sustainable spaces the world has ever known

Our vision is to be the leading South African REIT

Our **primary goal** is to grow and improve cash flow in order to create sustained value for all our stakeholders

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 promotes 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.

Our **BEST VALUES** are what connects us and guides how we choose to react

WHAT WE DO

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 risk-adjusted returns lie and reduce risk by diversifying our portfolio both sectorally and geographically.

HOW WE DO IT

We're not landlords. We're people.

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

CREATING VALUE

Value for us means meeting our stakeholder goals

WE ASSESS OUR CONTEXT

Operating context 23

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

Stakeholder relationships 26

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 28

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 consider a double materiality lens regarding matters that we impact or which 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.

GSF ERB BMA HGR MBG

35

WE INTEGRATE OUR STRATEGY INTO OUR BUSINESS MODEL

Business strategy 13

Investing in a long-term asset class, we make strategic choices with lasting outcomes. Driven by our mission 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.

MISSION PATHWAYS 39

- Embedding diversity, equity and inclusion
- Mobilising digital transformation
- Nurturing and optimising our ecosystems
- Being a catalyst for good
- Being curious innovators

STRATEGIC PRIORITIES 39

- IS Invest strategically
- OC Optimise capital
- OE Operate efficiently
- ET Engage talent
- GR Grow reputation

Business model 13

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.

Stakeholder goals 27

Providers of financial capital	Investors	To be a source of sustained growth in total returns
	Funders	To be a reliable source of returns on debt funding
Customers	Tenants	To provide differentiated and relevant space
	Shoppers	To provide a safe and enjoyable shopping experience
	Employees	To grow and inspire people who create and manage spaces for positive impact
	Property brokers	To be our property brokers' preferred business partner
	Suppliers	To be a responsible and compliant business partner
	Communities	To be a 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 41

OUR SECONDARY UN SDGs 41

Throughout this report, we highlight the relevant UN SDGs to which the content contributes by using an icon alongside. For more detail, please refer to our ESG report.

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

- FC Financial capital 54
- MC Manufactured capital 57
- HC Human capital 70
- SRC Social and relationship capital 74
- IC Intellectual capital 81
- NC Natural capital 84

1 2 3 4 5

2 Who we are

Alice Lane, Gauteng, South Africa

OVERVIEW OF OUR BUSINESS

How we approach our business

Our purpose and values inform all aspects of what we do, including how and why we engage with our stakeholders, how we consider investment opportunities, and how we make choices to ensure long-term business sustainability.

Inclusive relationships

Our unique and focused approach to relationships enables us to create and sustain meaningful value for our stakeholders and improve stakeholder confidence. We continue to better our understanding of our stakeholders' needs, ensuring their impact on us and our impact on them to create sustained value.

How we invest

Our investment philosophy is anchored in creating and managing a high-quality diversified property asset platform that aims to deliver risk-adjusted returns and sustainable growth through market cycles. We invest in well-located, high-quality and efficient properties in the key economic nodes of South Africa and Poland, focusing on blue-chip tenants to secure sustained cash flow.

We monitor for geographical and nodal concentration risk within the portfolio and aim to unlock new opportunities as our operating environment evolves. Our dynamic investment process considers fundamental opportunity and risk while factoring in capital constraints.

OUR INVESTMENT PROPOSITION FOCUSES ON DELIVERING SUSTAINABLE VALUE CREATION FOR ALL STAKEHOLDERS

Focused on people and purpose by placing **ESG at the heart of what we do**

- **Simplified**, high-quality asset platform which is **diversified**
- **Sustainable** funding model with **solid credit metrics**
- **Consistent** delivery of strategy
- **Engaged**, passionate and innovative **human talent**

Embedding ESG into all aspects of what we do

ESG promotes our long-term business resilience that drives transparency and accountability for our actions. It infuses our strategic decisions and informs operational plans. **Our sustainable financing framework guides our use of sustainable financing instruments and proceeds.**

We continue to embed environmental and social targets into our business approach and operations and are committed to having a positive impact across our selected primary UN SDGs.

Our strategy aims to deliver sustained income and capital growth, focusing on attracting and retaining tenants to secure rental growth, maintain operating margins, optimise the use of natural resources, and ultimately improve cash flow.

Refer to pages 39 to 45 for more strategy-related information.

Bielsko-Biala, Bielsko, Poland

WHERE WE OPERATE

Our simplified and well-diversified asset platform is poised to continue delivering sustainable returns

We believe diversification drives value when investing and operating in a long-term asset class by reducing cyclical, sectoral and geographic risk and that this enables us to deliver value through market cycles. We actively manage our property portfolio to ensure it remains diversified and comprises high-quality properties. In South Africa, our portfolio aims to mirror the South African property landscape and is positioned for predictable and sustained organic growth. Our Polish asset platform provides us with access to lower risk and growth opportunities in hard currency.

Refer to manufactured capital on page 57 for more information on our portfolio and market trends.

REDEFINE IS A DIVERSIFIED REIT WITH EXPOSURE IN

SOUTH AFRICA AND POLAND

Why South Africa

- Most industrial economy in Africa
- Resilient economy despite energy and infrastructure headwinds
- Strategically located
- Progressive constitution and independent judiciary
- Established asset base with scale in mature sectors
- A young talent pool that is resourceful and adaptable
- Advanced financial services and banking sector
- Abundant natural resources
- Mature and liquid capital market

Why Poland

- Strong long-term economic fundamentals with good recovery potential
- Well-educated and productive talent pool
- Solid public infrastructure
- Liquid real estate market
- Strong relationships and alignment with in-country partners
- Strategically well located
- European Union (EU) aligned regulatory framework
- No regulatory limits on capital flows

PROPERTY ASSET SPLIT

South Africa 61.9% | **Poland 37.9%** | **OTHER 0.2%**

South Africa – Sectoral diversification by value

	Retail	Office	Industrial	Specialised
FY23	41.1%	37.2%	20.2%	1.5%
FY22	41.3%	37.8%	20.0%	0.9%

South Africa – Regional diversification by value

	Gauteng	Western Cape	KwaZulu-Natal	Other
FY23	72.8%	17.0%	5.0%	5.2%
FY22	73.8%	15.9%	4.8%	5.5%

Poland – Sectoral diversification by value and platform

	EPP – retail	ELI – logistics	EPP – office	Stokado – self-storage
FY23	80.7%	15.3%	3.5%	0.5%
FY22	84.0%	13.0%	3.0%	0.0%

Poland – Diversification by platform

	EPP	ELI	Stokado
FY23	84.2%	15.3%	0.5%
FY22	84.2%	15.8%	0.0%

Our sizeable, high-quality portfolio is well-diversified across the retail, office and industrial sectors, with regional exposure and prominence in South Africa's key economic nodes.

- **3.8 million m²** gross lettable area (GLA) (FY22: 3.9 million m²)
- **252** properties (FY22: 258)
- **415** permanent employees (FY22: 429)
- **R59.9 billion** carrying value (FY22: R58.9 billion)

We will continue to drive organic growth in an environment characterised by constrained rentals and rising operating costs.

Our international exposure is primarily focused on Polish retail and logistics. This provides diversification in an economically stable, hard-currency market. Our key investments in Poland are:

- **2.3 million m²** of directly and indirectly held GLA (FY22: 1.9 million m²)
- A **95.5%** interest in EPP* with **1.3 million m²** GLA held directly and indirectly (FY22: 95.5% and 1.2 million m²)
- A **48.5%** interest in ELI** with **1.0 million m²** GLA (FY22: 46.5% and 0.7 million m²)
- A **51.0%** interest in Stokado*** with NLA**** of **19 000 m²**
- **212** EPP and **nine** ELI permanent employees (FY22: 210 EPP and three ELI)
- **R36.7 billion** carrying value (FY22: R29.8 billion)

We will continue to unlock value through active asset management and development in Poland.

** The largest manager of retail assets in Poland | ** European Logistics Investment B.V. | *** Stokado sp. z o.o | **** Net lettable area*

1 2 3 4 5

OUR BUSINESS MODEL

We strive to manage the various resources and relationships that enable our business activities to maximise the value we create and preserve and minimise the value we erode.

OUR INPUTS*

The resources and relationships on which we rely	How we manage the availability, quality and affordability of the capitals
FC — **R50.1 billion** in stated capital (FY22: R50.1 billion) **R40.0 billion** in interest-bearing borrowings (FY22: R37.3 billion)	Costly and capital-constrained operating environment ▶ requires responsible financial and liquidity management
MC — **R59.9 billion** directly held South African property portfolio (FY22: R58.9 billion) **R36.7 billion** in directly and indirectly held Polish properties (FY22: R29.8 billion) **R0.2 billion** in unlisted international property investments (outside of Poland) (FY22: R0.2 billion)	High levels of competition for quality assets and shifting consumer preferences ▶ necessitates a strategic approach to sectoral and geographic diversification and the exploration of alternative uses for existing property and asset classes
HC — **415** permanent property and financial professionals based in South Africa (FY22: 429) **221** permanent property and financial professionals based in Poland (FY22: 213)**	Increasing shortage of experienced property skills and talent ▶ requires a focus on growing talent and supporting employee wellness
SRC — Strong key stakeholder relationships through communication and collaboration Providers of financial capital: Investors, Funders Customers: Tenants, Shoppers Employees, Property brokers, Suppliers, Communities	A low-trust environment coupled with high levels of social unrest ▶ requires carefully managing stakeholder relationships and demonstrating behaviour that earns trust
IC — Group strategy Digital transformational journey Well-established brand Innovative thinking and ability to adapt to change Robust governance structures centred on ethical conduct **100** registered trademarks (FY22: 109)	Intellectual capital that sets companies apart is a scarce resource, and innovative thinking has become a differentiator ▶ requires Redefine to focus on agility and a future-ready mindset
NC — **2 183 107 litres** of water used (FY22: 2 334 230 litres)*** **481 299MWh** of electricity used (FY22: 486 976MWh) 186 Green Star SA certifications (FY22: 160)	The cost and availability of water and electricity remain constrained ▶ supports our business case for resource-efficient buildings and a future-ready business

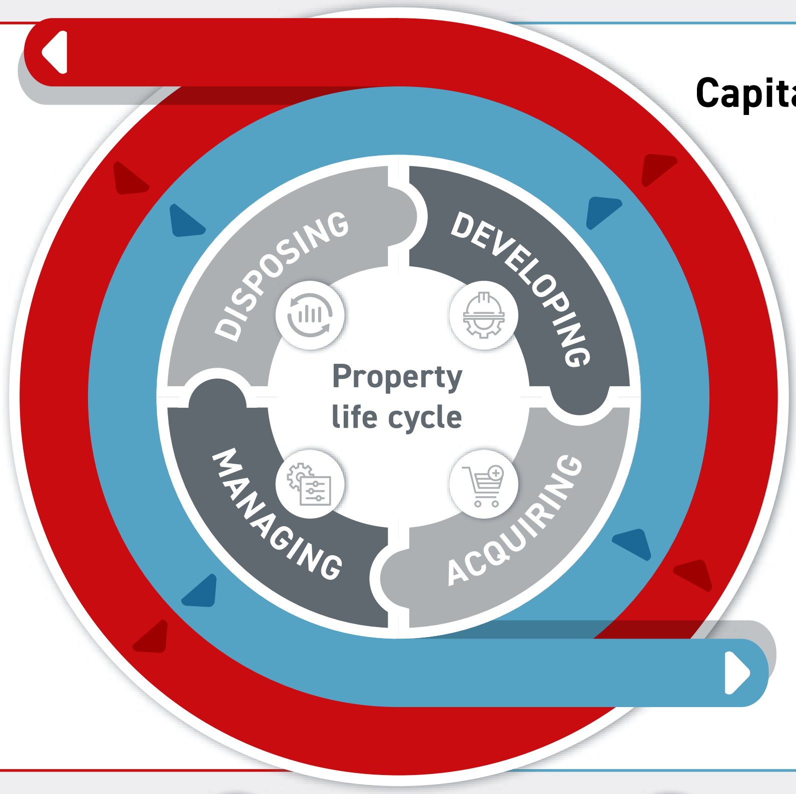
OUR BUSINESS ACTIVITIES

What differentiates us

Our business activities aim to secure long-term leases with blue-chip tenants to generate cash flow, creating sustained value for all our stakeholders. We are committed to monitoring and improving the ESG-related impacts of our business activities and investment decisions.

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 sourcing and allocation

In a scarce and costly capital environment, we evaluate the prospective returns of each capital deployment opportunity to determine capital allocation. Our decisions about sourcing, deploying, managing and, at times, recycling our manufactured capital support our business activities and align with our investment strategy.

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

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 high occupancy rates.

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

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

OUR OUTPUTS

What we produce

Our core output is quality real estate assets. Our business activities of developing, acquiring, managing and disposing of properties to recycle capital aim to create value across our capitals. We recognise that despite our best efforts some capitals may be negatively effected by this process.

Our product

- Quality real estate investments that add value to society and deliver sustained cash flow
- Total directly and indirectly held portfolio GLA of 6.1 million m² (FY22: 5.8 million m²)

Our waste and emissions

Total greenhouse gas (GHG) emissions of 540 952 tCO_2e (FY22: 521 942 tCO_2e)

6 426 tonnes of waste generated from internally managed waste at 43% of our properties by GLA (FY22: 7 648 tonnes for 39% of GLA)

OUR OUTCOMES

How we create, erode and preserve value

Acquiring and disposing

Acquiring properties diminishes our financial capital while increasing manufactured capital. When disposing of properties, the converse is true. In both activities, we rely on our intellectual and human capital to effectively manage the process to create and retain as much overall value for us and our stakeholders as possible.

FC + − | MC + − | HC + | IC +

Managing and developing

Managing our portfolio requires human and intellectual capital to build stakeholder relationships, retain tenants, and increase efficiency. Our inclusive internal and external stakeholder approach increases human and social and relationship capital. Redefine's cost-efficiency optimisation increases financial capital.

Our environmental efficiency activities require financial capital to install but reduce our reliance on natural capital. These efforts result in better-managed buildings, tenant retention, and sustained financial capital. While development and capital expenditures cost increases and preserves manufactured capital, it diminishes financial capital.

FC + − | MC + = | HC + | SRC + | IC + | NC − =

Refer to our value-creation section starting on page 53 for an overview of the outcomes per capital and pages 58 to 81/ESG report for our value-creation outcomes per stakeholder.

* For the quantification of our inputs, we used closing year-end balances for consistency | ** Includes EPP and ELI employees | *** Total includes municipal and borehole water

SUMMARISED GOVERNANCE REPORT

The board succession planning framework comprises a skills matrix that ensures that composition of the board is well balanced and fit for Redefine's business. Over the past four 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 is one that is diverse in skills, knowledge and experience; enables 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, manage the company's business activities to enhance the positive and minimise the negative outcomes of our business model. The board uses a skills matrix that takes into account the six capitals to support director recruitment and succession planning.

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

Sipho M Pityana (64)

2 3 5 6 7 8 9 10 12 13 14 15

Independent non-executive chairperson
BA (Hons) and MSc in Politics and Sociology
Appointed: May 2019

NOM REM IC

Amanda Dambuza (45)

5 6 7 8 9 10 11 12 13 14

BSocSci, certified PMP®, PRINCE2®, AGILE and ITILL
Appointed: November 2018

SET RCT NOM

Cora Fernandez (50)

1 2 3 5 6 7 8 9 10 12 13 14 15

BCom, BCompt (Hons) Chartered accountant
Appointed: November 2022

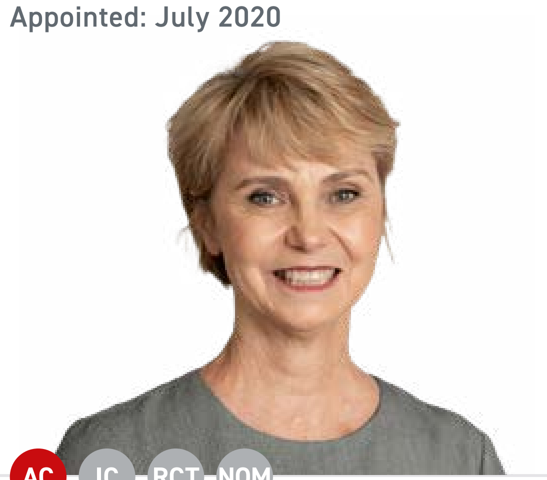
REM SET AC

Cora Fernandez, has been appointed as a member of the AC with effect from 30 October 2023.

Diane Radley (57)

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15

CA(SA), MBA, PGD in Advanced Banking and AMP (Harvard)
Appointed: July 2020



AC IC RCT NOM

Lesego Sennelo (46)

1 2 3 5 6 7 8 9 10 11 12 13 14 15

CA(SA), HDip Auditing
Appointed: November 2018

RCT AC REM

Ntombi Langa-Royds (61)

5 6 7 8 9 10 11 12 13 14 15

BA Law, LLB
Appointed: November 2015

REM SET NOM

IC AC RCT

BSc and MSc in Land Surveying, CFA charterholder
Appointed: September 2022

2 3 4 5 6 9 11 12 13 14 15

Simon Fifield (47)

SET IC

CEO
CA(SA)
Appointed: January 2011

1 2 3 4 5 6 7 8 9 11 12 13 14 15

Andrew König (56)

RCT IC

CFO
CA(SA)
Appointed: February 2021

1 2 3 5 6 7 8 9 10 11 12 13 14 15

Ntobeko Nyawo (41)

RCT SET

COO
CA(SA)
Appointed: October 2014

1 2 3 4 5 6 7 8 9 11 12 13 14 15

Leon Kok (52)

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

Anda Matwa (40)

Our governance custodians

Our board is mainly composed of independent non-executive directors with diverse backgrounds and experiences.
This diversity enables us to navigate the ever-changing business environment effectively by bringing distinct viewpoints to board deliberations.

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

SUMMARISED GOVERNANCE REPORT continued

Our governance response to trends in our operating environment

While monitoring the environments in which we operate, the group identified trends that affect our operations. Our governance framework is sufficiently robust to respond and adapt to the changing environments in which we operate both locally and internationally.

TREND	OUR GOVERNANCE RESPONSE
Regulation on the rise in the geographies in which we operate, resulting in an increased cost of compliance	▶ A fit-for-purpose group-wide governance framework, with increased focus on localisation ▶ Enhanced focus on tax governance ▶ Leverage the digital transformation journey ▶ Enhanced governance collaboration across the business ▶ Engage with regulatory bodies
Technological disruptions resulting in compliance through reliance on information and communications technology (ICT) governance	▶ Modernisation of our governance processes to reduce the cost of compliance ▶ Training on AI governance oversight at board level ▶ Align internal and external reporting to enhance board oversight of performance against strategy
Global economic uncertainty stemming from continued war in Ukraine, tensions in China, risk of global recession, growing inflation, rising interest rates, and market volatility	▶ Robust capital and investment strategy ▶ Board and committee oversight and update of emerging risks, including non-financial risks
Higher expectation for companies to have a social purpose	▶ The social, ethics and transformation committee (SET) monitors that the company purpose aligns with social expectations and that the strategy ensures delivery thereof
Talent war resulting from demographic shifts and geographic relocation	▶ Robust and effective retention and succession plans for executive management with a particular focus on executive directors ▶ The opportunity to enhance board oversight of organisational culture
Climate change	▶ Continued board monitoring of evolving developments regarding ESG goals, metrics and reporting ▶ Board oversight on the impact of energy crisis due to power generation failures (South Africa) and the impact of energy cost increases (Europe)

ParkONE, Western Cape, South Africa

SUMMARISED GOVERNANCE REPORT continued

Our value-creating governance approach in action

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 in 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 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.

We identify, in the graphic below, the actions taken during the year.

The board has adopted a stakeholder-inclusive approach in executing its governance role and responsibilities and is guided continuously by its commitment to the principles of **King IV™**. Effective governance processes are substantially entrenched in the board's policies, terms of reference, and overall procedures and processes.

For more information on how we have applied the principles of **King IV™**, see our ESG report.

The board appreciates the interconnectedness of the company's vision, business model, strategy, and associated material risks and opportunities. In directing our strategy, assessing our business model, and enhancing sustainability to create value for all stakeholders, the board considers the risks and opportunities related to the company's context.

BOARD ACTIVITIES IN FY23

Quarterly CEO report to monitor the group's performance in South Africa and Poland against strategic priorities, considering the macroenvironment, geopolitical environment, high-level risks and opportunities, and stakeholder management.

Quarterly CFO report to monitor the outlook for distributable income, credit metrics, net asset value (NAV), 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, enhancing the quality of our assets through targeted sustainability initiatives, and monitoring progress on developments.

Quarterly assessment of the quality of **our relationship with key stakeholders.**

Quarterly monitoring of the **company's financial performance and position.**

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 ▶ Monitored the implementation of the recommendations for improvement identified during the FY22 board evaluation ▶ Implemented the annual re-election of the chairperson ▶ Approved the anti-money laundering policy, which includes the politically exposed persons (PEP) policy statement	OE IS GR
STRATEGY, PERFORMANCE AND REPORTING	▶ Consistent alignment between Redefine's strategy and the board's charter and the terms of reference of the board and the executive and management committees ▶ Enacted our investment strategy through the the approval of various transactions during the year in line with the delegation of authority ▶ Integrated EPP into the group's governance structures	IS ET OC
APPROPRIATE BALANCE OF KNOWLEDGE, SKILLS, EXPERIENCE, DIVERSITY AND INDEPENDENCE	▶ Improved alignment between internal and external reporting to enhance the board's oversight ▶ Embedded 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	ET GR
STRUCTURED AND DELEGATED AUTHORITY	▶ Revised the terms of reference for the board and committees to support a high-performing board ethos ▶ The restructured executive committee has resulted in deepened diversity and strengthened strategic execution ▶ Refreshed the board delegation and enhanced internal reporting for the regular monitoring of the execution of the strategy	OE ET
ASSURANCE AND CONTROLS	▶ Updated relevant policies and procedures in response to the amendments to the JSE Listings Requirements ▶ Continuous monitoring of our ethics programmes and the outcomes of the annual ethics risk survey	OE
STAKEHOLDER RELATIONSHIPS	▶ Embedded the refreshed stakeholder engagement strategy and stakeholder management matrix ▶ Adopted an impact framework to measure impacts on various stakeholders	GR

Alignment with good governance outcomes

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

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

Measuring governance maturity

Redefine is on an enterprise-wide corporate governance journey to further enhance our governance maturity by implementing a process to measure governance maturity against set key performance indicators (KPIs).

The first assessment will commence in FY24 and will be used as the baseline going forward. The assessment is based on 16 **King IV™** principles and will be verified by FluidRock.

SUMMARISED GOVERNANCE REPORT continued

Our diverse and independent board

King IV™ highlights the need for the board to comprise the appropriate balance of knowledge, skill, experience and independence to discharge its governance role and responsibilities objectively and effectively.

Diversity takes various forms in our boardroom and is critical to ensure that the board is collectively equipped to guide Redefine's business and strategy. This includes ensuring the right balance of fresh and varying perspectives as well as progressive thinking. Our board diversity policy categorises the different forms of diversity according to various indicators in line with the JSE Listings Requirements. Our diversity policy comprises six indicators: gender, race, skills, experience and expertise, age, sexual orientation and culture. Sexual orientation and culture relate to diversity in thought and mindful governance around organisational culture.

Age

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	80%

FY23	80%
FY22	73%
FY21	80%

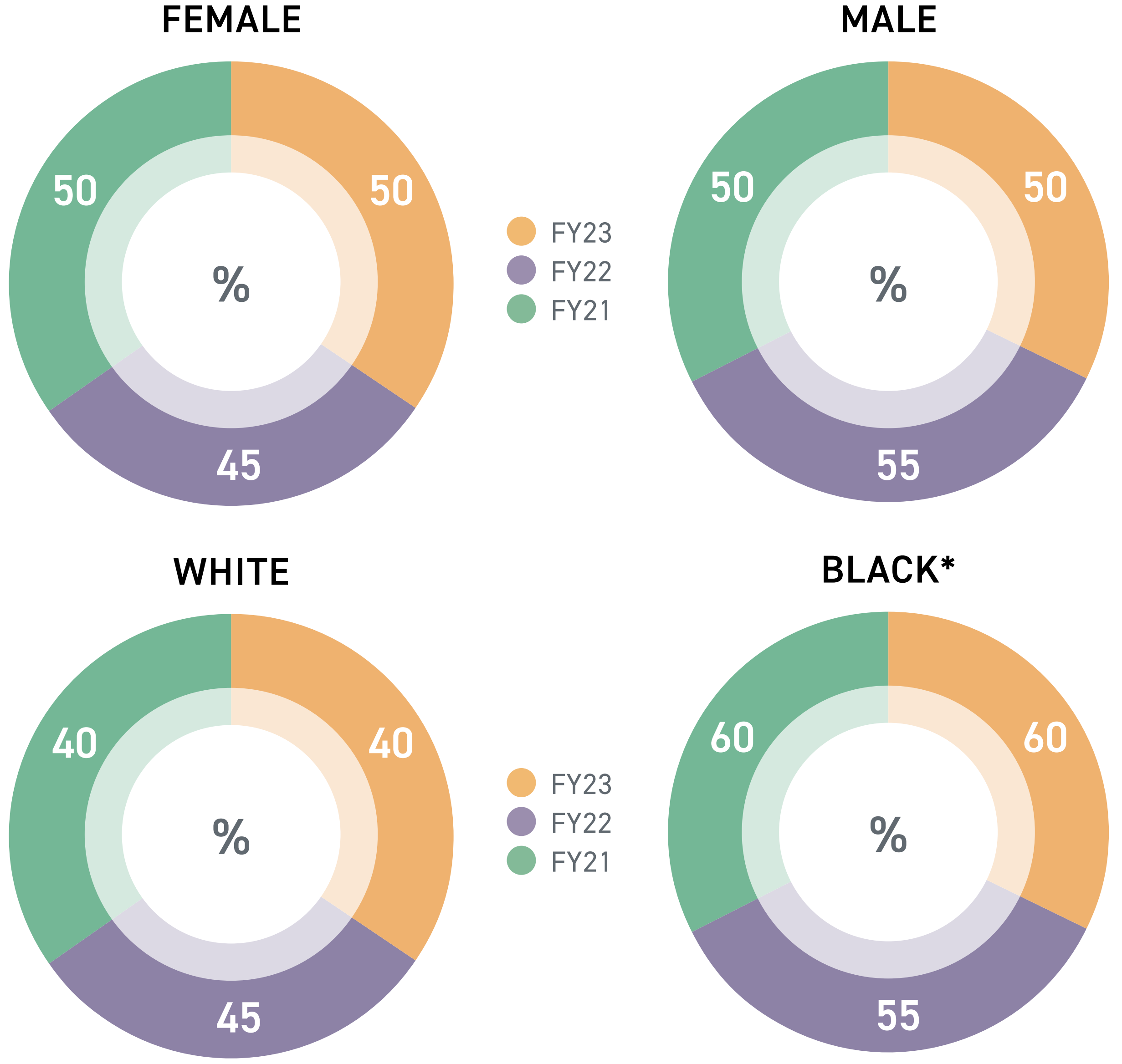
Succession and tenure

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 independent non-executive directors	Average tenure
1 to 3	2	4.1 years
3 to 6	4	
>6	1	

Gender and race

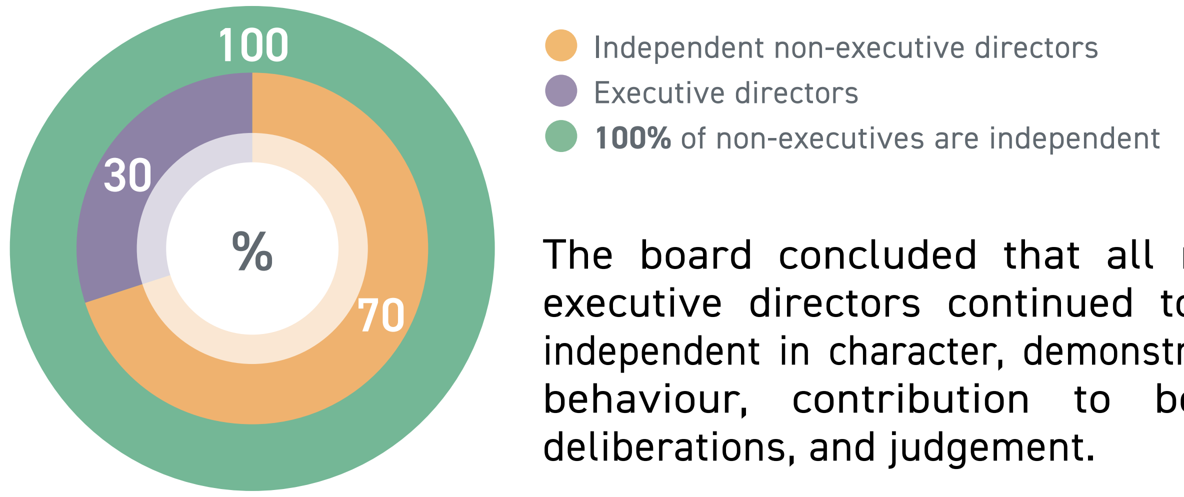
Our board diversity policy promotes voluntary targets of 40% female and 50% black* representation. The board met its gender and racial diversity targets.



* Black includes African, Coloured and Indian (ACI) members

Board independence

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



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

Diversity of expertise

We seek to develop an experienced board with the appropriate balance of knowledge and skills in areas relevant to the group. The following areas of expertise are relevant to Redefine**:

60%	Financial accounting, reporting and tax
80%	Financial markets, funding and sustainability finance
80%	Allocation of capital and investment and asset management
40%	Property management
100%	People management
100%	Remuneration and awards
90%	CSI and transformation
90%	Health and safety
100%	Stakeholder management and engagement
70%	Technology and cybersecurity
80%	Innovation
100%	Risk and opportunities
100%	Regulatory, legal and compliance
100%	Corporate governance
90%	Environmental sustainability and climate change

** Percentage of directors with requisite skills

SUMMARISED GOVERNANCE REPORT continued

Board evaluation summary

Board and committee evaluations

The board monitored progress against the FY22 board evaluation recommendations.

To deliver on our purpose, we require effective board leadership, well-performing committees, and a suitable board composition with a mix of skills, experience and expertise. We assess this through our board evaluation process.

In accordance with **King IV™** recommendations, our board undergoes an externally facilitated evaluation process every third year. During the year, Nasdaq Corporate Solutions (Nasdaq), an external service provider, conducted an independently facilitated board and committee evaluation.

The evaluation confirmed that the board and its committees are performing well, with specific areas for improvement identified. Appropriate measures will be put in place to support the outcomes of this evaluation, and progress against these will be monitored until appropriately managed or resolved. In addition, the board's composition, expertise and skills were assessed, and the outcome indicated that the board has the necessary skills and expertise. This was also considered in the context of the board succession planning, which remains robust. An opportunity to further enhance succession planning was identified and will be a focus for FY24.

Full details of the board evaluation can be found in the **ESG** report.

Continuous professional development

We align this with the company's strategic priorities and the six capitals. The board has adopted a formalised continuous professional development framework.

We regularly review and update our directors' manual for new directors. Quarterly training sessions are held to support the continuous professional development of directors. During the year, the directors attended the following training initiatives and thought-leadership sessions:

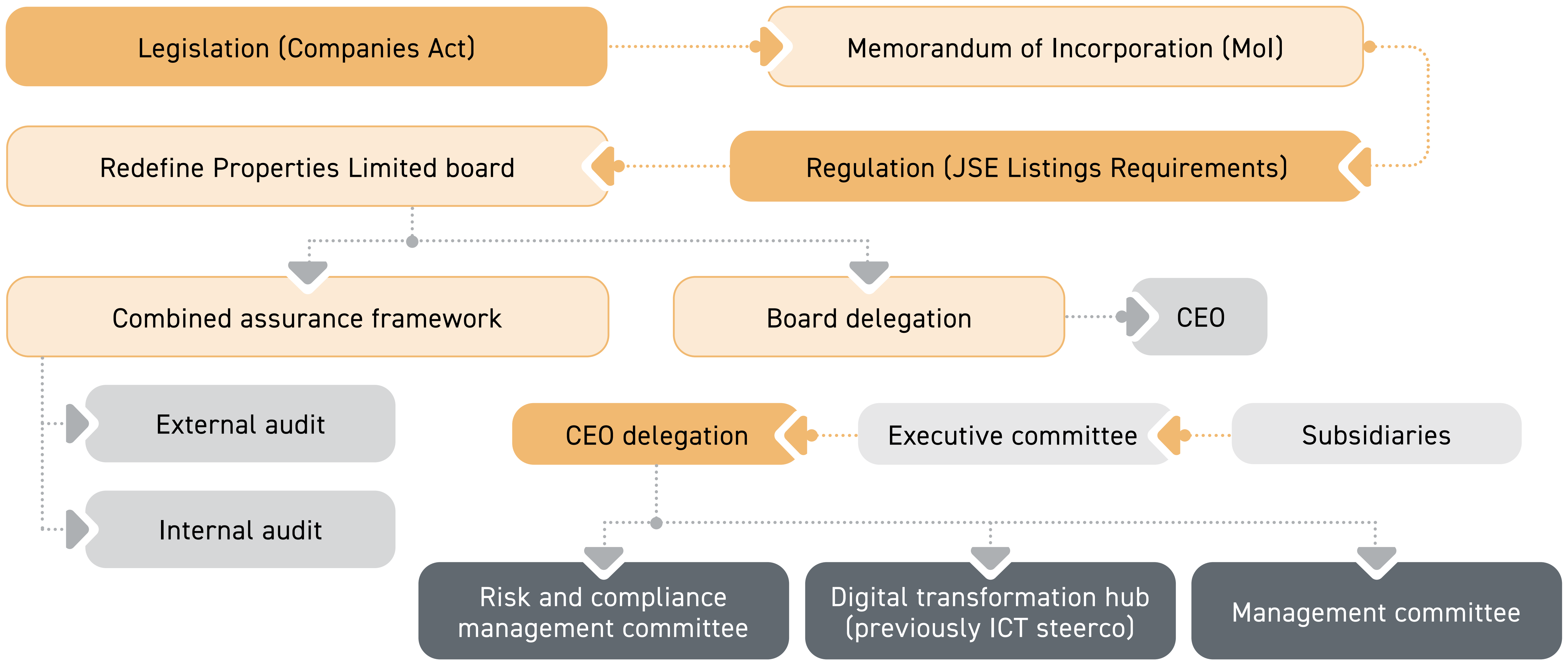
- Insights into the evolving South African political landscape and beyond by Prof Steven Friedman
- Insights on the energy risk and opportunities in South Africa by JP Landman
- Insights on the South African economic landscape in 2023 and beyond and the outlook on the real estate sector by Dr Azar Jammine
- Board ethics workshop and the impact of ethics on organisational culture facilitated by FluidRock
- Thriving in the digital economy by Cadena Growth Partners

A review of our governance structures and delegations during the year

We continuously monitor our governance structures and delegation matrix to promote an ethical culture across the group. Our group governance framework intentionally links the board's and committees' terms of reference, the company's strategic objectives, and the six capitals.

OUR GROUP-WIDE GOVERNANCE FRAMEWORK

To give effect to our governance approach, we subscribe to a group-wide governance framework. This framework outlines 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 company's and our stakeholders' best interests. This supports our vision of being the leading South African REIT.



SUMMARISED GOVERNANCE REPORT continued

Key areas of board oversight relate to, among others:

Overseeing the group strategy	Capital allocation and investment strategy	Risk and opportunity identification	Organisational culture	Major capital expenditure and large-value transactions
Attraction of and retention of human capital	Succession planning	Risk and compliance	Integrity of financial controls	Stakeholder management, including reporting
Responsible procurement governance	ESG integration	Responsive governance		

BOARD COMMITTEE	FOCUS IN TERMS OF THE SIX CAPITALS		PRIMARY FOCUS IN TERMS OF REDEFINE'S STRATEGIC PRIORITIES
AC	FC MC IC	▶ Matters considered include reporting, internal and external audit, and combined assurance ▶ Tax governance	OC OE
RCT	FC MC IC	▶ Matters considered include risk governance, compliance governance, and ICT governance	OE
IC	MC IC	▶ Matters considered include investment decisions and property valuations ▶ Reviewed the investment strategy	IS OC
SET	HC SRC IC NC	▶ Matters considered include sustainable development and sustainability reporting, transformation, diversity and inclusion, and corporate citizenship	ET GR
REM	HC SRC IC	▶ Matters considered include the remuneration policy and implementation plan, alignment of our people strategy with our business model, and fair and responsible remuneration practices	ET GR
NOM	HC IC	▶ Matters considered include director affairs, our corporate governance strategy and implementation plan, and our board succession plan	ET GR

The board reviewed the committees' terms of reference as part of its commitment to being a high-performing board and evolving our governance practices over time.

The revised terms of reference aim to address potential areas of overlap and/or synergies between the committees. The revisions are supported by crucial actions that include retaining cross-membership to promote collaboration between board committees, 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, and 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 continued on a journey to embed enterprise-wide corporate governance across the group. We believe that the refreshment of the board's and committees' terms of reference will enable us to improve board reporting and further strengthen our governance profile.

FC Financial capital | MC Manufactured capital | HC Human capital | SRC Social and relationship capital | IC Intellectual capital | NC Natural capital

WELL-ESTABLISHED CORPORATE GOVERNANCE PRACTICES IN PLACE ACROSS OUR BUSINESS

- ✔ 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 are 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
- ✔ Annual declaration of PEP in line with our PEP policy statement framework
- ✔ Adoption of anti-money laundering policy
- ✔ Compliance-monitoring plan in place to respond to emerging threats such as South Africa's greylisting status

IS Invest strategically | OC Optimise capital | OE Operate efficiently | ET Engage talent | GR Grow reputation

1 2 3 4 5

SUMMARISED GOVERNANCE REPORT continued

Innovation in governance

Redefine operates innovatively and inclusively. One of our pathways to achieving our mission is being curious innovators. This entails the continuous development of employees by fostering a culture of curiosity and a design-thinking mindset. This approach seeks to evolve and grow the business by transforming the creation of value across the stakeholder spectrum.

The board is responsible for promoting and enabling innovation within Redefine. The board achieves this by:

- Ensuring they possess the adequate professional skills to carry out this duty. Based on the Nasdaq skills assessment, the board has sufficient directors who can exercise oversight in matters relating to innovation
- Ensuring Redefine's strategy, business model, and operating environment account for innovation in all aspects
- Monitoring the execution of the corporate strategic plan, which includes the outcomes of the innovation pathway

Overseeing the execution of the ESG strategy, which includes the following notable innovations:

1. **Submitting** 12 industrial buildings in 2022 for certification by the Green Building Council South Africa (GBCSA), using their pilot industrial existing building performance certification tool
2. **Overseeing** Redefine's net zero pathway, including the achievement of three Net Zero Level 2: Building and Occupant Emissions (measured) certifications, which were the first of their kind issued by the GBCSA
3. **Improving** the coverage of smart water meters from 4% of the portfolio to a projected 10%, thus improving the granularity and quality of water consumption data
4. **Approving** the continued rollout of Propelair toilets at scale, which won first place for the 2023 South African Facilities Management Association (SAFMA) Award for Technology Implementation of the Year

Practical application techniques adopted to embed an enterprise-wide approach to corporate governance

- Developed and adopted a governance strategic plan that forms part of the overall strategy
- Aligned our governance strategic plan with the vision and purpose of the company
- Quantified the impact of governance by adopting a governance KPI
- Dynamic governance approach will incorporate new developments

Blue Route Mall, Western Cape, South Africa

SUMMARISED GOVERNANCE REPORT continued

Mindful governance in FY23

With due consideration to the company's material matters and as a means of monitoring company culture, mindful focus was given to the following governance processes to ensure the achievement of the company's strategic priorities and realisation of our desired governance outcomes.

		Overview	Outcomes	Delivery of **King IV™** outcomes
1	Expansion in Poland	The board approved the development and acquisition of self-storage investments in Poland.	Strategic presence in a meaningful way, creating a new platform with long-term growth potential in a developing market.	IS OC ET GSF ERB BMA HGR MBG
2	Consistent focus on embedding sustainability into our business	The board, through the SET, approved the **CRR** and the net zero transition strategy.	The developments in the reporting frameworks were considered in line with Redefine's ongoing alignment with local and international best practice around sustainability. The **CRR** and net zero transition strategy provide guidance on long-term formulation of scientific targets for meeting our transitional and net zero targets by 2050.	IS GR GSF MBG
3	Leveraging of opportunities in a challenging economic environment	While the global economy remains tough with continued interest rate hikes and failing infrastructure, the board approved the acquisition and disposal of various investments in line with the delegation of authority.	▶ Embracing inclusive growth by furthering our investments in underrepresented nodes ▶ Restructuring of the ownership of the government-tenanted office portfolio ▶ Our sustainability strategy ensures high quality assets resulting in a defensive asset class, particularly our office portfolio	IS OC ET GSF ERB BMA HGR MBG
4	Embedding an enterprise-wide approach to corporate governance	We recognise the importance of evolving our governance approach to better support the board's oversight of strategy.	As part of our journey to embed an enterprise-wide approach to corporate governance, the board ▶ Adopted a governance KPI to be cascaded group-wide ▶ Measured and monitored the level of governance maturity ▶ Continued focus on combined assurance with emphasis on both the financial and non-financial aspects of the business ▶ In line with good governance, we review our remuneration advisors every three years, from which they can be rotated if it is deemed appropriate. Following a robust selection process, Vasdex Associates was appointed as the new remuneration advisors with effect from November 2023, taking over from outgoing PwC remuneration advisory. As an outcome of these focused actions, we improved our disclosure against **King IV™** Principles 15 and 16.	IS OC ET GR ERB BMA HGR MBG
5	Our robust board retention and succession plan in action	The board understands that the careful management of its members is vital for its effective functioning and has enhanced Redefine's board retention and succession framework to ensure an appropriate balance of knowledge, skills, experience, diversity and independence.	The board retention and succession plan framework was put into action through the appointment of new directors. The board's focus is now on maintaining continuity, which includes executive management retention and succession.	OE ET GR GSF HGR
6	Continued focus on organisational culture and diversity of thought	Change is constant. As such, we need to move away from linear thinking and embrace change in a fluid environment. We are embracing diversity and inclusion as a key differentiator, with true diversity of thought tied to improved value creation that will be critical to achieve our mission.	As part of the board's evaluation of Redefine's organisational culture, in the context of aspirational shared values and gaps identified within the existing culture, quantitative and qualitative information that help to reveal the cultural dimensions of the organisation were presented to the board. The report included employee survey results, performance management reports, staff turnover, grievance and disciplinary reports, fraud incident reports, customer and supplier feedback, industry benchmarking reports, internal audit reports, exit interview reports, and whistle-blower reports. The board was satisfied that the organisational culture is in line with the company purpose and values.	ET GR GSF BMA HGR

3 Our business in context

233 Barbara Road, Gauteng, South Africa

OUR OPERATING CONTEXT

Refer to our strategy on pages 39 to 45 for details on our strategic response.

Our operating context is informed by global drivers that influence our ability to do business, including macroeconomic and geopolitical factors in the countries where we operate and trends in the property sectors in which we invest. We investigate and analyse all trends to seize opportunities, manage risks, and make strategic decisions.

Key economic indicators	South Africa 2023	South Africa 2022	Poland 2023	Poland 2022
GDP growth	0.8%[1]	1.6%[2]	0.2%[3]	5.5%[4]
Inflation	6.0%[1]	6.8%[2]	8.2%[3]	14.8%[4]
Unemployment rates	31.9%[5]	32.9%[6]	5.3%[3]	5.1%[6]
Interest rates	8.4%*	5.8%*	4.0%**	1.7%**

** Three-month JIBAR as at 30 November 2023*
*** Three-month EURIBOR as at 30 November 2023*

[1] Oxford Economics and Statistics South Africa, October 2023
[2] Oxford Economics and Statistics South Africa, October 2022
[3] Oxford Economics and Statistics Poland, October 2023
[4] Oxford Economics and Statistics Poland, October 2022
[5] https://tradingeconomics.com/south-africa/unemployment-rate
[6] As per FY22 IR

Macroeconomic drivers

Our economic environment remains complex with persistent challenges, including high inflation and interest rates, dominating the macroeconomic landscape.

The primary capitals, material themes and strategic priorities affected

FC MC NC GSF BMA MBG

IS OC OE

High inflation persists but is expected to decline gradually

While inflation remains elevated, global headline inflation is expected to decrease from an annual average of 6.8% in 2023 to 5.2% in 2024. This decrease is largely due to the stabilisation of global supply chains and energy demand in Europe as well as the weaker-than-expected demand in China, causing energy and food prices to lower substantially – although food prices remain volatile.

Higher interest rates impact the cost of debt

Although there has been a general improvement in global financial conditions during 2023, borrowing costs remain high. Interest rates that remain elevated for longer have a material impact on funding costs. Although we prudently maintain a hedging level of at least 75% of group debt, the unhedged portion of debt is impacted by higher interest rates. The high cost of debt further impacts tenant solvency, especially manufacturing tenants who are particularly cost sensitive and retail tenants whose consumers are sensitive to high interest rates.

South Africa's sluggish GDP impacts on growth prospects

The country's low growth trajectory is expected to persist in the medium term, given the fiscal consolidation path and reforms thereof. The energy crisis is suppressing growth and job creation in South Africa, and extended loadshedding and the remote threat of a national power grid collapse are impacting business and consumer confidence. The instability and weakness of the rand further contribute to the sluggish economy. Furthermore, public infrastructure deterioration and poor service delivery persist.

The Polish economy remains well positioned for growth

Poland is aligned with the European Regulatory framework. The socioeconomic context is characterised by low levels of unemployment and government debt. Inflation in the country is expected to decline gradually, and the economy is set to resume its growth path during 2024. Ukrainian refugees have increased the working-age population in Poland, easing the labour market shortage.

OUTCOME

- Global growth is forecast to fall to 3.0% in 2023 and 2024 from an estimated 3.5% in 2022, while inflation is set to decrease from 8.7% in 2022 to 6.8% in 2023 and 5.2% in 2024
- Since the conflict in Ukraine started, the Polish economy has slowed and was only expected to grow by 0.5% in 2023. The conflict disrupted supply chains, increased financial market volatility, and caused a decrease in consumer and business confidence. However, during the last quarter, inflation has begun to ease on the back of falling food prices and waning fuel inflation. Per the latest Oxford Economics report, Polish GDP is expected to expand by 2.6% in 2024
- Despite a positive growth outlook compared to South Africa, the Polish economy will likely grow at a slower pace than in the years prior to the pandemic
- Growth prospects in South Africa are muted, with GDP growth expected to be below 1% beyond 2025
- The conflict in the Middle East has the potential to increase the cost of oil, which will add inflationary pressures on energy costs both in South Africa and Poland, directly impacting on interest rates and the anticipated timing of interest rate cuts

HOW THIS AFFECTS OUR STRATEGY

- Treasury and capital management financial planning and capital management are essential to respond to the impact of these conditions on our operations and stakeholders. Per our funding model, we limit liquidity and debt concentration risks
- Engagement with stakeholders is critical to communicate reasons for the decisions made
- Maximising efficiency and the use of alternative energy sources reduce our reliance on unstable coal-powered electricity grids
- To improve our liquidity and ensure business resilience, we continue managing the variables under our control

OUR OPERATING CONTEXT continued

Refer to our strategy on pages 39 to 45 for details on our strategic response.

Sociopolitical factors drive persistent uncertainty

The political climate has tangible impacts on people in the countries in which we operate.

The recent election outcome in Poland is expected to have a favourable impact on the economy, business and the retail sector specifically

During October 2023, Poland held its general election, and the outcome is seen as largely positive to repair stressed relations with the EU to unblock funds that were frozen. The release of these funds will boost the economy by accelerating infrastructure development, and there is a good chance that the Sunday retail trading ban will be phased out. These changes are expect to positively influence the retail and logistics sectors.

South Africa's social and political landscape remains volatile

High levels of inequality and youth unemployment continue to degrade social stability in the country. Coalitions in local and national elections continue to fuel unpredictability in the South African political and policy landscape. Prolonged service delivery failures fuel civil unrest and exacerbate uncertainty.

OUTCOME

- Approximately 2 million refugees are expected to stay in Poland permanently
- In South Africa, political instability is expected to persist leading up to the national elections in early 2024

HOW THIS AFFECTS OUR STRATEGY

- We actively monitor new developments in the geographies in which we operate and refine our strategy accordingly
- We engage and collaborate with communities to address the challenges they face
- In South Africa, we increased the riot cover in our insurance programme and are well prepared to respond to the risk of social unrest

The primary capitals, material themes and strategic priorities affected

FC MC SRC GSF BMA MBG

IS OC GR

Market-shifting dynamics continue to evolve

Government and private sector plan to remove obstacles to inclusive economic growth and job creation through three immediate priority interventions, being energy, transport and logistics, and crime and corruption, which are expected to restore much-needed confidence.

Effective risk management is increasingly important in an uncertain world

Redefine operates within a challenging risk landscape characterised by socioeconomic and geopolitical instability. Prudent risk management is required to mitigate potential threats to our business and maintain our strategic resilience. This extends to low-likelihood risks, which can be immediate and impactful, as demonstrated by the global pandemic and the Russia-Ukraine war.

Environmental shocks and natural resources dependency continue to escalate

The natural environment is increasingly under strain due to the effects of climate change. At the same time, our demands on natural resources are increasing to meet the needs of a growing global population and to absorb the waste products we produce. These demands impact food security and industries worldwide due to resource scarcity, extreme weather events, and waste and biodiversity crises.

Digitalisation increases the risk of cyberthreats

As technology becomes more entrenched in business, we face increasing vulnerability to cyberattacks and data misuse. This will impact our ability to operate and service our stakeholders.

Skills shortages and emigration intensify the competition for talent

A shortage of skills and high emigration rates in South Africa are increasing competition in the job market. In this context, alignment with company purpose, a focus on holistic wellbeing, and growth opportunities are becoming an essential part of an employee value proposition (EVP) to attract and retain talent.

Doing good as a business remains non-negotiable

Upholding good governance, ethical leadership and regulatory compliance are essential to protect our reputation and balance the needs and expectations of stakeholders.

OUTCOME

- These trends are expected to remain relevant in the future, impacting how broader society and businesses operate
- Heightened awareness of environmental, social and digital challenges has increased engagement between stakeholders
- Pockets of collective commitment exist between government, business and broader society in support of inclusive and sustainable economic growth

HOW THIS AFFECTS OUR STRATEGY

- We embed corporate governance and ethics awareness in the business and continuously refine our compliance, risk management, and combined assurance approach
- Our environmental efforts are directed at climate risk management, which we are actively incorporating into our business strategy and stakeholder relationships
- We leverage technology, data and innovation to identify solutions that increase our efficiency and reduce our consumption
- We have improved our digital ratio to 23% and have increased our investment in cybersecurity systems

The primary capitals, material themes and strategic priorities affected

FC MC HC SRC IC NC ERB BMA HGR MBG OE ET GR

OUR OPERATING CONTEXT continued

Refer to our strategy on pages 39 to 45 for details on our strategic response.

Industry trends

RETAIL

Retail remains well positioned to withstand headwinds and capture emerging trends

The primary capitals, material themes and strategic priorities affected

FC MC SRC NC GSF BMA MBG IS OC OE

The retail park format is gaining popularity in Poland

Retail parks are emerging throughout Poland, including in less densely populated areas. In 2022, retail parks comprised just over 50% of the retail sector's total new space delivered.

Tenants are embracing sustainability

The retail sector is experiencing an uptake of sustainability initiatives as ESG compliance receives more attention from tenants, landlords and investors. Retailers in Poland are adopting popular recycling and renewable concepts such as guarantees on used products and clothing repair services. In South Africa, the sector is significantly impacted by increased operating costs, influenced by extensive loadshedding.

Other trends impacting the retail sector

- High interest rates and inflation continue to suppress discretionary consumer disposable income
- Retail spend has recovered to pre-pandemic levels in South Africa, and consumer sentiment is improving in Poland
- Value retailers, top market players and international brands are expanding their presence in Poland
- Online shopping penetration is relatively low and associated logistics costs are expensive, with the retail market still driven by physical stores

OUTCOME

- Tenant retention and renewal rental growth are a key priority for the South African portfolio
- A strong foundation for organic rental growth is expected to emerge in Poland from property extensions, modernisations, function changes and the development of new convenience schemes once current tension caused by rising inflation and interest rates has eased

HOW THIS AFFECTS OUR STRATEGY

- We ensure our portfolio is strategically positioned to capitalise on changes in the retail space by providing a differentiated offering
- We continue to explore ways of reducing the diesel consumption of our tenants during loadshedding

OFFICE

The flight to quality is driving the turnaround in operating metrics

The primary capitals, material themes and strategic priorities affected

FC MC NC GSF BMA MBG IS OC OE

Office vacancy rates are improving

Office vacancy rates for Premium and A Grade properties in South Africa have improved. A slow-down in the development of new offices and an increasing need to promote employee culture and productivity have likely contributed to this.

South African demand for diversified space continues

Increased demand for smaller pockets of office space in outlying nodes within or close to residential suburbs has emerged. At the same time, there is a strong demand for call centre space in Cape Town.

Green and smart office buildings continue to be in demand

The operational efficiencies offered by green buildings are increasingly valuable in an economically and environmentally stressed world. Green buildings minimise negative environmental impacts by efficiently using water, energy and other natural resources, leading to financial benefits in utility bills, construction costs and property value, and improving the health and wellbeing of people.

OUTCOME

- Tenants' needs continue to evolve, sustaining the demand for quality spaces

HOW THIS AFFECTS OUR STRATEGY

- We must differentiate Redefine by understanding evolving office dynamics, leveraging digital tools, and greening building developments

INDUSTRIAL AND LOGISTICS

The industrial sector in South Africa has remained resilient over time, while the logistics sector in Poland remains robust

The primary capitals, material themes and strategic priorities affected

FC MC GSF BMA MBG IS OC OE

Business interruption due to failing infrastructure is escalating and continues to increase the cost of occupation

Policy uncertainty within multiplicities is causing delays in the formulation of electricity wheeling opportunities. Loadshedding continues to disrupt manufacturing sectors, driving the demand for off-grid power and standby water solutions.

The Polish logistics sector continues to experience growth

- Poland remains an attractive logistics market with affordable rents compared to Western Europe
- Poland's lower production costs, strong infrastructure, and availability of skilled labour boost the appeal of the logistics market
- The demand for logistics space is anticipated to remain strong due to ongoing nearshoring, reshoring and friendshoring
- Tenants and developers are increasingly investing in green solutions for logistics buildings, influenced by the growing focus on ESG and rising energy prices

OUTCOME

- The South African industrial sector is expected to remain defensive and well positioned for growth
- The logistics industry in Poland is expected to benefit from ongoing European funding for further infrastructure improvements

HOW THIS AFFECTS OUR STRATEGY

- We continue to position ourselves to take advantage of growth opportunities

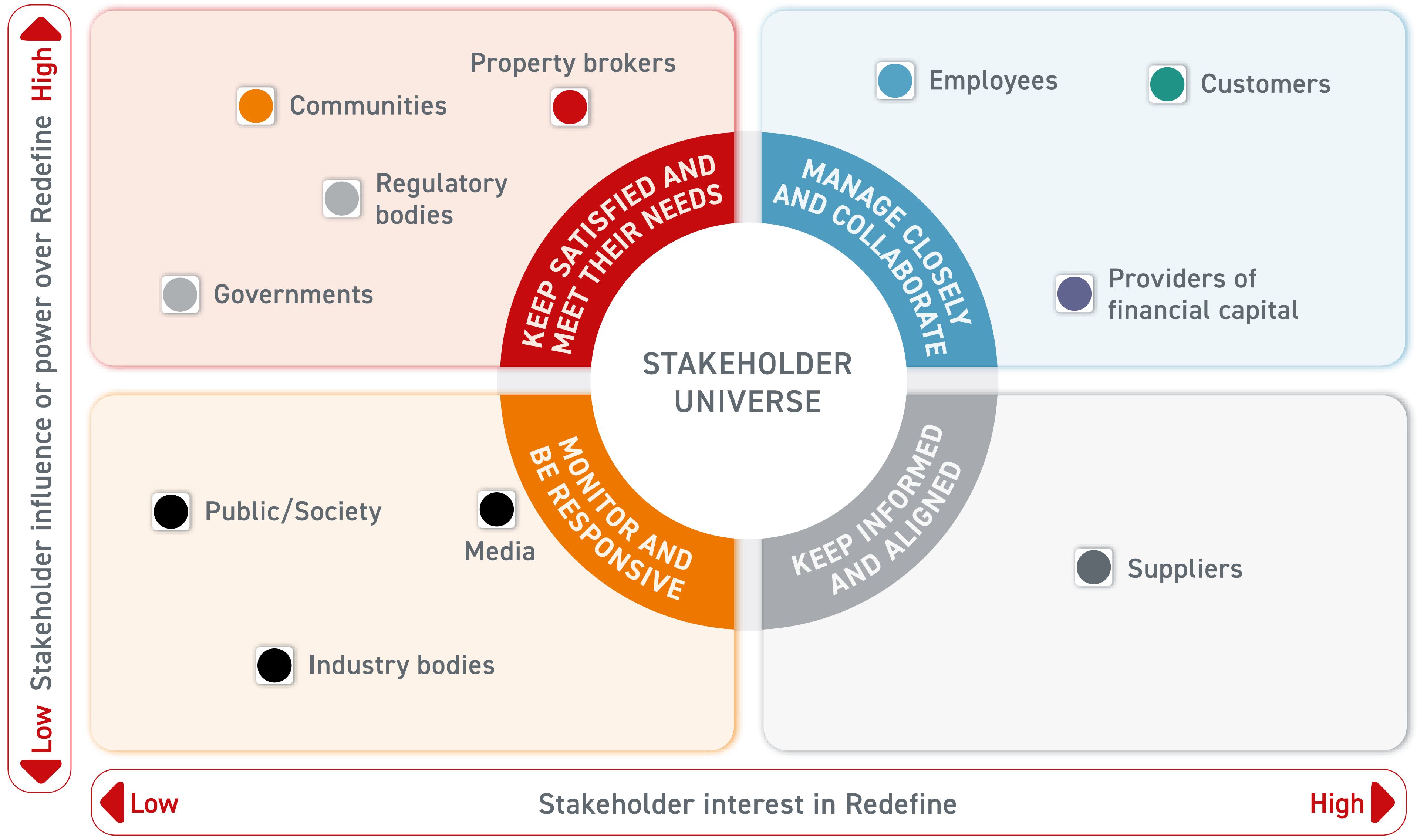
INTEGRATED STAKEHOLDER ENGAGEMENT

Our purpose – to create and manage spaces in a way that transforms lives – places people at the heart of what we do. Our people-centric and stakeholder-inclusive approach to creating value requires the integration of stakeholder engagement into every step of our value-creation process. We believe that effective stakeholder relationship management is critical to our success.

Analysis of Redefine's stakeholders

We group our stakeholders based on their influence on and interest in Redefine. Our approach continues to evolve as we are committed to measuring the effectiveness of our relationships on an ongoing basis. During FY23, we reviewed and updated our stakeholder matrix to help create further clarity within the business. We continue to develop mutually beneficial priorities and have made significant progress in measuring the effectiveness of our relationships.

For detailed information on our stakeholder priority assessment process, refer to page 55 of our ESG report.



Tailored strategies drive quality engagements with key stakeholders

The way we engage with our stakeholders and address the issues they raise impacts the quality of our relationship with them. We assess the quality of our relationships through various feedback mechanisms and measurements, including detailed monthly reports, engagement through our marketing automation platforms, various one-on-one engagements, annual surveys, and stakeholder assessment scorecards.

Refer to page 57 of our ESG report for more information on how we are improving our relationship quality measurement.

Integrated stakeholder engagement

Stakeholder engagement is a core component of our social and financial value creation as both an input and an outcome. Our stakeholder-focused, value-added statement demonstrates how financial value is created and distributed to our stakeholders.

DISTRIBUTABLE REVENUE	+	DISTRIBUTABLE INTEREST RECEIVED AND OTHER INCOME	−	DISTRIBUTABLE PROPERTY AND OTHER OPERATING EXPENSES	=	CASH VALUE CREATED
R10.5 billion (FY22: R9.1 billion)		R0.7 billion (FY22: R0.6 billion)		R3.1 billion (FY22: R2.4 billion)		R8.1 billion (FY22: R7.3 billion)

Employees

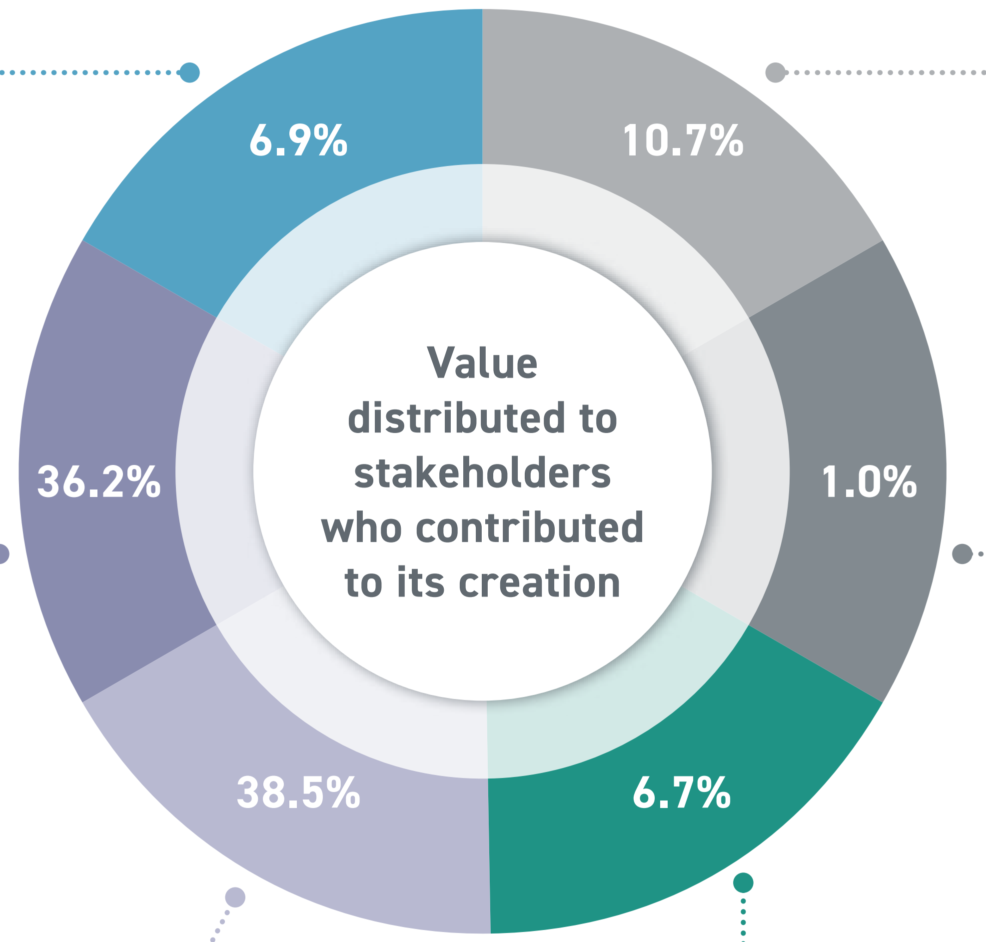
We distributed 6.9% (FY22: 6.1%) of the value created to employees through remuneration

R0.5 billion

Municipalities

We distributed 10.7% (FY22: 11.3%) of the value created to municipalities through the payment of rates and taxes

R0.1 billion



Provider of financial capital – Investors

We distributed 36.2% (FY22: 39.9%) of the value created to our investors through the payment of dividends

R3.0 billion

Governments

We distributed 1.0% (FY22: 0.4%) of the value created to governments through the payment of PAYE and taxes

R0.1 billion

Provider of financial capital – Funders

We distributed 38.5% (FY22: 32.2%) of the value created to funders through the payment of interest on debt

R3.1 billion

VALUE RETAINED

We retained distributable income of 6.7% (FY22: 10.1%) of the value created to bolster our liquidity and allocate to capital expenditure

R0.5 billion

INTEGRATED STAKEHOLDER ENGAGEMENT continued

For more information on our other stakeholders, including government, media and industry bodies, see page 26 of this report and page 82 of our ESG report.

For more information on the value we create for each stakeholder group, refer to social and relationship capital on page 74.

Overview of our key stakeholders throughout the value chain

	UPSTREAM			COMPANY OPERATIONS			DOWNSTREAM	
	Providers of financial capital		Customers				Customers	
	Investors	Funders	Tenants	Employees	Suppliers	Property brokers	Shoppers	Communities
WHO THEY ARE	Institutional and retail equity investors	Banks, debt capital market participants, financial institutions, and associated analysts and rating agencies	All current and future users of our space	Permanent and temporary employees	Providers of goods and services, who often act as our representatives	Brokers who originate new deals and negotiate renewals on behalf of tenants	Shoppers at our retail centres as well as online shoppers	The communities surrounding our buildings
OUR ENGAGEMENT STRATEGY	We aim to understand our investors' requirements and meet their value-creation expectations. In this way, we can satisfy their needs and, in turn, strengthen our access to capital. We demonstrate the delivery of our value proposition and strategy – and how we meet their needs – through reporting, communications, and other suitable media platforms.	We communicate our value proposition to funders as an outflow from our brand promise and demonstrate the delivery of our proposition and strategy through reporting, communications, and other suitable media platforms. Our funders expect us to honour our agreements, which builds trust and supports our ongoing access to capital. We therefore proactively engage with them to ensure we understand their issues and concerns and identify opportunities for further collaboration to grow the relationship.	Our tenant engagement strategy is rooted in a comprehensive 14-step tenant journey analysis. This analysis, combined with insights from tenant surveys, employee interactions, industry trends and competitor evaluations, guides our communication efforts, including matters relating to strategy, business updates and operational issues. The impact and efficacy of our relationships are subsequently gauged through our customer satisfaction index, which further assists in shaping our future strategies and understanding our tenants' needs, issues and concerns. Our people drive Redefine's collaborative approach to tenant engagement, and through our tenant journey, we transform their experience and demonstrate the delivery of our value proposition and strategy.	Consistent engagement is vital to maintaining connection, motivation, and an engaged workforce. Therefore, we consult with employees throughout the employee life cycle to understand and address concerns and improve relationships. We also make sure our employees know and understand our value proposition.	Our supplier stakeholder engagement strategy aligns with the business's overall ESG strategy and our aim to maintain our level 1 broad-based black economic empowerment (BBBEE) status and actively drive transformation in the property sector. Before onboarding suppliers, we ensure that we identify our needs and procure a service provider that will meet these requirements. Rationalisation and relationship management are ongoing and include continuous performance management and evaluation.	We operate in a highly competitive environment and aim to keep brokers informed and aware of available spaces. We invest time in understanding market trends and activity – and what our brokers need – to ensure we can partner to effectively promote our properties. We have in place a broker incentive programme to drive leasing by attracting and securing tenants as well as a proactive and informative communication plan, which incorporates matters relating to strategy, business updates and operational matters, and feedback mechanisms to understand our brokers' needs, issues and concerns.	Our primary point of engagement for our shoppers is through our tenants; therefore, the right tenant mix is critical to the success of our retail assets. We aim to promote a consistent experience where our shoppers feel safe and their wellbeing is protected. Attracting new shoppers is vital to ensuring the viability of our tenants. We have tailored marketing campaigns for shoppers based on three strategic pillars: digital, community and tenant support. We encourage active relationship management, including proactive communication and engagement with shoppers, to improve the shopping experience and ensure they return to our spaces. We want our centres to be seen as an integral part of the community. Accordingly, we ensure there is open, two-way communication in place between the centre and shoppers.	We conduct research and regularly engage with community members to identify critical needs. Based on this, we create solutions that meet their needs through collaboration and engagement while consistently measuring the impact of these interventions. We communicate progress and outcomes to the community.
	page 76	page 76	page 77	page 77	page 78	page 78	page 79	page 79

1
2
3
4
5

RISKS AND OPPORTUNITIES

Redefine's risks and opportunities are shaped by the economic context in which we operate. Within the current operating environment, we expect more disruption and changes ahead. Our strategic response to managing the emerging risks and exploring opportunities aims to drive long-term value creation. We believe that prudent risk and opportunity management supports strategic resilience.

Redefine considers risks and opportunities as events that may affect our ability to create value for stakeholders. Sound risk management enables us to anticipate and respond to changes in the operating context and make informed decisions during uncertain times.

Our risks and opportunities were largely impacted by persisting geopolitical tensions, socioeconomic factors, and the continued deterioration of public infrastructure and poor administrative delivery in South Africa. Our risk profile remained relatively stable given the improved risk-bearing capacity of our balance sheet and healthy liquidity headroom of R5.5 billion.

FY23 ACTIONS

- Integrated EPP risk management in line with the group's risk management process while maintaining a stable control environment across the business
- Completed our inaugural group-wide internal financial control review of all key operating segments
- Outsourced internal audit function to BDO, an external service provider, as part of strengthening the group's overall assurance model

FUTURE FOCUS

Further embedding our enterprise-wide risk management (EWRM) framework by

- Incorporating climate risk management in our EWRM and investment decision-making processes
- Leveraging technology to enhance data monitoring and management for improved trend analysis
- Improve quantitative inputs into our EWRM framework in order to measure impacts and develop scenarios to embed risk maturity

INTEGRATED THINKING

To support consistent delivery of our strategy, we respond to opportunities and the associated risks without jeopardising stakeholders' direct interests. We consider our operating context when determining risks, and we assess their impact on our strategic priorities and how our strategy could proactively respond. Our consideration of risk is balanced across all the capitals that we affect.

Our risk management approach

Our integrated approach to EWRM fosters strategic resilience as we continue to pursue growth and deliver sustainable value for stakeholders through market cycles. This approach incorporates every identified material risk in a structured and systematic risk management process. The risks are managed within a unitary framework aligned with our corporate governance responsibilities.

The board serves as the focal point and custodian of corporate governance. This supports our holistic and dynamic approach to the risks and opportunities on our horizon. As business risk is complex and diverse, our risk management process is designed to ensure consistent and integrated coordination across the business to mitigate risk and drive opportunity management.

Redefine follows a bottom-up approach to identify, assess and manage risk, which is subject to a quarterly top-down review process to ensure completeness, proportionality to our business and the robustness of mitigating actions.

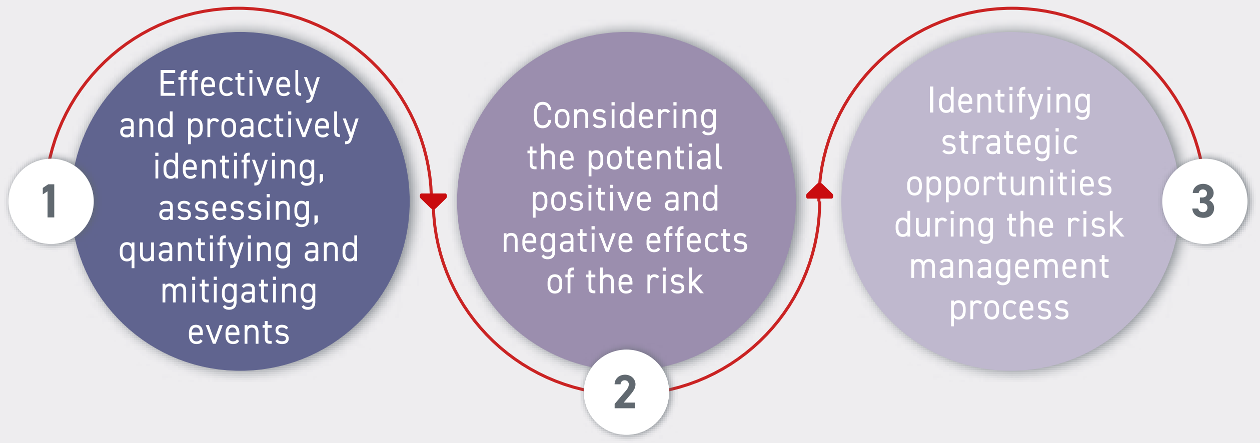
In FY23, Redefine continued to evolve its risk and opportunity management framework across the group towards a more proactive and forward-looking approach that balances safeguarding operations and enabling strategic development growth. We continue to focus on improving the quantitative aspects of our process as we believe that this approach broadens our perspective on the dynamism of risks and deepens insight into the emerging opportunities through the property market cycles in South Africa and Poland. The ultimate intent is to support our strategic value creation.

EWRM APPROACH

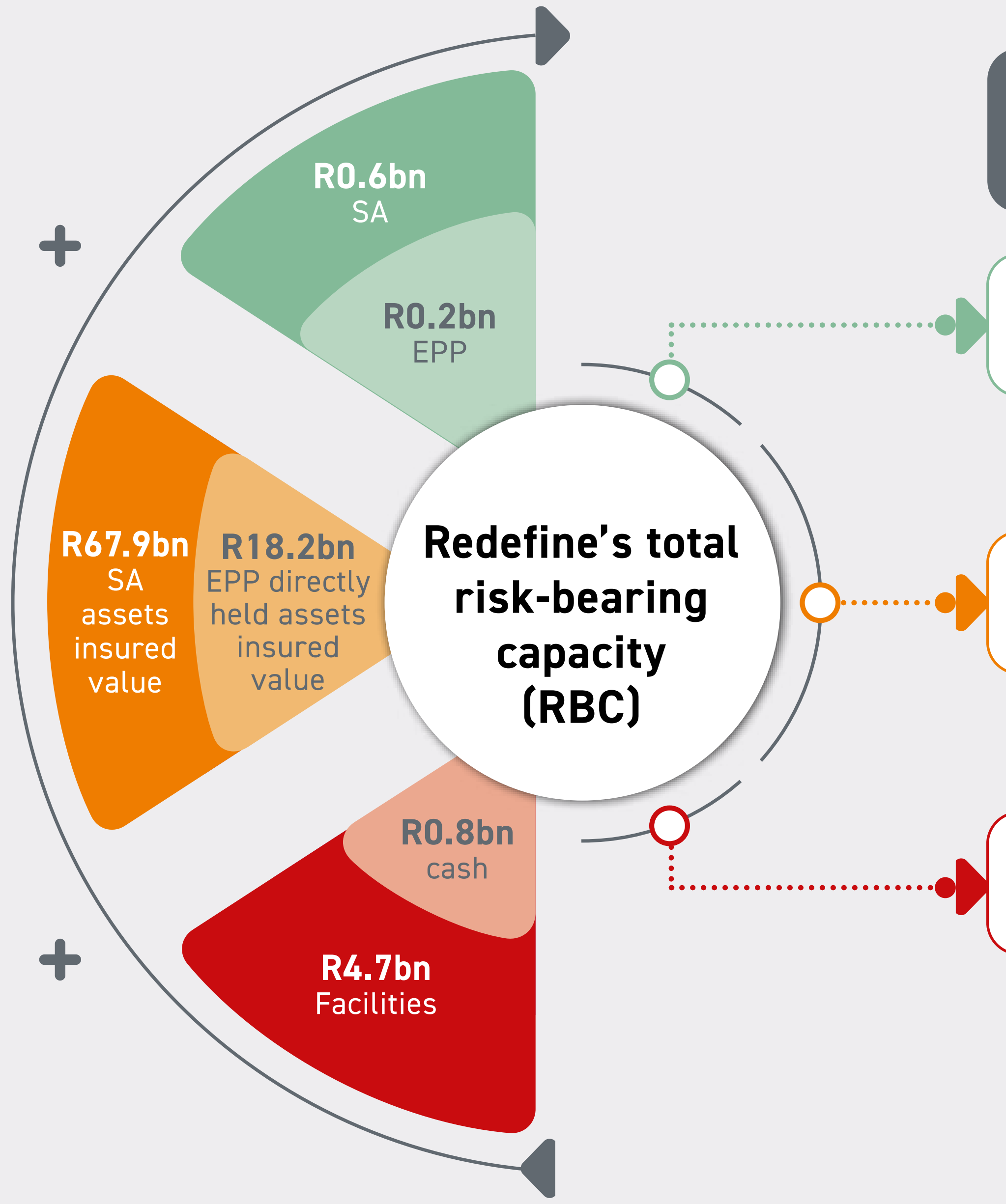
Effective and sound risk management enhances Redefine's long-term competitive standing

EWRM DESIGN IMPERATIVES

- Mitigation and proactive management of our risk profile
- Providing reasonable assurance that we will achieve our strategic priorities



Maintaining a stable risk management profile across the group and leveraging opportunities



R92.4bn

- R92.4bn risk-absorbing capacity of Redefine
- Prudent risk management supports a stable risk profile in a volatile environment

R0.8bn Operational risk capacity

Operational RBC embedded in the business

- Conservative stochastic simulation model for SA and high level for EPP
- RBC projects the ability of RDF to absorb additional risk-based volatility in its operational results without detrimentally affecting key plans and strategy

R86.1bn Insurance programme

Comprehensive insurance programme

- Substantial risk laid off to markets with A-rated lead insurers
- SA risk is still insurable, but certain categories such as riots and grid collapse are uninsurable

R5.5bn Own liquidity

Stable liquidity profile

- Strong cash generation supported by healthy collection ratio
- Restructuring of EPP restoring the income yield of the asset

RISKS AND OPPORTUNITIES continued

Embedding our EWRM framework into business activities and organisational culture

We actively transform our risk processes and advance our maturity in line with our continuous pursuit of business improvement and efficiency. This includes considering and implementing practices to bolster our internal control environment and embed the principles of robust risk management into day-to-day operations. Our EWRM framework, which has also been adopted by EPP, is systematically being implemented to enable management to proactively manage the strategic pursuit of value at an acceptable risk level and at approved risk appetite and tolerance.

DEFINE	EWRM framework and associated standard operating procedures
EMBED	risk management operating model across functions in line with the four lines of defence
ASSESS	the current landscape and emerging developments to identify enhancement opportunities
UNDERTAKE	root-cause analysis and prioritise enhancement and remediation
EXECUTE	mature the combined assurance model and continuous improvement

Progress on our EWRM journey

We recognise that maturing our risk management is a journey that we embrace to enhance our strategic resilience and enable sustained value creation.

	WHERE WE USED TO BE	WHERE WE ARE	WHERE WE WANT TO BE
Risk maturity	Basic risk management systems and processes in place, providing limited business risk intelligence	Increasing the intensity and frequency of risk programmes to cultivate a proactive risk management culture	Proactive identification, assessment, quantification and management of risks and opportunities within set appetite and tolerance levels to increase risk maturity
Compliance	Standard compliance management with limited oversight in place	Improving compliance management in line with best practice	Matured compliance management that enables business value-add with differentiated insights
Embedding	Risk and compliance as the second line of defence were largely seen as siloed	Embedding risk and compliance in collaboration with the business	Matured and integrated risk and compliance management across the value chain using data-driven insights
Strategic value enabler	Fragmented approach to incorporating ESG into risk management	Incorporating ESG and technology as enablers to unlock strategic value	Forward-looking approach that embraces and enables full strategic value drivers and ESG to drive execution and delivery of the Redefine value and investment proposition

Centurion Lifestyle Centre, Gauteng, South Africa

RISKS AND OPPORTUNITIES continued

Risk appetite and tolerance

The board uses risk appetite and tolerance thresholds to evaluate and agree on the nature and extent of the risks and opportunities that Redefine is willing to take in the pursuit of its value-creation strategy. The board reviews and approves EWRM processes annually in terms of good governance according to **King IV™** and risk management practices (ISO 31000), in line with global best practice.

Our risk appetite and tolerance thresholds are used in strategy development and business planning and act as a reference point for significant risk-taking and risk mitigation decisions. The purpose of the risk appetite process is to ensure that the company is not exposed to more risk than it is willing and able to assume.

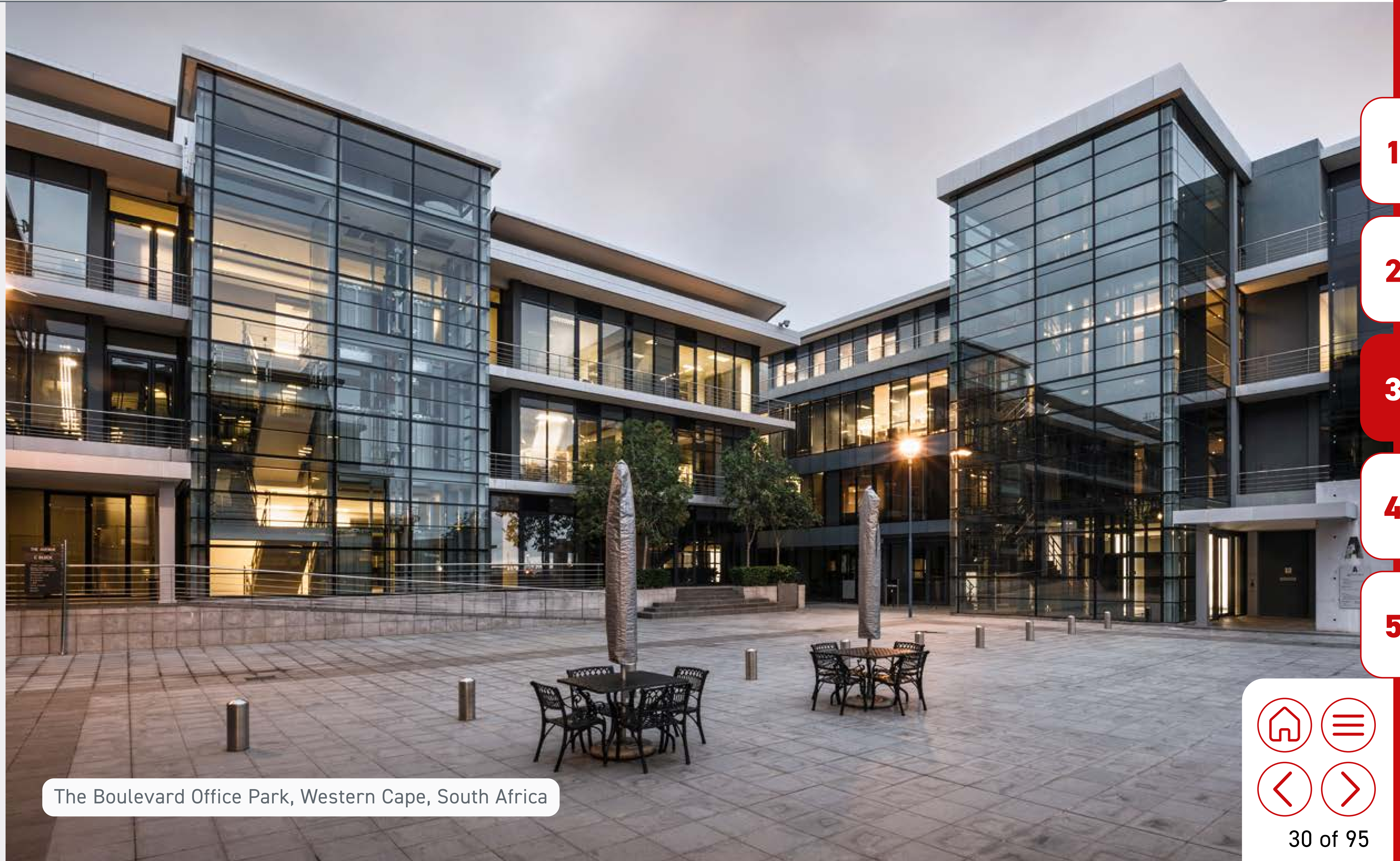
These arrangements allow the board to evaluate whether Redefine is

- Exploiting the full potential of its risk appetite and whether it is sufficient to achieve its stated objectives
- Protecting itself sufficiently and within tolerance from the risks associated with its pursuit of value creation
- Making the appropriate disclosures on risks and opportunities to its stakeholders

The process of setting the overall risk appetite continues to provide the board with the opportunity to oversee the strategic direction of the business in a volatile macroeconomic environment in which the rise of unpredictable risks and emerging structural opportunities will continue to impact on the business model into the future.

Balancing our risk capacity, appetite and tolerance

	Risk capacity	Risk appetite	Risk tolerance
Definition	Risk capacity refers to the total amount of risk the group can bear	Risk appetite refers to the total risk we are willing to take to meet our strategic priorities	Risk tolerance describes the specific maximum amount of exposure by risk or risk category that is deemed acceptable
Measurement	Our risk capacity is assessed in terms of balance sheet strength **Maintaining our loan-to-value (LTV) ratio medium-term range within 38% to 41% provides adequate headroom to absorb risk**	Our ability to service our debt obligations and preserve asset valuations is used as a yard-stick to measure risk appetite **Interest cover ratio: Long-term target must be above 2x**	Our risk tolerance is measured according to qualitative thresholds aligned with our approved appetite levels **The board assesses, reviews and monitors the qualitative thresholds as it oversees the strategic direction of the business**
Application	▶ Used by the board in assessing risk and opportunities ▶ The risk, compliance and technology committee (RCT) considered the risk capacity in the annual insurance cycle	▶ Used in setting strategy and business planning ▶ Aligned with Redefine's strategic priorities and uses our risk registers as a key reference point ▶ Acts as a reference point for significant risk-taking and risk mitigation decisions	▶ Used by the board as a reference point to assess, review and monitor the strategic direction of the business ▶ Enables management to make prompt and proactive decisions to ensure risk management objectives are achieved in the ordinary course of business



The Boulevard Office Park, Western Cape, South Africa

Elevated risk | Reduced risk | Static risk

RISKS AND OPPORTUNITIES continued

Mapping our strategic priorities across our risk appetite profile

The table sets out our strategic priorities and corresponding risk appetite for each matter:

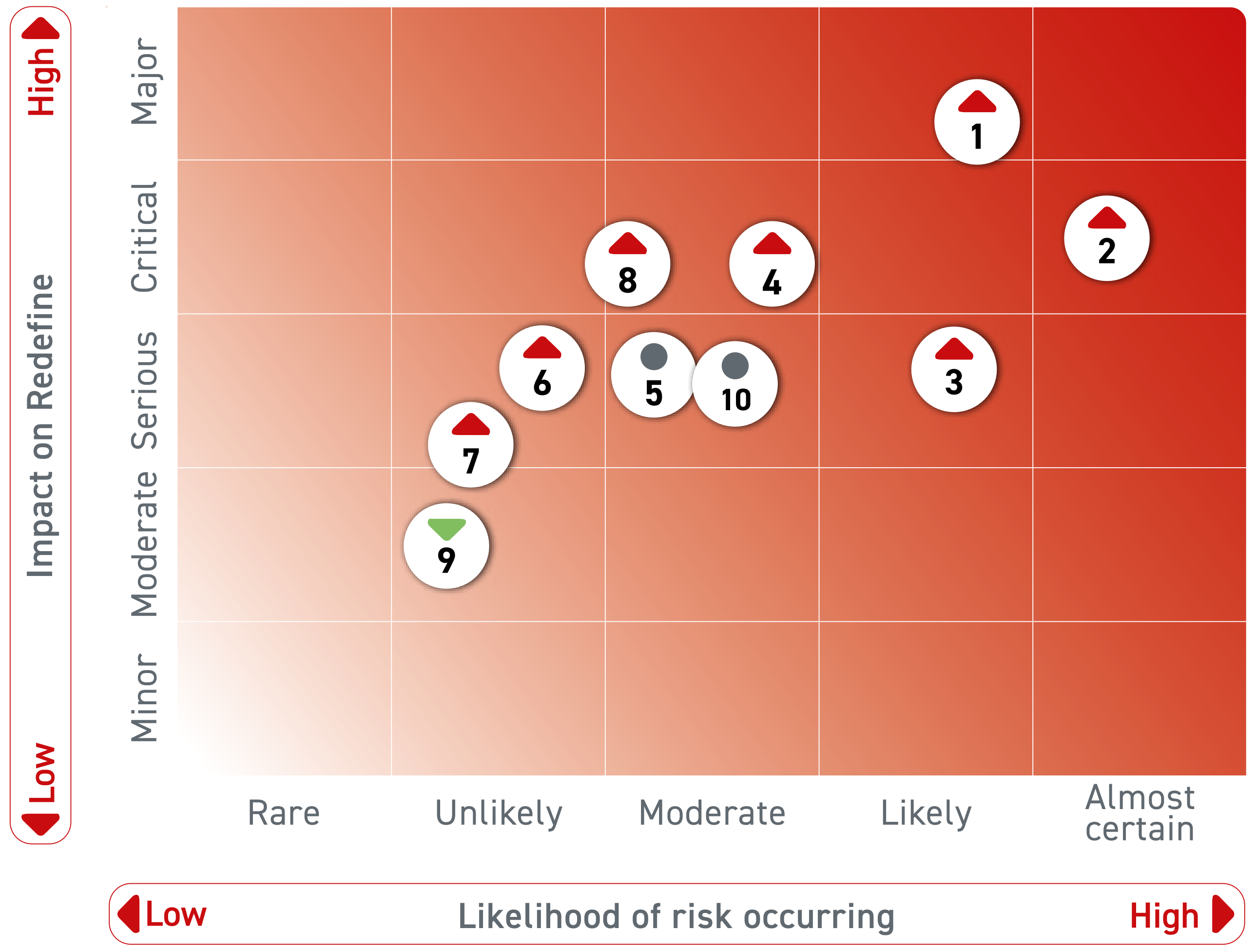
High	Medium to high	Medium	Low to medium	Low
Eager to be innovative and choose options that offer potentially higher business rewards, despite the higher inherent risk	Willing to consider potential options and choose one likely to result in successful delivery, while providing an acceptable outcome	Preference for safe options that have a low degree of risk and may only have limited potential for reward	Preference for extremely safe options that are low risk and only have the potential for limited reward	Avoidance of risk and uncertainty is the key organisational objective

Strategic priority	Risk-taking propensity	Risk appetite FY23*
IS	Redefine's risk propensity and capital allocation centre on creating value for shareholders, which is measured in the generation of growth in tangible NAV per share. Optimising asset allocation between core, defensive and secondary properties is actively pursued and managed. Redefine has a high appetite for geographic diversification and growth accretive investments that provide reliable income streams and risk-adjusted returns.	Medium to high
OC	Redefine's profile underpins our robust balance sheet that provides a strong platform to fund our continued value growth curve and maintain strong credit metrics. Redefine has a high appetite for broadening quality-rated funding sources and seeks cost-effective funding, targeting the lowest available cost of fixed and variable debt funding. We have adopted the policy of hedging a portion of our international income in alignment with our investment strategy and appetite to take these risks and pursue related opportunities.	Low to medium
OE	The achievement of this strategic priority is linked to margins and growth. Within this context, the board is receptive to taking risks to achieve and realise opportunities that will optimise and improve the efficiency of operations, resulting in improved margins and, in return, shareholder growth. There is a low appetite for variances in KPIs that would negatively impact operational efficiency performance targets. There is a desire to refine business processes, optimise outsourced functions, and integrate acquisitions seamlessly and effectively.	Medium
ET	Redefine is a people-centric organisation, and we believe that placing people at the heart of what we do will drive the delivery of our strategic priorities. Redefine aims to enhance employee relationships and achieve deepened employee engagement through our key performance areas (KPAs). Our corporate culture aims to create an enabling environment where talented people do their best work.	Low to medium
GR	Strengthening our reputation and safeguarding our brand empower Redefine to fulfil our mission, driven by our purpose. Redefine has zero tolerance for any non-compliance or unethical business practices that may impair the brand and negatively impact our reputation. We value our brand as a key differentiating factor in our success in a marketplace that is fiercely competitive. We have a high appetite for advancing INTEGRATED THINKING and promoting opportunities for enhanced stakeholder engagement.	Low to medium

** Risk appetite in FY22 was consistent with that of FY23*

AN 18-MONTH TIME HORIZON

A FIVE-YEAR TIME HORIZON



Refer to our detailed risk descriptions on pages 31 to 34.

Top strategic risks

As part of our bottom-up approach to the risk assessment process, we consider and assess risks in the short, medium and long term. The heat maps provide an overview of the assessment of our top 10 strategic risks.

As a result of the pandemic, rising geopolitical tension, divergence in socioeconomic trends, and an increase in underlying inequality we have observed a rapid, dynamic and unpredictable change in long-term trends. The evolution of the risk universe has driven changes in the ranking of our top 10 strategic risks.

1. Uncertainty related to the short- to medium-term impact of geopolitical factors
2. Increased cost of debt
3. Deteriorating public infrastructure and poor administrative delivery locally
4. Uncertainty pertaining to the impact of socioeconomic factors, including damage to property and security-related threats
5. Increased competition for tenants
6. Energy crisis
7. Impact of business disruption on the property sector as a result of advancement in technology
8. Significant increase in property administered costs
9. Retaining and attracting the right talent
10. Increased vulnerability of cybersecurity

The most significant change in our FY23 risk dashboard is the addition of the energy crisis and retaining and attracting talent.

RISKS AND OPPORTUNITIES continued

1 Uncertainty related to the short- to medium-term impact of geopolitical factors

FY22: risk 1

Medium to high | Exceeding appetite and tolerance

Description and implications for value creation

Geopolitics and its associated volatility, uncertainty, complexity and ambiguity create potential social and economic disruptive conditions.

Factors such as low economic growth, high unemployment levels, currency volatility, rising liquidity pressures, rising social unrest, increased administered costs, and inflation impede growth and investment. These factors may result in reduced demand for space, an increased cost of doing business, and potential tenant defaults.

Response and mitigating actions

- Monitoring local and global conditions, including economic, sector-specific, regional and global political events
- Rightsizing the asset footprint to the capital base
- Prudent tenant retention selection criteria and ongoing monitoring of tenant strength and effective credit management practices
- Sound balance sheet and liquidity management

Opportunities arising from this risk

- Within a challenging operating environment, we have re-evaluated the growth prospects of our portfolio and repositioned it to remain resilient
- We remain adaptable and agile to leveraging opportunities in potential future scenarios, such as repurposing space to align with changing market needs

COMMITTEE OVERSEEING THE RISK: RCT

AFFECTED STRATEGIC PRIORITIES AND CAPITALS: IS OC OE ET GR FC MC SRC

2 Increased cost of debt

FY22: risk 6

Medium to high | Exceeding appetite but within tolerance

Description and implications for value creation

The current market and economic context, both local and global, have experienced a prolonged high inflation environment, rising interest rates, and low economic growth, resulting in increased pressure on the cost of debt.

Response and mitigating actions

- Proactively renewing maturing debt facilities and extending our debt maturity profile
- No significant maturities of > 20% of group debt up to FY27
- Interest rate swaps
- Austerity measures to ensure strong liquidity
- Diversification of funding sources

Opportunities arising from this risk

- Hedging at lower fixed rates for shorter tenors that are below the current JIBAR and EURIBOR base rates

COMMITTEE OVERSEEING THE RISK: AC

AFFECTED STRATEGIC PRIORITIES AND CAPITALS: IS OC OE FC MC

3 Deteriorating public infrastructure and poor administrative delivery locally

FY22: risk 3

Medium to high | Exceeding appetite but within tolerance

Description and implications for value creation

Political instability, uncertain financial sustainability, inefficient administrative processes, insufficient supply capacity of utility suppliers, and poor maintenance, among other reasons, has resulted in local municipalities not maintaining or upgrading infrastructure to the required levels to support economic growth.

Response and mitigating actions

- Monitoring demand to manage consumption and detect inefficiencies
- Managing electricity and tariffs effectively
- Ensuring properties are in well-serviced locations
- Participating in industry-led lobbying of local councils
- Expanding solar photovoltaic (PV) capacity and smart meters

Opportunities arising from this risk

- Increasing efficiencies to reduce reliance on municipally supplied utilities through innovative and green solutions and resource-efficient green initiatives results in lower operating costs
- Reducing our environmental impact

COMMITTEE OVERSEEING THE RISK: RCT

AFFECTED STRATEGIC PRIORITIES AND CAPITALS: IS GR FC MC

4 Uncertainty pertaining to the impact of socioeconomic factors, including damage to property and security-related threats

FY22: risk 2

Medium to high | Exceeding appetite and tolerance

Description and implications for value creation

This risk applies to our employees, assets, tenants, the public and, ultimately, our reputation. Threats related to civil unrest or terrorist activities are generally fuelled by socioeconomic pressures, while rising crime and vandalism are inherent property sector risks.

Response and mitigating actions

- Diversifying our asset base across market sectors and key economic nodes reduces our exposure to localised incidents
- Effective business continuity management programme
- Ensuring operational resilience through maintained and secure site security and critical equipment
- Maintaining strong relationships and close liaison with our security teams, the South African Police Service, and local communities
- Maintaining and enhancing adequate insurance cover
- Enhancing security and health and safety programmes, including emergency evacuation plans

Opportunities arising from this risk

- Redefine is committed to inclusive stakeholder engagement and seizes opportunities to develop collaborative partnerships in the communities in which we operate. We believe that effective community outreach programmes stimulate a positive association between our communities, brand and properties

COMMITTEE OVERSEEING THE RISK: RCT

AFFECTED STRATEGIC PRIORITIES AND CAPITALS: IS GR FC MC

RISKS AND OPPORTUNITIES continued

5 Increased competition for tenants

FY22: risk 4

Medium to high | Within appetite and tolerance

Description and implications for value creation

The low growth environment limits the demand for space and stifles new demand for space, leading to pressure on market rental growth.

Response and mitigating actions

- Leasing and tenant incentivisation strategy
- Proactive lease renewals
- Digital lead generation campaigns

Opportunities arising from this risk

- Ongoing interaction and communication of our ESG journey to attract and retain tenants
- Exploring innovative technologies to enhance our tenant offering and/or experience

COMMITTEE OVERSEEING THE RISK: IC

AFFECTED STRATEGIC PRIORITIES AND CAPITALS: IS, OE, ET, MC, HC, SRC, IC

6 Energy crisis

NEW

Medium to high | Exceeding appetite and tolerance

Description and implications for value creation

The inability of Eskom to provide reliable energy in the country places other critical infrastructure, such as water pumps, at risk. Intermittent water supply, interrupted network connectivity, and other business disruptions are heightened.

The spiralling increase in the cost of energy threatens to cause disruption across critical industries, including agriculture, the supply of food, pharmaceuticals and manufacturing, which are further impacted by Russia's invasion of Ukraine.

Response and mitigating actions

- Total solar PV installed capacity in South Africa has increased to 34.9MWp since 2016
- Response plan for extended loadshedding periods in line with our business continuity plan

Opportunities arising from this risk

- Focusing our solar PV rollout plan on energy efficiency and driving down utility costs
- Rolling out energy reduction initiatives throughout our portfolio and active engagement with tenants to reduce energy requirements
- Actively pursuing wheeling opportunities

COMMITTEE OVERSEEING THE RISK: RCT

AFFECTED STRATEGIC PRIORITIES AND CAPITALS: IS, FC, MC

7 Impact of business disruption on the property sector as a result of advancement in technology

FY22: risk 5

Medium to high | Exceeding appetite but within tolerance

Description and implications for value creation

Rapid advances in technology could disrupt traditional business models and create new markets. To prevent property obsolescence, we must adapt our operating model and respond to tenants' changing, and sometimes conflicting, needs and demands.

Response and mitigating actions

- Aligning property portfolio with trending technologies as part of our refurbishment and redevelopment programme
- Leveraging exogenous technology in all facets of our business

Opportunities arising from this risk

- Leveraging big data to analyse changing markets and behavioural trends to maintain relevance and align our property portfolio compatibility with trending technologies
- Considering the cost and benefits of repurposing existing space to align with tenants' future needs

COMMITTEE OVERSEEING THE RISK: RCT

AFFECTED STRATEGIC PRIORITIES AND CAPITALS: OC, ET, GR, FC, MC, HC, SRC, IC

8 Significant increase in property administered costs

FY22: risk 8

Medium | Within appetite and tolerance

Description and implications for value creation

This is directly linked to the increased challenges of already deteriorating public infrastructure and the impact thereof on mechanical equipment, such as generators and water pumps.

Response and mitigating actions

- Expanding in well-managed municipal areas
- Focus on building efficiencies to reduce consumption
- Disposal of less efficient buildings
- Smart metering project
- Green leasing framework

Opportunities arising from this risk

- Establishing efficiencies to reduce reliance on municipally supplied utilities through innovative solutions and green initiatives
- Re-evaluating long-term capital allocation to manage margin erosion
- Expanding solar PV and introducing water-saving initiatives

COMMITTEE OVERSEEING THE RISK: RCT, AC, IC

AFFECTED STRATEGIC PRIORITIES AND CAPITALS: IS, OC, OE, ET, GR, MC, HC, SRC, IC

RISKS AND OPPORTUNITIES continued

9 Retaining and attracting the right talent

NEW

Medium | Within appetite and tolerance

Description and implications for value creation

Talent mobility is heightened globally as corporates focus on developing diversified leadership teams and foster inclusive cultures in order to succeed in the new world order.

Response and mitigating actions

- Continuous learning and skills development focused on the acquisition of transferrable skills and capabilities
- Executing on diversity, equity and inclusion, with 80.9% of local employee promotions being ACI employees

Opportunities arising from this risk

- Identifying behaviours that drive shifting needs
- Supporting workforce wellbeing and diversity, equity and inclusion
- Providing innovative incentives and rewards
- Enhancing group-wide EVP

COMMITTEE OVERSEEING THE RISK: REM

AFFECTED STRATEGIC PRIORITIES AND CAPITALS: OE ET GR HC SRC IC

10 Increased vulnerability of cybersecurity

FY22: risk 7

Medium to high | Within appetite and tolerance

Description and implications for value creation

Cybersecurity is a growing priority as hackers are becoming more sophisticated in a increasingly digital environment. Potential cybersecurity breaches and attacks, including information theft, ransomware and malware, pose a threat to our reputation and ability to maintain operations.

Response and mitigating actions

- Continuously investing in cybersecurity awareness, prevention and security best practices as part of our culture
- Enhancing data governance and privacy practices
- Proactively managing third parties and vulnerability scanning
- Continually enhancing our business continuity management programme
- Penetration testing

Opportunities arising from this risk

- Exploring cybersecurity posture enhancements
- Internally driving awareness of end-user risk

COMMITTEE OVERSEEING THE RISK: RCT

AFFECTED STRATEGIC PRIORITIES AND CAPITALS: IS OE FC MC

The Towers, Western Cape, South Africa

R Linked to executive directors' remuneration | Amended | Material matter moved between themes

OUR MATERIALITY PROCESS AND OUTCOMES

Redefine applies a double materiality lens to determine matters that could influence our ability to create value over time.
The matters identified inform our strategy to manage risks and maximise the opportunities that present themselves. To ensure we account for the dynamic nature of these matters, we evaluate our materiality annually.

GSF – Impact of geopolitical and socioeconomic factors on the cost of capital and growth

External factors in our operating context affect business confidence and the cost of capital, ultimately impacting vacancies, demand and Redefine's ability to grow organically

FC MC SRC NC

ERB – The evolving role of business in creating a prosperous and sustainable society

There is an increasing expectation for business to operate responsibly and sustainably, respond to social and environmental challenges, and create a prosperous and sustainable society

SRC NC

BMA – Business model adaptability to the rapidly evolving context

Redefine needs to be aware of, leverage, or be responsive to disruptive innovations, changing consumer patterns, and unexpected events to protect or increase value creation

MC SRC IC NC

HGR – Heightened demands on governance and regulatory context

Heightened demands on governance and increasing regulatory changes can either positively or negatively impact Redefine's ability to create social, environmental and business value

FC IC NC

MBG – Managing for long-term business growth

Our ability to manage our business is critical to the business's sustainability and growth. This requires the right team and skills to manage our business functions, operations and strategy

FC MC HC

OUR MATERIALITY PROCESS

Identifying what matters most

We identify what matters most to our business using the following process:

IDENTIFY

We analyse our business context, operating environment, the resources on which we rely, and the internal and external feedback received from our stakeholders to assess matters that could have financial, reputational, operational, environmental, social, strategic or legislative significance.

We consider events that have occurred as well as matters that could affect our business in the short, medium and long term.

PRIORITISE

We use the outcomes of this analysis and the key risks and opportunities identified to prioritise the matters that are most material to our ability to create sustained value over time.

Our prioritisation process uses a combination of online tools and in-person workshops and reviews.

We use the material impacts identified to create our risk and opportunity register that we update throughout the year. To ensure further rigour, we undertake an externally facilitated materiality review when necessary.

INTEGRATE

We integrate our material matters into our strategy by contextualising them into five strategic priorities that guide our integrated approach to strategic choices.

Performance against the strategy is tracked by setting clearly identified KPAs and KPIs (cascaded throughout the business) to deliver on our strategic priorities.

INPUTS

Identify:
- Industry and market trends in South Africa and Poland
- Global research reports
- Internal documentation, including board packs and risk registers
- Internal interviews
- External stakeholder engagement
- UN SDGs

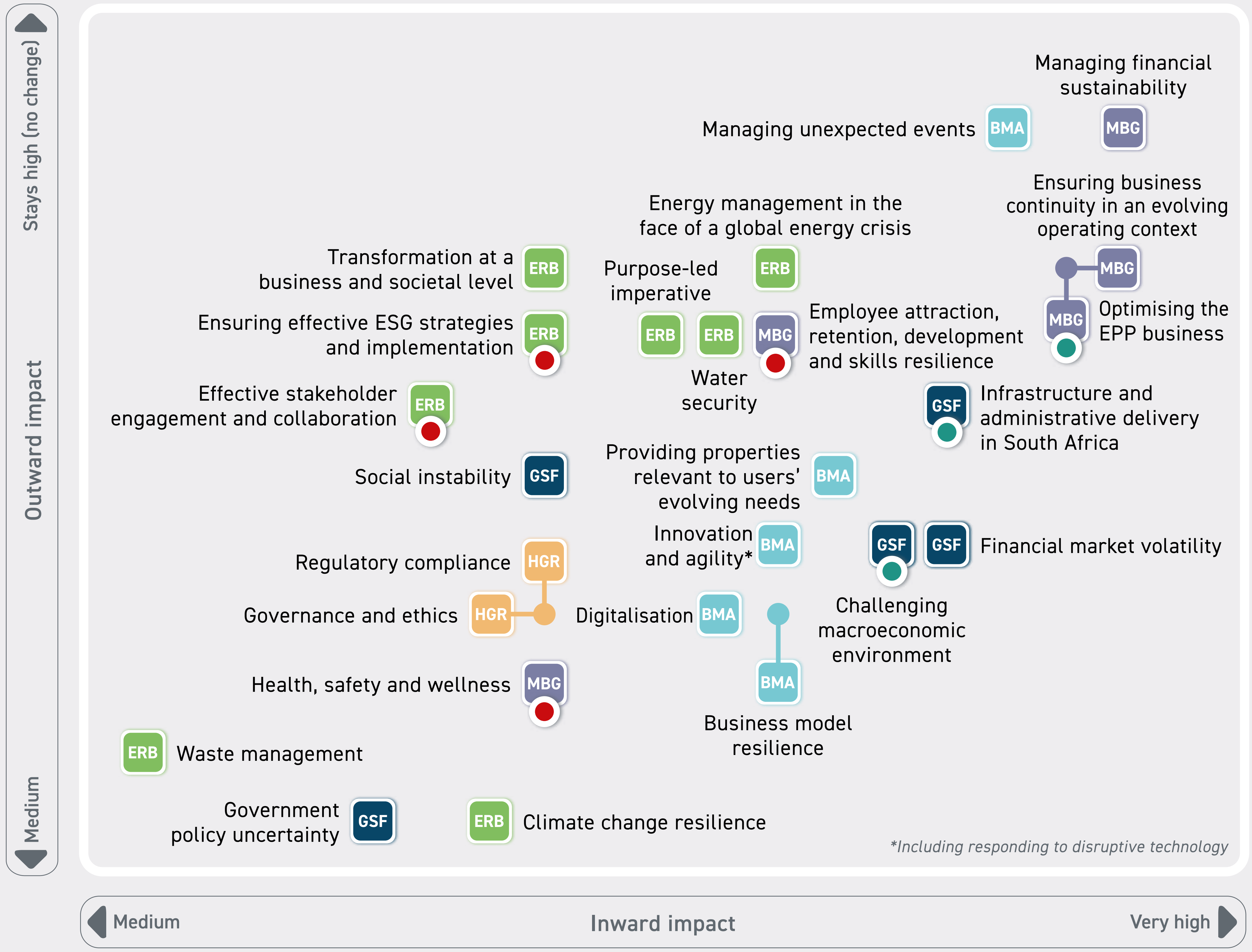
Prioritise:
- Senior management deliberation on and impact analysis of each capital
- Consider resources required and the availability thereof
- Approval from appropriate governance structures

Integrate:
- Board-determined strategic direction
- Setting and allocating targets and KPIs
- R Remuneration based on the KPIs derived from strategy

OUR MATERIAL THEMES

The outcomes of our materiality process

Our identified and prioritised material matters are grouped under five material themes.



1
2
3
4
5

4 Responding strategically

Maponya Mall, Gauteng, South Africa

CHIEF EXECUTIVE OFFICER'S REVIEW

We purposefully OPT FOR THE UPSIDE within a challenging operating context as we actively seek out and embrace opportunities to create a future-ready business.

Andrew König
CEO

Overview

As another year comes to a close, I am grateful for the opportunity to reflect on it as Redefine's CEO. From a macroeconomic perspective, we continue to face challenges, but we are starting to see an encouraging shift. During my nine years as CEO, I have come to understand that although headwinds change throughout the cycle, they do dissipate as the business adapts to the evolving market-shifting dynamics.

The global economy has gone through significant changes and challenges in recent years. Many of the challenges converge, including overlapping aftershocks of the pandemic, elevated levels of inflation, an energy crisis, and higher interest rates leading to increased operational and funding costs as well as tight financial conditions. Understandably, consumer and investor confidence remain subdued globally.

In South Africa, the economy has largely adapted to intensified loadshedding, but it remains a major obstacle to economic growth and job creation. Persistent loadshedding, combined with the interest rate hiking cycle, has had a detrimental impact on the country. However, inflation is starting to ease, and interest rates are expected to have peaked in 2023.

In Poland, where we have a retail and logistics presence, the European Central Bank raised the main refinancing rate to a record high to curb persistently high inflation. The timing of interest rate cuts hinges on inflation tapering off, which is expected to decline gradually during 2024. Ongoing geopolitical tensions, particularly the Russia-Ukraine war and, more recently, the escalating conflict in the Middle East, continue to cause commodity price uncertainty, affecting prospects of easing inflation. Fortunately, the consumer-driven economy in Poland is expected to rise in 2024 as it has largely absorbed the impacts of high inflation, elevated interest rates, and increased energy prices.

Refer to page 23 for more information on our operating context.

While many continue to ruminate on the persistent challenges in this context, we are determined to engage with our stakeholders to identify opportunities within our sphere of control. We call this "**Opting for the upside**"

Responding strategically

During the year, I had the privilege of personally connecting with almost all Redefine employees through a series of CEO connect sessions. The sessions focused on the challenges we face and what we could do to opt for the upside. While we acknowledge that real issues are affecting us in various ways, we believe there is an upside to almost everything, and there are always things we can do to improve the world around us. These in-person sessions provided an opportunity to find ways for us to rise together above the negativity and resultant despondency that currently dominate the conversations in our country.

I believe we are in a transformational time in history – a time when the issues impacting us as a business and as individuals are incredibly similar. We must all grapple with the challenges of meeting our financial needs in a cost-of-living crisis, recognise the disruptive impact of climate change, and contemplate our place in a working world that will change more in the next 20 years than it has in the last century. Connecting at an individual level helped us find ways to make ourselves and our business resilient and future-ready to support long-term growth and success. The connections made through these sessions have been food for the soul at a time when, I personally, needed it, and I believe that this sentiment was shared throughout the business.

I wholeheartedly believe our future is in our hands. By **opting for the upside** together, we have the power to turn challenges into opportunities.

OPTING for the UPSIDE, which initially began as a theme for our employee connect sessions, has developed into a movement that has carried through into our results presentation and the theme of this report.

Refreshing our strategy

In FY23, we refreshed key elements of our long-term strategy to ensure our strategic pathways and priorities remain relevant. This included refreshing our purpose and vision, repositioning our moonshot as our mission, creating clarity in each pathway, and establishing FY30 targets aligned with each pathway. These changes do not affect the core of our long-term strategy; rather, they are the result of us setting clear targets that direct our actions and re-emphasise our plans and commitments in a simple and accessible way. Our strategy now clearly articulates how we want to operate in the short to medium term so that we can deliver on our mission in the long term.

Enhancing our impact

During FY23, we continued integrating our ESG strategy into everything we do. We are proud of the progress made to minimise our environmental impact, which we could not have done without the high level of collaboration we have reached with our tenants.

SA: Three Net Zero Carbon: **Level 2 (Measured) certifications**	NET ZERO carbon AFRICA South Africa GREEN BUILDING COUNCIL SOUTH AFRICA
SA: **8.8gWh** to be wheeled annualy	CITY OF CAPE TOWN ISIXEKO SASEKAPA STAD KAAPSTAD
SA: Issued **R4.2 billion** of listed green bonds	Redefine PROPERTIES We're not landlords. We're people.
SA: Rated by BBBEE codes of **good practice**	LEVEL 1 BBBEE CERTIFIED
EPP: **Energy performance certificates for 35 out of 37** properties with **62% scoring** a class D or better	ENERGY EFFICIENCY
EPP: **Four** office buildings **rated WELL**	WELL HEALTH-SAFETY RATED 2023

During the year, we made progress in considering social impacts as part of our strategy. The board approved our impact framework, which aims to establish a company-wide integrated vision of transformational impact aligned with our long-term strategy. This focused approach will outline how we conduct business throughout the organisation, supporting tangible and sustainable impacts with short- and long-term targets. For Redefine, transformation goes beyond employee representation – it focuses on how the business will transform and positively impact its internal and external environments.

CHIEF EXECUTIVE OFFICER'S REVIEW continued

> At the heart of diversity, equity and inclusion is belonging – where an organisation engages the full potential of its people; where innovation thrives; and where views, beliefs and values are integrated to enable the consistent and robust execution of strategic priorities.

Our impact framework, which is embedded into our strategy, is centred around building a future-ready business. The framework ensures that our strategy remains relevant in the evolving transformational landscape, including creating a diverse and inclusive working environment that is digitally fit and able to create value for key stakeholders. Through the framework, our strategy will keep pace with amendments to the property sector's BBBEE codes and employment equity legislation. The framework will also compel us to review and refresh our financial, corporate social investment, and human capital allocation strategies to ensure we remain fit for purpose and maximise our impact.

The framework is supported by a management-level action plan that identifies the specific action items required to achieve the desired social impacts. The action plan is focused on digital, human capital, socioeconomic and BBBEE impacts.

Doing what we said we would do in FY23

Our South African and Polish portfolios demonstrated remarkable operational resilience by absorbing the market-shifting dynamics of FY23. Operating metrics improved across all sectors despite sluggish economic growth. We attribute this to our FY23 game plan, which aimed to create a platform for ecosystems of talent; improve, expand and protect our property portfolio; recycle capital by disposing of non-core assets; unlock value through active asset management and development opportunities; drive innovation and data-enabled projects to ensure we provide a reason for being in our space; continue to embed ESG in everything we do; and understand our stakeholders' needs to ensure our impact on them creates meaningful and sustained value.

Our strategic priorities guide our decision-making and execution to ensure sustained value creation.

IS INVEST STRATEGICALLY	Our strategic investment in EPP performed well as we restored EPP to a cash-generating investment. Overall, our capital allocation decisions stabilised asset values, and we are pleased with the ownership restructure of our government-tenanted office portfolio, where we were able to convert month-to-month leases to longer-term leases with a weighted average unexpired lease term of 4.7 years by GMR.
OC OPTIMISE CAPITAL	During the year, we optimised our capital by reducing our balance sheet risk in line with our medium-term LTV ratio target and securing the renewal of all loans maturing in FY23. Issuing an additional use-of-proceeds green bond of R4.2 billion was another highlight. The market's support of our green bond reaffirms that we are on the right path as we integrate ESG into our long-term strategy. Refer to page 42 for details of our green bonds.
OE OPERATE EFFICIENTLY	We believe we have made meaningful progress in driving operational efficiency across the group. Our South African portfolio delivered organic growth and a stable operating margin, and we lifted tenant retention levels. We see digitalisation as an essential tool in improving operational efficiency further and are encouraged by our digital ratio, which has improved to 23.0% from a base of 5.1% in FY20.
ET ENGAGE TALENT	We have formalised our shift in focus from BBBEE transformation to inclusivity through our impact framework (as detailed above). We are pleased by the launch of our future-ready leadership development programme for senior management and by the alignment of EPP's EVP with our group.
GR GROW REPUTATION	During the year, we continued to advance our ESG strategy through collaboration with key stakeholders, especially tenants and suppliers. Efficiency interventions and the expansion of solar PV enabled us to reduce our grid-supplied energy consumption. We also completed a climate risk management assessment for South Africa and Poland to help us navigate climate-related risk.

Refer to page 39 for an overview of our strategy and page 40 for further details on our performance against our strategy.

Our expansion into Poland is another example of our efforts to realise growth and opt for the upside as we unlock opportunities in the retail, logistics and – most recently – self-storage real estate markets. During the year, we successfully integrated EPP into the Redefine group, and we continue to see potential in the Polish real estate market. Vacancies in the EPP portfolio remain stable at less than 2%, indicating healthy demand despite regional challenges.

We identified priorities for EPP, which include improving operating margins and enhancing marketing through digitisation; ensuring the smooth takeover of the M1 Group property management and leasing operations from April 2024; and refinancing the Henderson Park Private Equity Fund (Henderson) joint venture debt, which is set to mature in FY24. EPP's share of the debt amounts to €45 million. EPP echoes the group's focus on ESG as we plan to mitigate high energy and service charges through power purchase agreements, reduce consumption, and install solar PV plants to partially offset reliance on external energy suppliers.

Outlook

In the year ahead, we will build on the stable base we have established in recent years. From an investor perspective, this will include deleveraging through the disposal of non-core assets to lower the see-through LTV ratio, delivering on our earnings guidance, generating European NAV growth, and avoiding complexity and unnecessary asset and portfolio transactions, as well as containing unexpected adverse outcomes.

Redefine cannot rely on external factors to change our fortunes. We need to build on positive momentum and opt for the upside while remaining laser-focused on the execution of our strategic priorities as we aim to meet evolving stakeholder needs. Evolving stakeholder needs require us to cost-effectively source and allocate capital while operating efficiently in an environment with higher operating costs and a competitive rental market. To remain relevant, we will continue to adapt how we create value, shoot for the moon by placing purpose and people at the heart of what we do, focus on developing skills to navigate challenging circumstances, foster inclusivity to cultivate a fertile environment for diversity of thought to stimulate innovation, and create maximum sustainable impact to ensure we focus on what matters most.

Appreciation

I am grateful for the unwavering commitment of my fellow board members, executives, management and employees to ensure we achieve our strategic priorities. **Thank you all** for being integrally involved in shaping Redefine's local and international asset platform into what it is today.

I deeply appreciate our stakeholders' support as we pursue our mission. Thank you for being courageous, promoting innovative thinking, unearthing new opportunities, and bringing about positive change.

Building a future-ready Redefine

Since we operate in a long-term asset class, our choices have a lasting impact and we incorporate ESG considerations into every aspect of our business. Our **five mission pathways** articulate our long-term priorities, are central to our long-term strategy, and essential to fulfilling our mission and purpose.

Our vision
is to be the leading South African REIT

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

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

WHY

OUR SHORT- TO MEDIUM-TERM STRATEGIC FOCUS	OUR LONG-TERM PURSUIT	OUR NORTH STAR
STRATEGIC PRIORITIES	OUR MISSION PATHWAYS	VALUES AND CULTURE

HOW

To consistently execute and deliver on our strategy, we have five short- to medium-term priorities	**To support our long-term strategy,** we have mapped out five mission pathways	**To build a future-ready organisation,** we have set our values as a guide that connects our efforts

WHAT

IS Our business sustainability depends on the wellbeing of the planet and society. Consequently, our capital allocation decisions consider the long-term impact of investments. Where possible, we explore innovative development solutions and invest in greening our buildings and renewable energy solutions.

OC Strengthening our financial position to build a diversified and sustainable capital structure through disciplined capital allocation ensures we have the resources for our long-term ambitions. Integrating sustainability initiatives and UN SDG commitments into operations and strategies allows us access to sustainability-linked funding.

OE In a resource-scarce environment, efficient capital use supports our long-term sustainability. Innovating and using technology to improve building efficiency has long-term financial benefits and promotes sustainable societies.

ET We are dedicated to creating a workforce that aligns with our long-term goals for a prosperous and equitable society and meets the needs of our future data-driven business model. We invest in employee development, implement relevant policies, and offer wellness programmes to support their personal and professional growth.

GR Our properties' success relies on our communities. Through informed, targeted initiatives that benefit both Redefine and our stakeholders, we support the long-term resilience of our operations in a challenging socioeconomic environment.

Embedding diversity, equity and inclusion — We promote inclusivity and transformation in our value chain, creating a sense of belonging that fosters innovation, creativity, and a positive and productive work environment. This strengthens sustainable decision-making that creates value for all our stakeholders.

Mobilising digital transformation — Technological advancements and data enable our people to enhance our product and service quality and performance. Our primary focus is digitising the tenant-servicing model and transforming their experience.

Nurturing and optimising our ecosystems — We are transforming from a product-driven to a service-based business model that thrives on partnerships and platforms. Nurturing mutually beneficial stakeholder relationships is key to sustaining and extending sustainable value creation throughout our ecosystems.

Being a catalyst for good — We aim to have a sustainable long-term impact on people and the planet through our business activities. Our ESG strategy, which is centred around the 2030 UN SDGs, helps us remain adaptable and equipped for an ever-changing market and low-carbon economy.

Being curious innovators — We continue to challenge our people by fostering a culture of innovation and a design-thinking mindset to fundamentally transform how our business evolves and creates value for our stakeholders.

Our **BEST VALUES** are what connects us and guides how we choose to react

FY30 TARGETS

- Have our people and value chain fully representative of the society in which we operate
- Achieve > 50% digital ratio
- Achieve a product-service hybrid revenue model that will attract and retain tenants and entrench the continued relevance of our asset platform
- Achieve the 2030 UN SDGs to which we have committed
- Achieve a net operating profit margin of between 80% and 85% on a sustainable basis

PERFORMANCE AGAINST OUR STRATEGY

How we measure the delivery of sustained value year on year

PERFORMANCE INDICATOR			TARGET		PERFORMANCE	FY23	FY22	FY21	ASSURANCE
Long-term performance	Our integrated, long-term approach to strategy enables us to increase our total return through improved cash flow to deliver sustained value for all our stakeholders. Our primary long-term objective is to increase our total return through improved cash flow to enable us to deliver sustained growth for all stakeholders.	Dividend per share + SA REIT NAV* growth per share	Annual five-year average risk-free rate + 2% = 8.3%** (FY22: 8.6%)	R	Positive	12.5%	10.8%	1.1%***	Financial information extracted from the audited AFS
		INPUTS							
		Dividend per share				43.8	43.0	60.1	
		*Year-on-year change in SA REIT NAV**				45.9	31.0	-51.7	
IS Invest strategically	SA REIT NAV is a key indicator of the organic growth of our actively managed capital base, demonstrating the effectiveness of our investment strategy and business sustainability.	Growth in SA REIT NAV per share	One third of the total targeted return		Positive	6.4%	4.5%	-7.0%	Financial information extracted from the audited AFS
OC Optimise capital	The SA REIT LTV ratio is a lead credit metric and an indication of a REIT's indebtedness and ability to access financial capital.	SA REIT LTV ratio	Range between 38% and 41%	R	Negative	41.1%	40.2%	42.4%	Financial information extracted from the audited AFS
OE Operate efficiently	We use net operating profit margin (NOPM), a profitability metric, to measure our portfolio's efficiency. NOPM measures the income our portfolio generates. The NOPM margin demonstrates our business processes' efficiency in managing costs in relation to revenue growth.	NOPM net of recoveries	Between 80% to 85%	R	Positive	84.6%	83.3%	83.5%	Financial information extracted from the audited AFS
ET Engage talent	Engagement score refers to employees' commitment, discretionary effort, and intent to stay, given their present and past experiences and expectations for the future. The score is based on an externally facilitated engagement survey.	Engagement score	Maintain or improve the previous year's engagement score	R	Positive	90%	87%	87%	Independently verified
GR Grow reputation	Our forward yield reflects the market's rating of our ability to deliver sustained value in the form of growing dividends and capital growth.	Forward yield	Dividend forward yield ≤ five-year average bond yield		Negative	13.3%	11.3%	11.9%	Independently verified

** SA REIT NAV is a standardised definition used across the industry to measure a REIT's NAV and is defined by the SA REIT best practice recommendations*
*** The average risk-free rate is weighted between South Africa and Poland based on the average property asset allocation*
**** Target for FY21 used the annual average risk-free rate for South Africa only*

PERFORMANCE AGAINST OUR STRATEGY continued

IS INVEST STRATEGICALLY
Shifting our thinking to the evolving relevance of real estate

WHY INVESTING STRATEGICALLY MATTERS

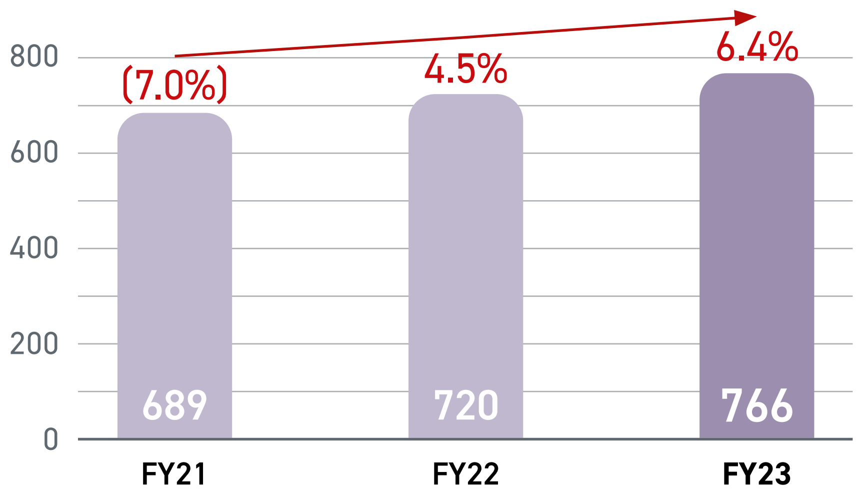
We apply our extensive property and financial experience to make strategic investment decisions about allocating our capitals to create sustainable value for our stakeholders through smart and sustainable spaces.

RELATED MATERIAL THEMES		PRIMARY UN SDGS	SECONDARY UN SDGS
GSF Impact of geopolitical and socioeconomic factors on the cost of capital and growth	BMA Business model adaptability to the rapidly evolving context	7 Affordable and clean energy; 8 Decent work and economic growth; 13 Climate action	17 Partnerships for the goals

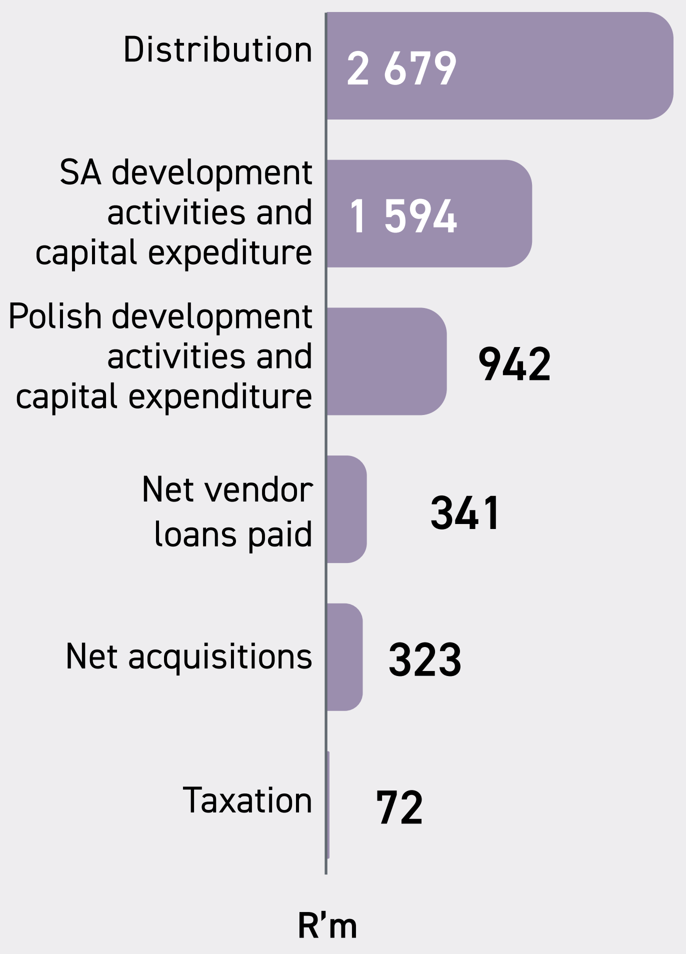
UNPACKING OUR PROGRESS

The SA REIT NAV per share increased during the year largely due to the depreciation of the rand.

THREE-YEAR TREND
SA REIT NAV PER SHARE



CAPITAL DEPLOYED | R6.0 billion (FY22: R12.9 billion)



FY23 OUTCOMES

- (Value eroded) Property asset disposals realised R0.6 billion (FY22: R9.4 billion)
- (Value created) SA REIT NAV improved by 45.9 cents (FY22: decline of 31.4 cents) to 766.0 cents (FY22: 720.1 cents) per share
- (Value created) Simplified asset platform with improved growth prospects

RESOURCE ALLOCATION

We allocate financial capital to the best risk-adjusted return opportunities available to improve portfolio diversity across our key geographies and sectors. Our strategic allocation of financial capital supports new income streams that leverage our real estate portfolio. Our investments consider the environmental and social imperatives across our portfolio.

OUTCOMES

- Completed R388.3 million in new developments in South Africa (FY22: R202.9 million)
- Continued to expand in Poland by investing in the logistics sector
- Completed developments with a total GLA of 275 014m² at a cost of R4.5 billion, resulting in a capital uplift of R0.4 billion

KEY TRADE-OFFS

- Balancing short-term performance expectations and long-term value creation
- Balancing environmental goals with business continuity measures

CAPITALS EMPLOYED

FC MC HC SRC IC NC

LOOKING AHEAD

FY24 FOCUS

- Preserve value through organic growth and asset optimisation
- Reduce reliance on municipally supplied utilities through innovative solutions and resource-efficient green initiatives
- Selective deployment of capital from recycled non-core assets into growth sectors

ANTICIPATED OUTCOMES

- Generate value for all stakeholders
- Protect value by preserving the appeal of nodes
- Create value through improved quality of cash flow

PERFORMANCE AGAINST OUR STRATEGY continued

OC OPTIMISE CAPITAL
Broadening our funding sources optimise's our ability to create sustainable value

WHY OPTIMISING CAPITAL MATTERS

Our access to funding enables us to invest in the right opportunities and meet our operational requirements. Optimising our funding model focuses on deploying scarce financial capital to create value for our stakeholders. To do this, we must manage exposure to interest rates and currencies responsibly, and ensure optimal portfolio funding to increase returns and ensure predictable, sustained growth.

RELATED MATERIAL THEMES

- GSF – Impact of geopolitical and socioeconomic factors on the cost of capital and growth
- MBG – Managing for long-term business growth

PRIMARY UN SDGS

7 Affordable and clean energy; 9 Industry, innovation and infrastructure

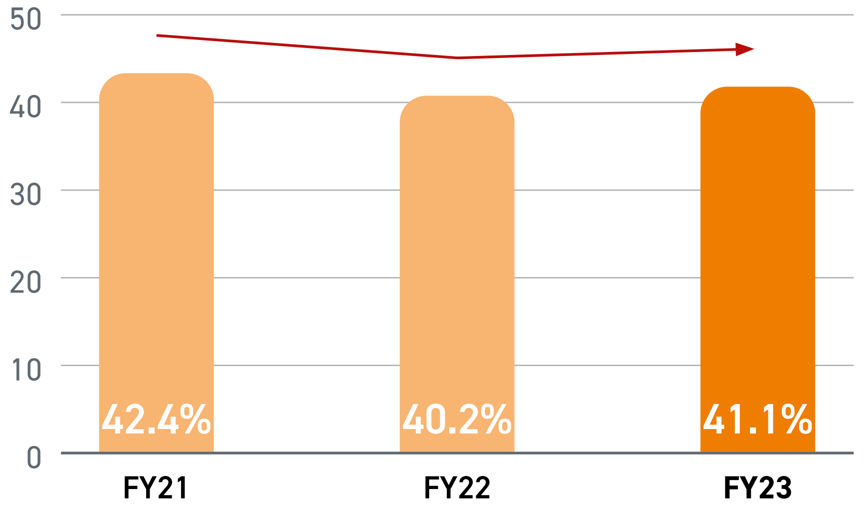
SECONDARY UN SDGS

17 Partnerships for the goals

UNPACKING OUR PROGRESS

The LTV ratio increased to 41.1%, which is marginally outside of our medium-term target range of 38% to 41% – is largely attributable to the depreciation of the rand.

THREE-YEAR TREND | SA REIT LTV ratio



FY23 OUTCOMES

- (Value eroded) Committed undrawn facilities and cash on hand of R5.7 billion (FY22: R6.2 billion)
- (Value eroded) Weighted average cost of debt increased by 110bps to 7.1% (FY22: 6.0%)
- (Value eroded) Interest cover ratio at 2.4x (FY22: 2.8x)
- (Value eroded) Interest hedged on 77.1% debt (FY22: 82.9%)
- (Value created) Issued R4.2 billion of use-of-proceeds listed green bonds

RESOURCE ALLOCATION

Our sustainable financing framework enables us to take advantage of new funding sources. Within a high-cost and capital-constrained environment, we have also lengthened our debt maturity profile and effectively managed our liquidity profile. Within this context, we continue to recycle manufactured capital to generate financial capital.

OUTCOMES

- Made meaningful progress in the diversification of our funding sources with 23.0% of our total debt from green sources
- Extended our debt maturity profile, with no more than 20% of group debt maturing each year until 2027
- Effectively implemented our hedging strategy to provide protection in a rising interest rate environment

KEY TRADE-OFFS

- Shortening hedging tenors to manage costs
- No equity issuances were done and no dividend reinvestment programme was offered to shareholders during the year to preserve value

CAPITALS EMPLOYED

FC MC HC IC

LOOKING AHEAD

FY24 FOCUS

- Proactively renew maturing debt facilities and extend the debt maturity profile
- Vigilantly manage interest rate risk through the cycles
- Diversify funding sources to limit concentration risk
- Gradual reduction of see-through LTV ratio

ANTICIPATED OUTCOMES

- Introduce funding flexibility
- Limit the impact of elevated interest rates
- Lower liquidity risk
- Optimise offshore gearing levels

PERFORMANCE AGAINST OUR STRATEGY continued

OE OPERATE EFFICIENTLY Harnessing technology as an enabler and not a disruptor

WHY OPERATING EFFICIENTLY MATTERS

Operational efficiency is about finding the best possible way to utilise the capitals at our disposal. In a tough operating context, our ability to operate efficiently by managing those variables under our control protects our cash flow and enhances our resilience.

RELATED MATERIAL THEMES

- **ERB** The evolving role of business in creating a prosperous and sustainable society
- **HGR** Heightened demands of governance and regulatory compliance
- **BMA** Business model adaptability to the rapidly evolving context
- **MBG** Managing for long-term business growth

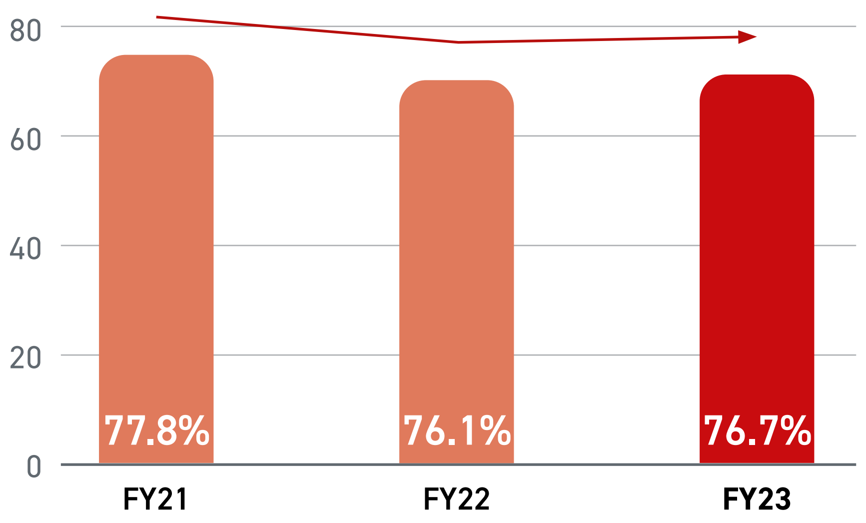
PRIMARY UN SDGS

3 Good health and well-being; 7 Affordable and clean energy; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure; 12 Responsible consumption and production; 13 Climate action

UNPACKING OUR PROGRESS

The NOPM is within the target range of 80% to 85%.

THREE-YEAR TREND
NOPM



FY23 OUTCOMES

- (−) Occupancy declined to 93.0% for South Africa (FY22: 93.3%)
- (+) Occupancy improved to 98.4% for Polish core portfolio (FY22: 96.5%)
- (+) South African solar PV capacity increased to 34.9MWp (FY22: 29.9MWp)
- (+) 452 669m² renewed (FY22: 606 079m²) at an average reversion of -6.7% (FY22: -12.0%) for South Africa
- (−) Average negative rental reversion of the Polish core portfolio of -7.2% (FY22: -7.1%)
- (+) South African tenant retention rate by GLA at 92.1% (FY22: 91.8%)
- (−) Polish tenant retention rate stable by GLA at 96.3% (FY22: 97.0%)

RESOURCE ALLOCATION

Many efficiency-focused initiatives across our operations require data-driven solutions that draw on our intellectual capital. They enable us to manage the resources we use efficiently, attract tenants, and grow our business organically. We allocate financial and human capital to green our buildings by optimising energy and water usage and recoveries. Green initiatives support our operating margins, address growing natural capital deficits, and increase the resilience of our operations.

OUTCOMES

- Improved our digital ratio to 23.0% (FY22: 14.5%)
- Analysed non-financial data on energy, water, waste, refrigerant gases and travel in our annual carbon footprint assessment to inform behavioural insights (refer to page 33 of our ESG report)

KEY TRADE-OFFS

- Balancing tenant retention with rental growth
- Maintaining operating profit margin in an inflationary environment

CAPITALS EMPLOYED

FC MC HC SRC NC

LOOKING AHEAD

FY24 FOCUS

- Preserve the profit margin through a focus on efficiency, tight cost control, and improving the renewable energy mix
- Intensify efforts to retain and attract tenants by offering value-add services
- Accelerate the digital transformation journey

ANTICIPATED OUTCOMES

- Limit the impact of elevated levels of inflation and administered price increases
- Improve occupancy levels by offering new tenants a differentiated digitised customer experience
- Harness the power of data insights to simplify processes and transform the tenant experience

PERFORMANCE AGAINST OUR STRATEGY continued

ET ENGAGE TALENT Harnessing the power of diversity of thought

WHY ENGAGING TALENT MATTERS

Our people-centred business approach differentiates us in the market. We believe that diversity, equity and inclusion fosters innovative thinking and promotes a future-ready workplace. We recruit and develop individuals who have the qualifications, know-how and people skills to support our relationship-driven business. We prioritise employee health and wellness in the face of current socioeconomic challenges.

RELATED MATERIAL THEMES

- **ERB** The evolving role of business in creating a prosperous and sustainable society
- **HGR** Heightened demands of governance and regulatory compliance
- **BMA** Business model adaptability to the rapidly evolving context
- **MBG** Managing for long-term business growth

PRIMARY UN SDGS

3 Good health and well-being; 5 Gender equality; 8 Decent work and economic growth

SECONDARY UN SDGS

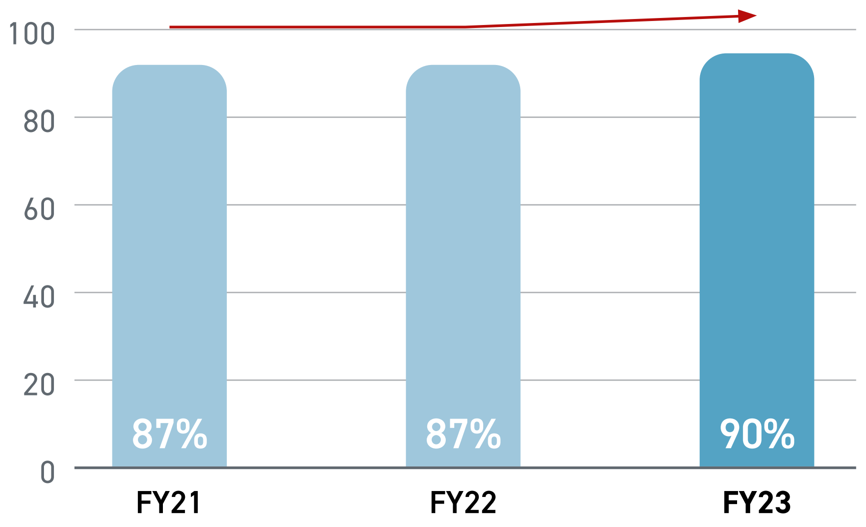
4 Quality education; 10 Reduced inequalities

UNPACKING OUR PROGRESS

The employee engagement score increased to 90% during the year.

THREE-YEAR TREND

Employee engagement score



FY23 OUTCOMES

- (+) 411 learners have completed our learnership programme since FY13 (FY22: 354 learners)
- (=) Certified as a top employer
- (+) South Africa: 18 464 man-hours of training and development (FY22: 27 076 man-hours)
- (+) Poland: 5 786 man-hours of training and development
- (+) Achieved our first base-line measurement of our employee net promoter score

RESOURCE ALLOCATION

Allocating financial and human capital to employee training and engagement initiatives drives employee productivity, contribution and engagement and supports our brand and reputation. Many employee-related initiatives are digitally enabled. Ongoing training and development create a culture of innovation that supports diversity of thought and builds our intellectual capital.

OUTCOMES

- Achieved an employee engagement score of 90%
- Launched our future-ready leadership development programme

KEY TRADE-OFFS

- Adapting our EVP to the changing world of work
- Balancing employee development with business requirements in the short term

CAPITALS EMPLOYED

FC MC IC

LOOKING AHEAD

FY24 FOCUS

- Implement strategies to attract, retain and develop a pool of key talent
- Promote the employee wellness programme and encourage work-life balance
- Foster an inclusive environment to attract diverse talent and deliver innovative thinking

ANTICIPATED OUTCOMES

- Provide an internal pipeline of high-performing, scarce-skilled employees
- Reduce the risk of mental illness and burnout to boost productivity and effectiveness
- Build a future-ready talent pool to consistently deliver on our strategy

PERFORMANCE AGAINST OUR STRATEGY continued

GR GROW REPUTATION — Placing people and purpose at the heart of what we do

WHY GROWING OUR REPUTATION MATTERS

Our brand and reputation shape how our stakeholders see us and are critical to building mutual trust and respect. We are committed to enhancing our reputation in all our interactions and business activities. This includes our people-centric approach to business and our commitment to being a catalyst for good, supporting the UN SDGs, embedding ESG, and delivering excellence aligned with our stakeholders' expectations.

RELATED MATERIAL THEMES

- **GSF** Impact of geopolitical and socioeconomic factors on the cost of capital and growth
- **HGR** Heightened demands of governance and regulatory compliance
- **ERB** The evolving role of business in creating a prosperous and sustainable society
- **MBG** Managing for long-term business growth
- **BMA** Business model adaptability to the rapidly evolving context

PRIMARY UN SDGS

5 Gender equality; 11 Sustainable cities and communities; 13 Climate action; 16 Peace, justice and strong institutions

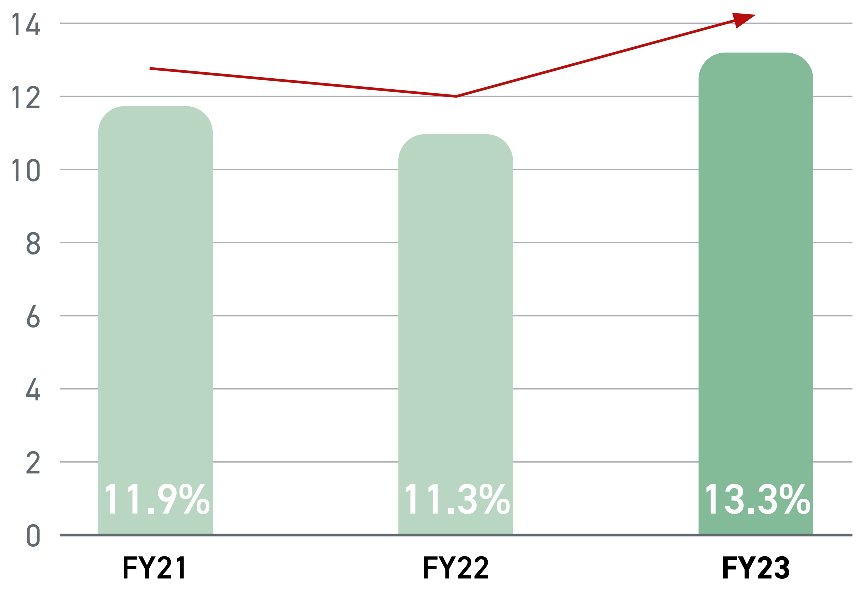
SECONDARY UN SDGS

10 Reduced inequalities; 17 Partnerships for the goals

UNPACKING OUR PROGRESS

The forward yield remains under pressure, making the issuance of equity very expensive as a source of capital.

THREE-YEAR TREND | Forward yield (%)



FY23 OUTCOMES

- (+) 12.5% total return to shareholders (FY22: 10.8%)
- (+) 186 Green Star SA certifications (FY22: 160)
- (=) Achieved an 88th percentile ethical maturity score from The Ethics Institute
- (=) BBBEE level 1 rating (FY22: level 1)

RESOURCE ALLOCATION

We approach resource allocation by considering both intellectual and human capital and it's impact on our business. Through strategic allocation, we deepen our stakeholder engagements, better understand our stakeholder universe, and meet our ESG commitments. This changes how our people manage the property life cycle and fosters sustainable partnerships.

OUTCOMES

- Directed our environmental efforts towards climate risk management
- Developed a strategic impact framework and comprehensive impact plan
- Evolved our approach to community involvement from CSI to an impact-driven socioeconomic development (SED) strategy
- Achieved our targets for the sustainability-linked bond for FY23

KEY TRADE-OFFS

- Balancing short-term performance expectations and long-term value creation
- Aligning our environmental goals with tenant preferences

CAPITALS EMPLOYED

FC MC HC SRC IC NC

LOOKING AHEAD

FY24 FOCUS

- Implement multipronged sustainable energy, water and waste solutions to reduce reliance on grid-supplied energy and municipal water and waste services
- Create sustainable socioeconomic impacts through small, medium and microenterprise (SMME) development
- Build sustainable partnerships with tenants, suppliers and community-based organisations

ANTICIPATED OUTCOMES

- Reduce energy and water costs, enable business continuity, and lower carbon emissions
- Accelerate the progress and scope of our ESG strategy by deepening ecosystems
- Contribute to a more inclusive, equitable and sustainable world by facilitating job creation and community upliftment

OUR TRADE-OFFS

Redefine applies integrated thinking to balance value creation, preservation and erosion across multiple time horizons.

We continue to focus on the variables within our control despite the complexities in our operating environment. We look through the cycle and respond with agility to position our business for sustained growth and resilience.

We continuously review how we optimally allocate resources to ensure that we make the best use of them to create sustained value for our stakeholders.

Balancing short-term performance expectations and long-term value creation is our overarching trade-off.

Navigating short-term performance expectations against long-term value creation remains our overarching trade-off. This primary trade-off is considered in many of the critical decisions we make.

Selected material decisions are highlighted here to illustrate.

Trade-offs influence our ability to create value over time. They can occur when a decision impacts multiple capitals due to the inter-dependencies between them or when a decision results in trade-offs over time. Redefine carefully considers significant trade-offs in decision-making to support sustainable value creation.

1 Hedging strategically to manage uncertainty

Uncertainty surrounding interest rates and foreign exchange movements remained a concern in FY23. We manage this risk by fixing at least 75% of our variable interest rate borrowing cost through derivative instruments (interest rate swaps). We review expiring hedges on a case-by-case basis to manage the cost of hedging levels in the most cost-effective manner. We hedge our risks selectively and strategically with the right hedging instrument based on the circumstances that exist at that point in time.

During FY23, interest rates increased sharply. While the cost of funding has increased, our hedging policy was effective as we were protected against the full impact of the rate hikes. We believe that we are at the peak of the interest rate cycle. Interest rates are expected to remain higher for longer, with the risk of additional hikes in the Eurozone making interest rate hedging expensive. Our weighted average hedge term is relatively short at 1.8 years, and we expect to increase our hedge position once the market has normalised.

KEY OUTCOMES

- Redefine maintained a stable and gradual hedging maturity profile with 77.1% of group debt hedged
- The board reviewed and maintained the hedging target of 75% of group interest-bearing borrowings to be fixed through the cycle
- Stable cash generation continues to support debt servicing requirements despite the increased cost of debt

IS OC FC GSF BMA MBG

2 Balancing environmental goals with tenant preferences and business continuity

Our commitment to reducing resources and energy consumption for ourselves and our tenants drives our long-term sustainability. We achieve this by collaborating with our tenants to instil behavioural changes and through investment in environmentally friendly solutions and technology. Often, these solutions do not result in a direct financial benefit for us as the landlord since we effectively pass on the benefit to the tenant. While we continue to encourage tenants to take up these opportunities, we must balance our commitment to our goal with our tenants' interest in reducing their utility consumption and competing needs.

In South Africa, power outages due to ageing infrastructure and unprecedented levels of loadshedding can leave tenants without electricity, undermining their ability to operate. Diesel generators are often used as a standby power supply to keep our tenants operational, adversely impacting our carbon emission reduction goals.

KEY OUTCOMES

- Several resource efficiency improvement programmes are available to our tenants
- Tenant willingness and ability to take up these programmes impact our overall resource consumption
- As a result of loadshedding and electricity supply interruptions, our diesel consumption has increased as follows:

	FY23	FY22	FY21	FY20
Diesel (litres)	7 129 035	1 507 020	742 560	979 987
% decrease/increase from the previous year	373	103	-24	46

- Although we continue to install renewable energy solutions, these systems do not provide our buildings with standby power. However, these systems partially, reduce our reliance on fossil fuels and diesel

Refer to our natural capital section on page 84 for more information.

OE GR FC MC SRC NC GSF MBG

3 Adapting our EVP to the changing world of work

The working environment continues to evolve, with many employees and employers grappling with the increased demand for flexibility while balancing company needs such as managing knowledge transfer, protecting employee mental health, and maintaining culture. While creating a flexible work environment has become commonplace, it has direct cost implications as it requires investment in adapting on-site spaces as well as technology in employees' homes to accommodate flexibility.

KEY OUTCOMES

- Enhanced our EVP with flexible working policies to adapt to the changing world of work
- The cost of supporting employees both on site and working from home remains high due to the increased cost of data and cybersecurity protection

ET GR HC SRC ERB BMA

4 Managing tenant retention over rental growth

Our tenants are experiencing cost pressures due to inflation, high interest rates, and utility cost increases. Rental expenses constitute a significant financial expense for tenants and are subject to negotiation as lease agreements approach expiration. Tenant retention continues to be a key priority for management. In these conditions, we often prioritise tenant retention at the expense of higher rentals, resulting in negative rental revisions in certain instances.

KEY OUTCOMES

- South African tenant retention ratio increased from 92.1% to 92.8%
- Polish tenant retention remained stable at 96.3% from 97.0% in FY22
- Negative renewal reversions in South Africa improved from -12.0% to -6.7%, while negative reversions of the Polish Core portfolio remained stable at -7.2% from -7.1% in FY22

OC GR FC SRC GSF BMA MBG

Refer to page 9 for our strategic priorities and capital icons and page 35 for our unpacked materiality icons.

REMUNERATION PRACTICES CREATING VALUE

Our remuneration policy is fundamentally designed to encourage the achievement of our group strategy, which is our roadmap to creating sustained value for all our stakeholders. Our FY24 strategic matters and value-creation goals will be realised by achieving forward-looking KPAs for the short-term incentives (STIs) and long-term incentives (LTIs). The pay and vesting outcomes for the KPAs applicable for FY23 are explored in more detail in the remuneration report in the ESG report.

Our variable pay structure is supported by a robust remuneration governance framework. The table below summarises the framework elements.

GOVERNANCE PRINCIPLES

	How this links to sustained value creation	Mechanism	Implication
PAY MIX	The pay mix for our executives is appropriately weighted towards variable pay, thus cementing a pay-for-performance culture. However, we manage the risks associated with our variable pay framework	**Total reward ratio** ▸ This is measured as the ratio of fixed to variable pay for executive directors	Our executive directors are incentivised to create value in the short and long term, and there is an appropriate balance between STIs and LTIs. The majority of the total remuneration mix is at risk, but the portion of guaranteed pay is sufficient to ensure that executive directors are not overly reliant on at-risk variable pay (which may drive inappropriate risk taking)
RISK ADJUSTMENTS	Our leadership team is accountable for the decisions that are made on behalf of Redefine	**The LTI plan** ▸ The remuneration committee (REM) may, on or before the vesting date of an award, reduce an STI or LTI award should a trigger event occur during the vesting period ▸ The REM may take steps to recover awards that have vested (on a pre-tax basis) in the event that a trigger event has occurred	Variable pay outcomes can be adjusted or recovered in certain predetermined circumstances, including instances where executive directors have behaved in a manner that has caused harm to the company (financial and/or reputational, caused by a trigger event) long after the vesting and payment dates. Executive directors are accountable for the decisions they make on behalf of the company. Where events or behaviour occur that effectively result in lost stakeholder value, the REM is able to adjust vesting or payment outcomes as appropriate or recover past incentives from our executive directors on a pre-tax basis, even though the performance conditions have already been met
LONG-TERM ALIGNMENT	Our leadership team should remain aligned with the impact of our decisions on our stakeholders and continue to create long-term value for the company	**Minimum shareholding requirements** ▸ Executives must hold shares based on a tiered structure to the value of between 150% and 300% of their total guaranteed package, which must be accumulated within five years of the appointment of the executive director ▸ The shares must be held by the executive director throughout their tenure **Post-vesting holding periods** ▸ For LTIs awarded to executive directors (excluding the deferred STI awards), they must hold any vested shares for two years after the vesting date. They cannot trade with the shares during this period but will receive dividends and can exercise voting rights in respect thereof **The terms of our minimum shareholding requirements and the post-vesting holding periods are set out in the remuneration report**	Redefine operates in a long-term asset class, and our executive directors remain invested in the company while they make prudent, long-term decisions regarding these assets. They are also aligned with the interests of our stakeholders, who are affected by the long-term ramifications of our decisions (that extend beyond the short-term and long-term vesting periods)

This section links the pay-for-performance framework as it applied in FY23 to short-term outputs, based on executing our short-term objectives, and to long-term stakeholder value-creation outcomes.

STI AND LTI PERFORMANCE MEASURES IN FY23

STI – incentivising execution

KPI	Weighting
Company financial performance	**60%**
Absolute distributable income per share (DIPS) growth relative to approved budget Target: Achieved budget	20%
Growth in DIPS measured against the relative performance benchmark comparator group FTSE/JSE SA REIT Index Target: Median	20%
Reducing the LTV ratio Target: 40%	20%
Company non-financial performance	**20%**
Transformation: Performance on BBBEE scorecard Target: 95 points	4%
Water efficiency: Increase in efficiency, unit of measurement is ML Target: 2.28% per annum	3%
Renewable energy: Increase in installed capacity, unit of measurement is MWp Target: 6.66% per annum	3%
Emissions: Reduction in emissions, unit of measurement is tCO_2e Target: 5% per annum reduction of Scope 2 GHG emissions	3%
Organisational health* Target: 5% improvement in score	7%
Individual performance	**20%**
Delivery on executive personal targets linked to key strategic matters	20%

LTI – achieving stakeholder goals

KPI	Weighting
Company financial performance	**75%**
Absolute total return (aTR) Target: Average aTR measured against Redefine's targeted return of the risk-free rate (five-year average) plus 300bps	25%
Relative total return (rTR) Target: Average rTR measured against FTSE/JSE SA REIT Index over three years	25%
Relative total shareholder return (rTSR) Target: Relative rTSR measured against the FTSE/JSE SA REIT Index over three years	25%
Company non-financial performance	**25%**
ESG goals Target: Based on the improvement over a three-year period using the Sustainalytics ESG risk rating, measured against the management score element of the index	25%

Our executive directors are specifically incentivised in their individual KPAs for the STIs to achieve outcomes that meet our stakeholder goals. In addition, these goals permeate the entire variable pay framework, as illustrated for the STI and LTI performance measures that applied through FY23.**

** This metric includes indicators such as risk embedment, governance, accountability and discipline, the internal control environment, ICT systems, and audit findings*
*** Anticipated outcomes form part of the short- and medium-term strategic priorities*

Committee
REM Remuneration committee

CHIEF FINANCIAL OFFICER'S REVIEW

"The quality of both our South African and Polish property platforms underpinned the positive organic growth we delivered in FY23.

Ntobeko Nyawo
CFO

Our diversified funding platform supports the efficient allocation of financial capital to actively optimise and sustainably grow our property portfolio across South Africa and Poland. Maintaining our hedging policy and investing in a high-quality portfolio has assisted us in managing the cost associated with servicing our debt. Despite the high interest rate environment, Redefine has absorbed the increased cost of servicing debt as well as increased operating costs. We are confident that we have allocated capital to the right assets in recent years, allowing for stable organic growth. In addition, our debt has a low maturity risk profile as we have lengthened tenor to create balance sheet flexibility and maintained healthy liquidity levels that provide sufficient headroom as we opt for the upside.

Operating efficiently to deliver sustainable shareholder value

The quality of our portfolio, which has continued to deliver positive organic growth, is providing a sustainable basis to absorb the impact of the interest rate cycle. Ultimately, this has enabled us to deliver within our guidance range, with our DIPS coming in at 51.5 cents. Our South African portfolio continued to deliver strong operational metrics, positioning us for future organic growth.

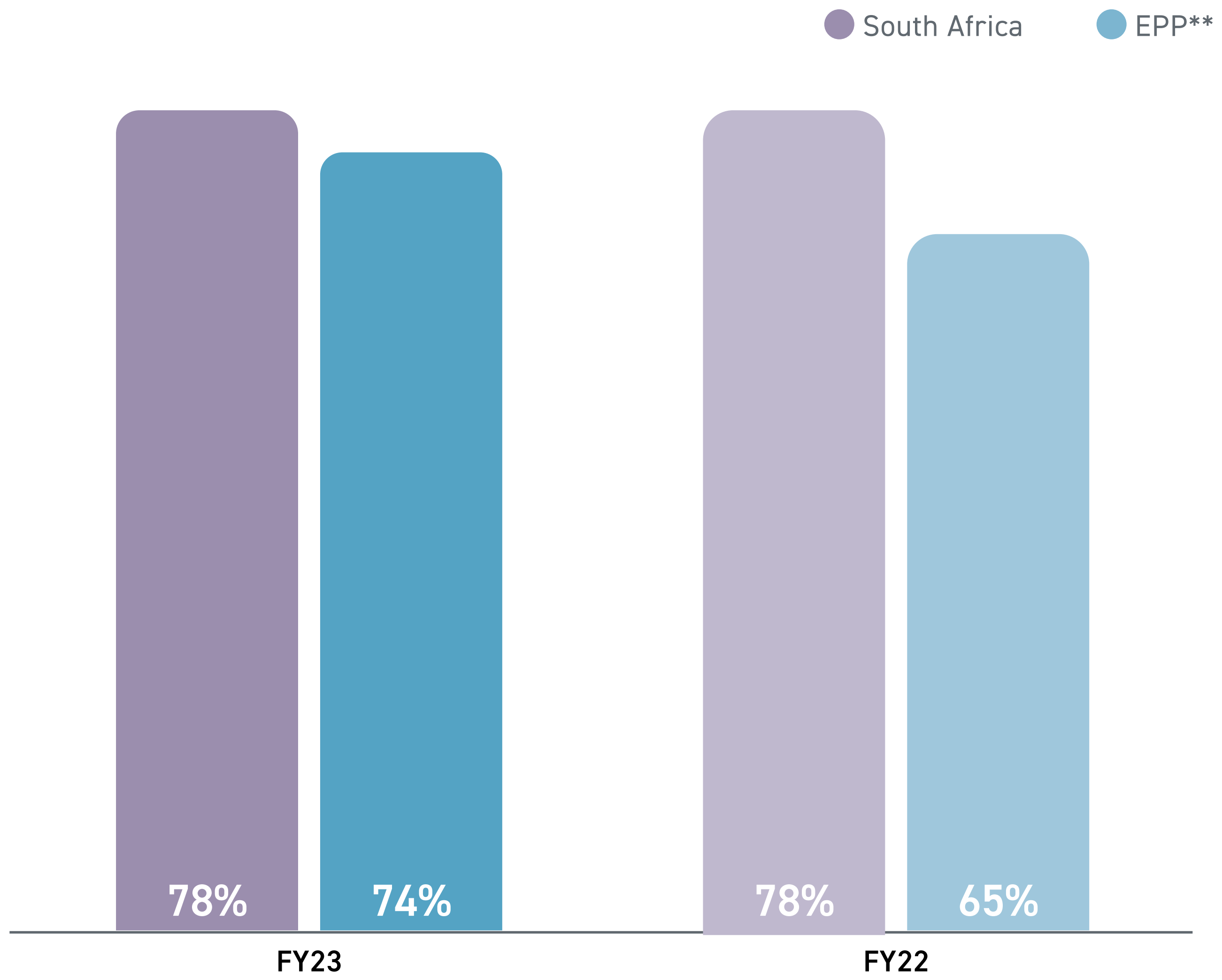
Refer to manufactured capital on page 57 for more information on our operational performance.

Our group NOPM remains stable in South Africa and improved by 9.0% in EPP. Even in a challenging environment, our business is generating high levels of quality recurring distributable income. In South Africa, our stable NOPM demonstrates our continued focus on how we create value in a tough leasing environment and control our costs.

EPP's improvement in its NOPM was largely as a result of a rental indexation due to the higher inflation in the Eurozone.

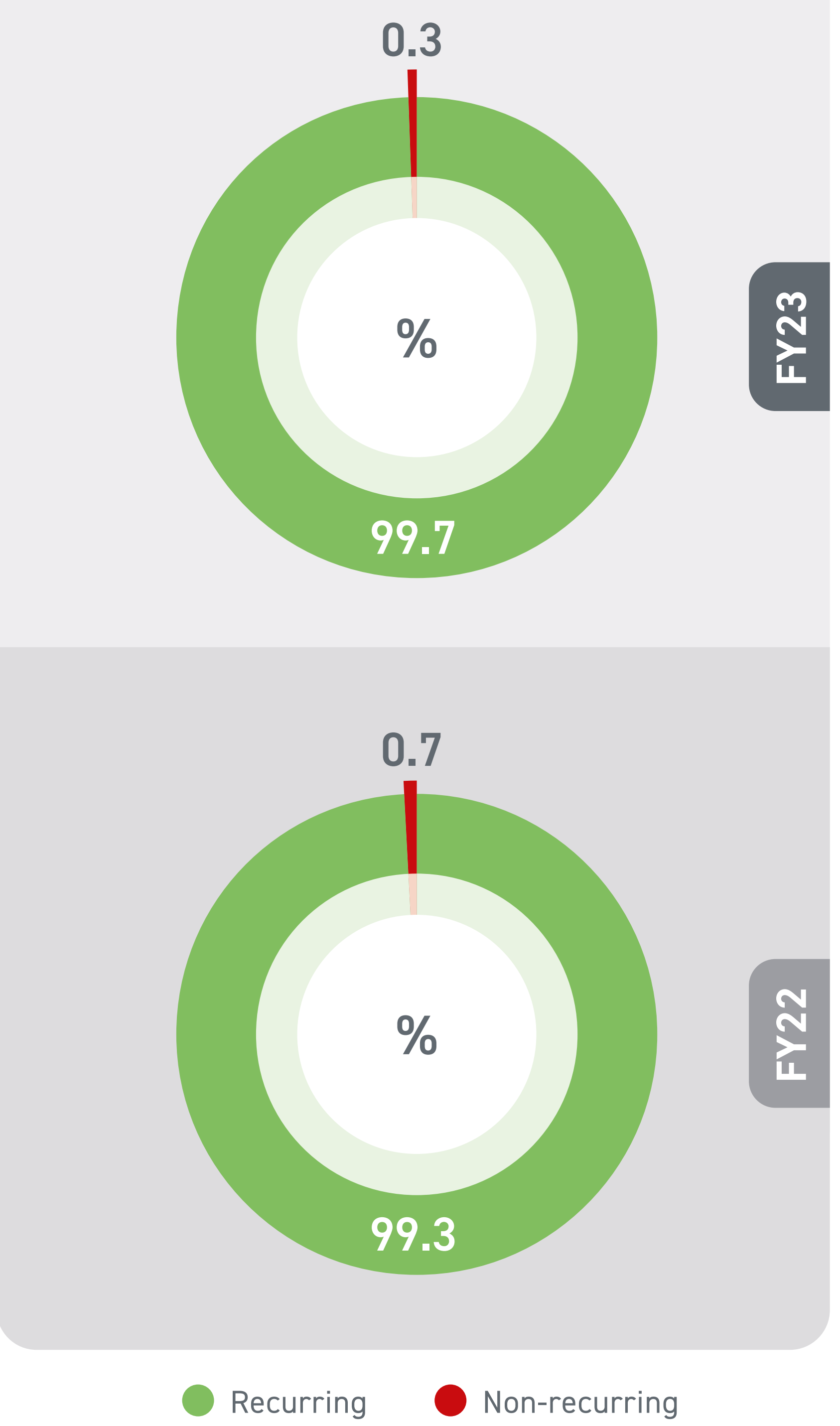
During FY23, we were also able to absorb the rising cost of debt in a higher interest rate environment. Despite increases in the borrowing rates from the South African Reserve Bank and the European Central Bank, the underlining quality of our South African and Polish assets, combined with good operational performance, helped us to cushion the impacts of the rising cost of debt. In the past three years, we have focused on protecting the group net operating margin as costs continue to increase ahead of revenue.

GROUP NOPM*



* *NOPM is after administration costs and before funding costs*
** *EPP Core directly held properties*

DISTRIBUTABLE EARNINGS QUALITY



1
2
3
4
5

CHIEF FINANCIAL OFFICER'S REVIEW continued

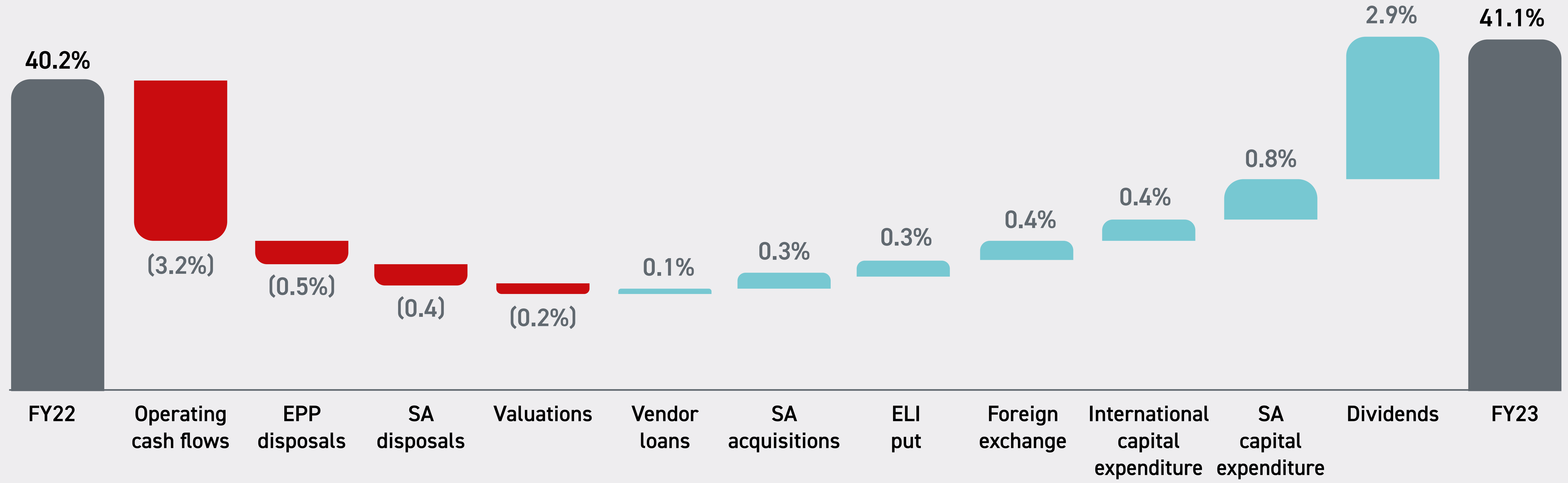
Managing our LTV ratio in a volatile exchange rate environment

In FY23, our LTV ratio of 41.1% was marginally outside of our medium-term target range of between 38% and 41%. The increase in the LTV ratio during the year was mainly due to the depreciation of the rand against the euro from R16.96/€1 on 31 August 2022 to R20.43/€1 on 31 August 2023, representing a 20.5% depreciation. The sensitivity analysis below shows the impact of various factors on our LTV ratio.

FY23 LTV RATIO SENSITIVITY ANALYSIS

	Impact (%)
Investment property valuations	
SA property values changed by 1% (+/- R0.6 billion)	+/- 0.3
EPP property values changed by 1% (+/- R0.2 billion)	+/- 0.1
Investment in joint ventures	
Valuation changed by 3% (+/- 0.5 billion)	+/- 0.2
Foreign exchange movements	
ZAR depreciates/appreciates by 5%	+/- 0.2
Acquisition of Mall of the South	+1.1

SA REIT LTV RATIO



Distributable income

The company's use of dividend per share as a relevant measure of results for trading statement purposes remains unchanged from prior years. In FY23, the group's dividend per share improved by 2.1% to 43.8 cents (FY22: 42.9 cents).

Group distributable income decreased by 4.1% (FY22: increase of 26.1%) to R3.5 billion (FY22: R3.6 billion) for the year, with the decrease driven mainly by elevated interest rates that increased net funding costs.

Redefine's local net operating profit (excluding straight-line rental income) remained largely flat compared to FY22, principally due to the disposal of non-core properties. On a like-for-like basis, the net operating profit (excluding straight-line rental income and administration costs) for the active property portfolio grew by 1.5% (FY22: 2.1%).

Operating metrics in the retail portfolio continue to improve and improved trading densities will benefit future lease renewal negotiations. The increase in vacancy by 2% was on the back of the consolidation of motor dealerships. Motor dealerships are considered non-core to the Redefine portfolio, and we will look to dispose of the properties as and when the opportunities arise.

Redefine's high-quality office portfolio continues to benefit from the demand for Premium Grade, well-located properties with a 3% improvement in occupancies. Renewal reversions, while still negative, have improved from -16.9% in FY22 to -12.1% in FY23. Market rental levels are expected to remain under pressure given the very competitive landscape.

Our industrial portfolio continues to provide a defensive element to our asset platform, with operating metrics remaining stable. The increase in industrial vacancy was driven by the relocation of Isuzu from 62 Umlambo Street in the Eastern Cape to S&J Industrial Estate (S&J) in Gauteng. Management is confident that the vacancy at 62 Umlambo Street will be filled during FY24.

In March 2022, Redefine undertook a corporate reorganisation of EPP that resulted in a 95.5% shareholding, which aligns with Redefine's strategy to have direct exposure to the Polish retail sector. The FY22 results only included EPP for approximately six months, while in FY23 the EPP results have been included for the full reporting period.

The group continues to develop logistics properties in Poland through its investment in joint venture ELI, which continued to achieve a healthy capital uplift from completed developments during the year.

Total group revenue (excluding straight-line rental income) increased by 16.1% (FY22: 11.3%). The increase in revenue from the prior year was due to the full-year consolidation of EPP and the acquisition of local properties as well as new developments coming online, it was reduced by negative rental reversions and disposal activities.

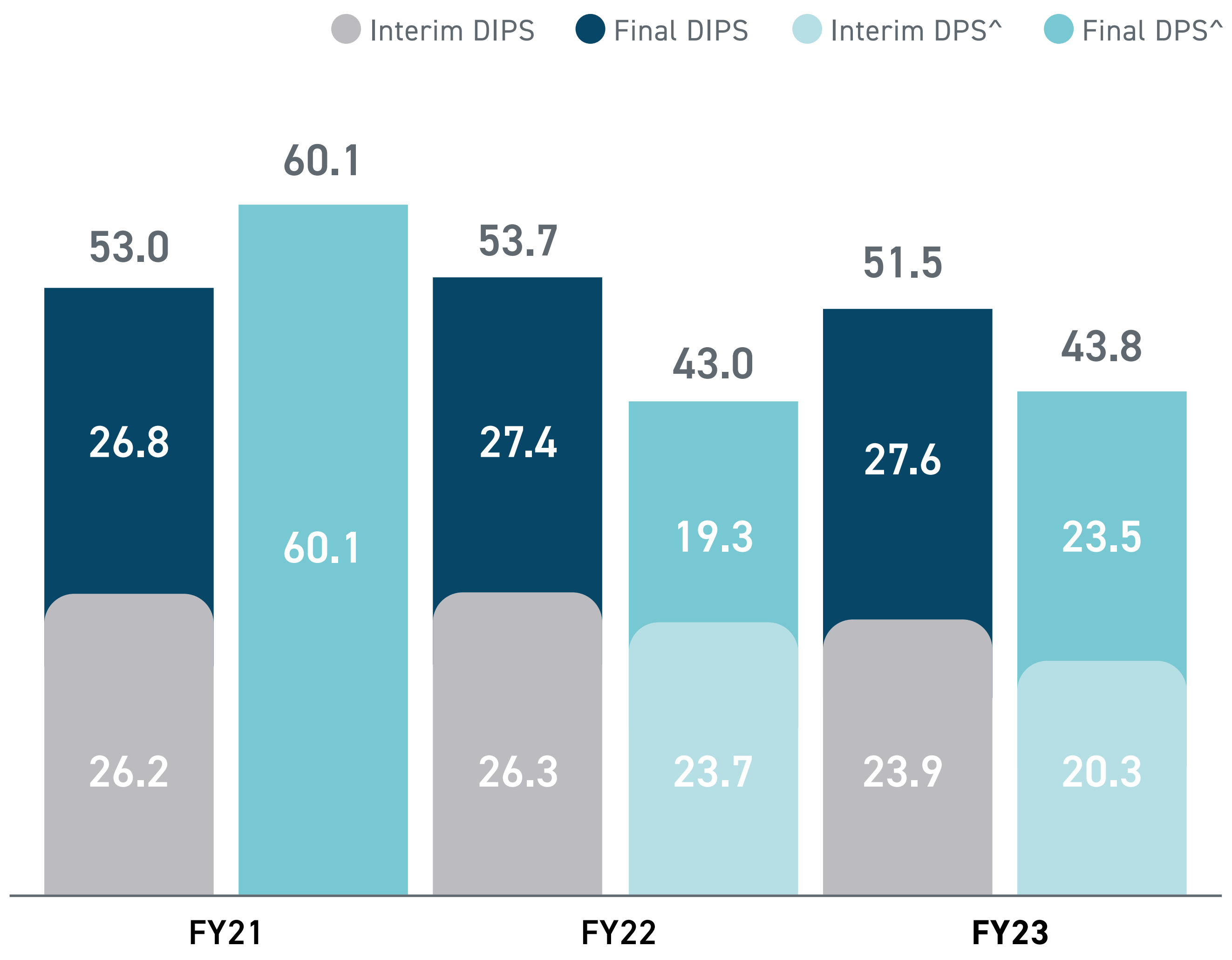
The operating cost and expected credit losses on trade receivables to contractual rental income ratio increased by 1.8% to 39.9% (FY22: 38.1%). Net of electricity costs and utility recoveries, operating costs decreased by 1.3% to 15.4% (FY22: 16.7%) of contractual rental income.

Net group interest costs, including finance costs and income received from cross-currency and interest rate swaps, increased by 34.2% (FY22: 3.9%) during the year, mainly driven by the consolidation of EPP for the full year, the steep increases in the base interest rates in both South Africa and the Eurozone, and the weaker rand.

For more information, see our AFS.

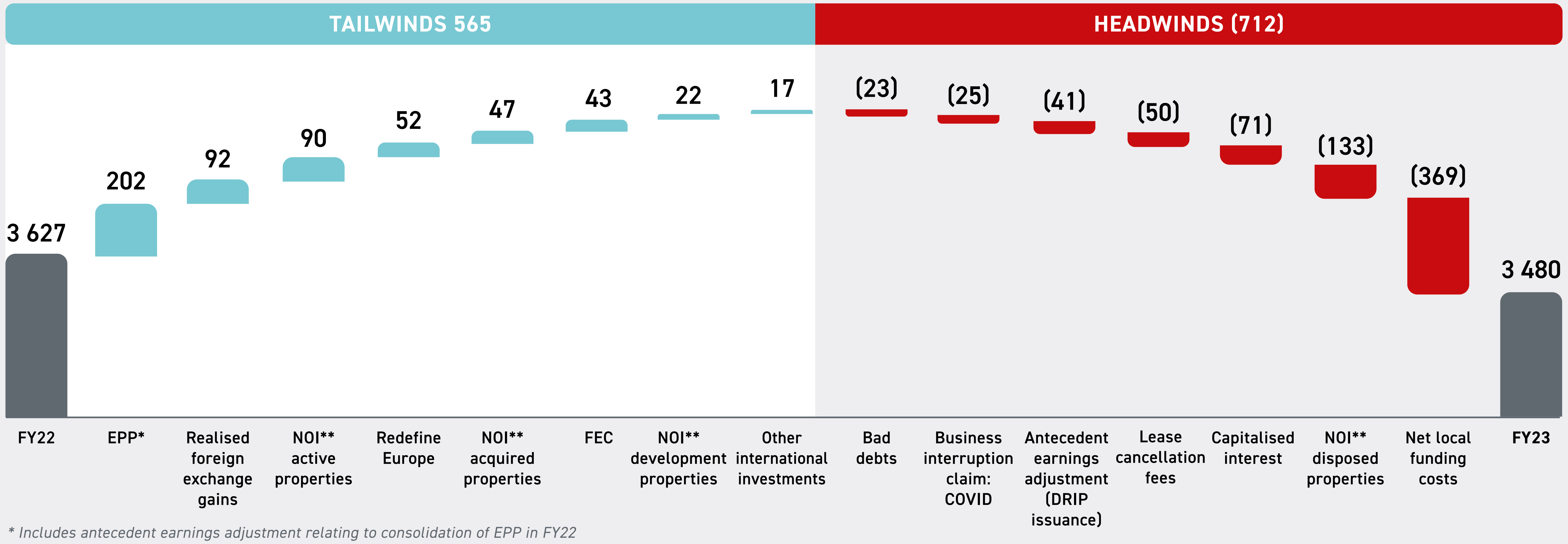
CHIEF FINANCIAL OFFICER'S REVIEW continued

DISTRIBUTABLE INCOME AND DIVIDEND PER SHARE (CENTS)



^ Dividend per share

CONTRIBUTORS TO CHANGES IN DISTRIBUTABLE INCOME (R'm)



* Includes antecedent earnings adjustment relating to consolidation of EPP in FY22
** Net operating income

FUNDS FROM OPERATIONS, DISTRIBUTABLE INCOME AND DIVIDEND PER SHARE

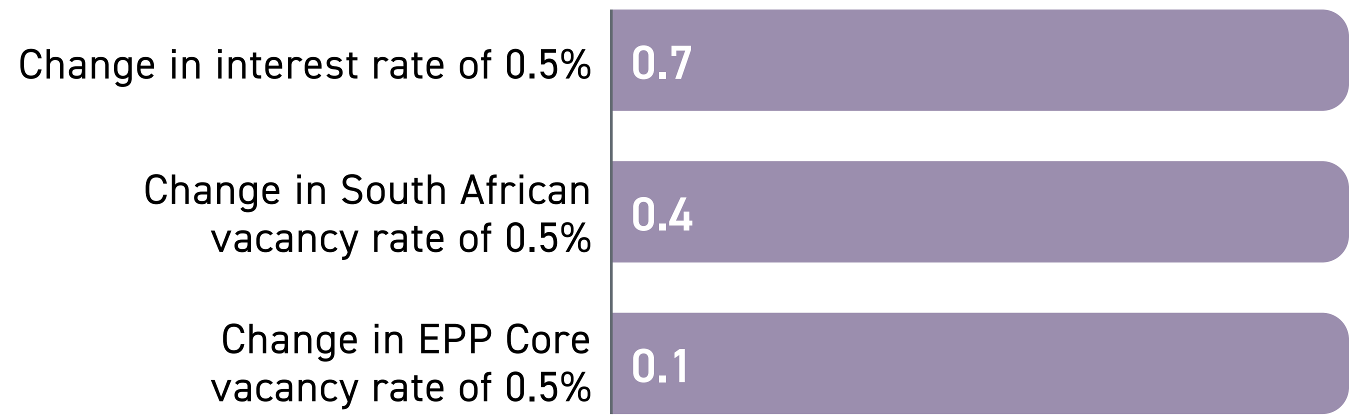
R'000	FY23	FY22
SA REIT funds from operations	**3 629 046**	3 661 502
Number of shares outstanding at end of year (net of treasury shares)	**6 752 419**	6 752 419
SA REIT funds from operations per share (cents)	**53.74**	54.23
Company-specific adjustments	**(149 293)**	(34 870)
Distributable income	**3 479 753**	3 626 632
Distribution payout ratio	**85%**	80%
Dividend declared	**2 957 790**	2 901 306
DIPS (cents)	**51.53**	53.71
Dividend per share (cents)	**43.80**	42.97

Distributable income sensitivity analysis

Redefine's asset base is simplified and diversified into key matured market segments both in South Africa and Poland. It is capable of absorbing cyclical market risks and is well positioned to capture some of the emerging sectoral opportunities. This provides our business with a stable asset platform for sustainable growth into the medium-term outlook. Given the environment in which we operate and the prevailing economic conditions, we are subject to numerous variable factors outside management's control.

The analysis provides some insight into these factors and their potential impact on distributable income per share on an annualised basis.

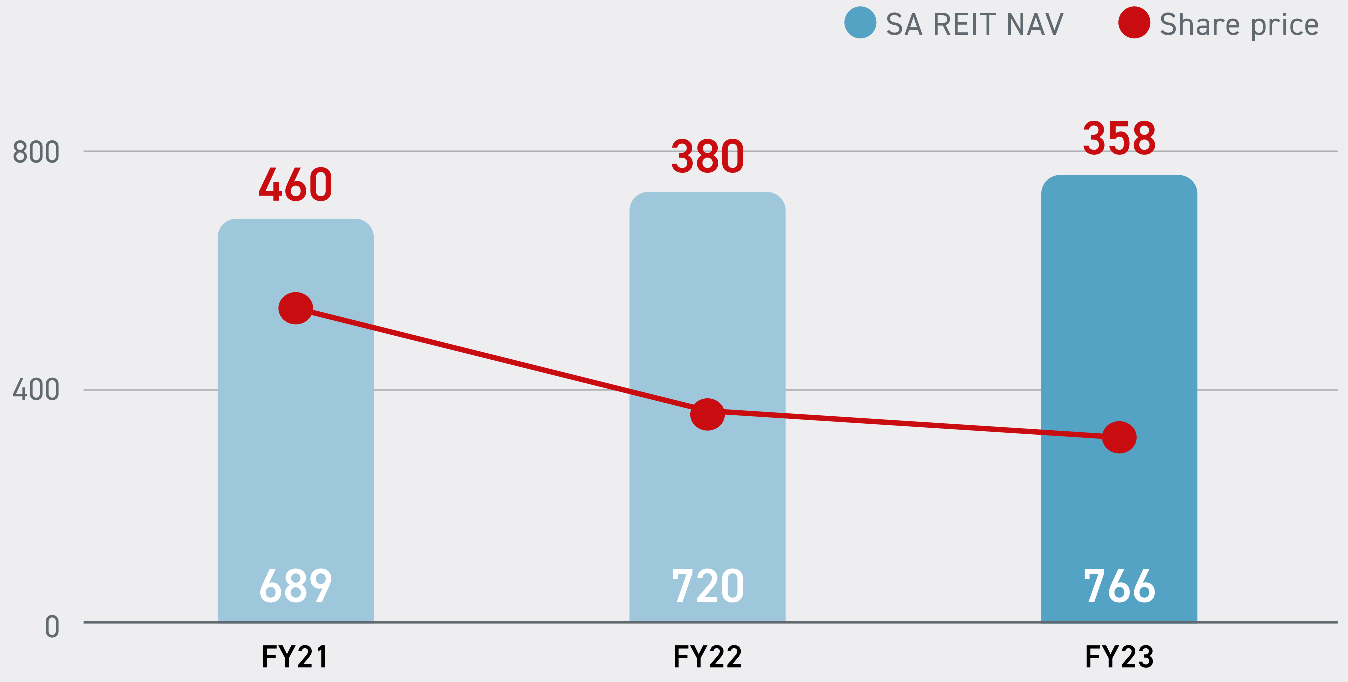
DISTRIBUTABLE INCOME SENSITIVITY ANALYSIS (CENTS PER SHARE)



NAV and share price performance

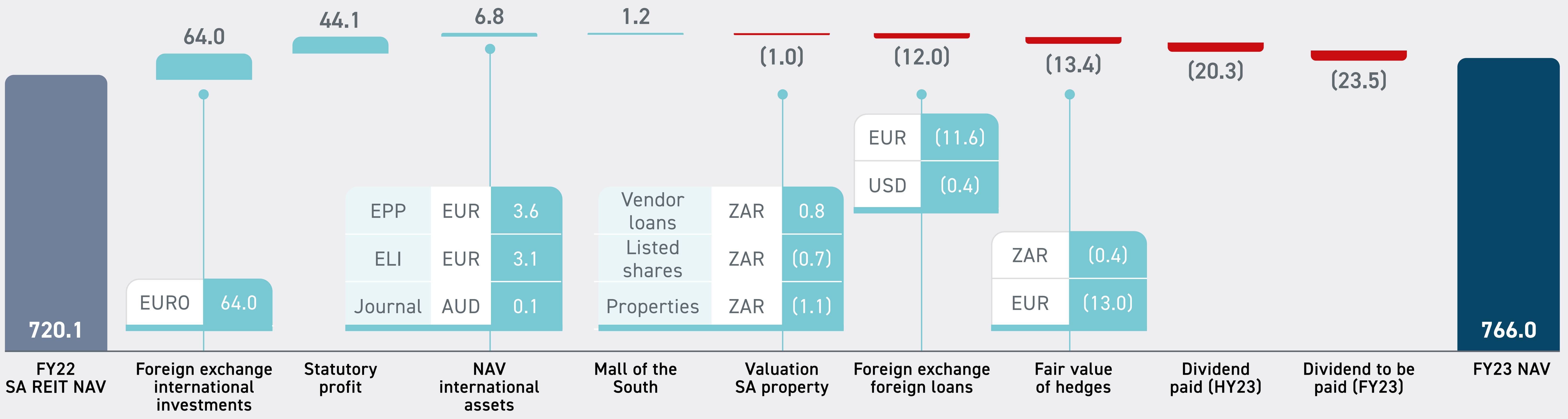
NAV increased to 766 cents per share from 720 cents per share in FY22, primarily due to the depreciation of the rand.

SA REIT NAV PER SHARE AND SHARE PRICE PERFORMANCE (CENTS)



CHIEF FINANCIAL OFFICER'S REVIEW continued

DRIVERS OF NAV GROWTH (CENTS PER SHARE)



SUSTAINABILITY-LINKED BOND KPIs

	KPI*	Increase in installed capacity (MWp)	Reduction in Scope 1 and 2 GHG emissions (tCO_2e)	Reduction of water withdrawn from municipal and borehole sources (ML)	Step-down margin (maximum pricing benefit as at each target observation date)
	Baseline (FY19)	24 (5% of total energy consumption)	35 162	2 759	
FY22	TARGET OBSERVATION DATE 1 (31 AUGUST 2022)	3	1 758	70	4bps
FY22	Outcome	Achieved	Not achieved	Achieved	
FY23	TARGET OBSERVATION DATE 2 (31 AUGUST 2023)	3 (6 cumulatively, **25.0%** increase on baseline)	1 758 (3 516 cumulatively, **10%** reduction on baseline)	70 (140 cumulatively, **5.1%** reduction on baseline)	4bps
FY23	Outcome	Achieved	Achieved	Achieved	
	UN SDGs	7	7, 13	6	

* *KPI applies to the South African portfolio only and on a like-for-like basis*

Sustainable financing

Expanding our financing sources to include sustainable funding demonstrates our commitment to embedding ESG principles and integrating sustainability across all aspects of our business. Our sustainable financing framework enables us to issue use-of-proceeds financial instruments, such as green, social and/or sustainability bonds and green and/or social loans. The proceeds of issued instruments will be utilised to fund assets/projects that will contribute to achieving specific objectives aligned with Redefine's ESG strategy and, in turn, the objectives of the UN SDGs.

Expanding our pool of green funding

In FY23, we continued to expand our pool of sustainable funding in line with our funding strategy and commitment to ESG through the issuance of an additional R4.2 billion use-of-proceeds listed green bonds such that 23% of our total interest-bearing borrowings are green facilities.

All funding raised was used to refinance eligible green buildings that have achieved a 4 Star Green Star rating or higher from the GBCSA, aligning with the group's overarching, long-term climate-resilience framework.

This green bond supports the long-term decarbonisation of Redefine's buildings, which is focused primarily on the reduction of energy consumption through efficiency interventions, mutual collaboration with tenants, and solar PV expansion.

Performance of our first sustainability-linked bond

We successfully launched our first sustainability-linked bond, valued at R1 billion, in July 2021. The three-year bond was issued at 200bps above the three-month JIBAR, with the opportunity to decrease the margin by a maximum of 8bps over the period if the agreed ESG KPIs are met. The sustainability performance target for the GHG emission reduction KPI was not satisfied for the year ended 31 August 2022. This was due primarily to the use of diesel-powered generators as a critical business continuity measure in response to the increased loadshedding experienced during 2022.

All performance indicators were satisfied for the year ended 31 August 2023, triggering the step-down event and lowering the margin by 4bps.

CHIEF FINANCIAL OFFICER'S REVIEW continued

Simplified statement of financial position

The statement of financial position shows the position of the group's assets, liabilities and equity as at 31 August 2023. It reflects what the group owns, owes and the equity attributable to shareholders.

Where we invest

MC

Our manufactured capital, which includes our investment properties, listed securities, investment in associate and joint ventures, loans receivable, other financial assets, and non-current assets held for sale collectively, is referred to as property-related assets.

How we fund our investments

FC

Our financial capital is shown in the statement of financial position as shareholders' interest (including non-controlling interests) and interest-bearing borrowings.

As a REIT, the assets on our statement of financial position generate our total return through capital appreciation and rental income. The equity and liabilities line items reflect the source of our funding. Refer to our **AFS** for the full IFRS statement of financial position.

R'm	FY23	FY22	FY21
Property-related assets	96 760	88 931	72 937
Other assets	2 728	3 475	2 698
Total assets	**99 448**	**92 406**	**75 635**
Shareholders' interest	52 882	49 301	39 358
Interest-bearing borrowings	39 961	37 674	30 743
Total funding	**92 843**	**86 975**	**70 101**
Other liabilities	6 605	5 431	5 534
Total equity and liabilities	**99 448**	**92 406**	**75 635**

Recognition for excellence in integrated reporting

We remain committed to transparent, integrated reporting to share our purpose-driven approach to sustainable value creation for our stakeholder universe.

In recognition of this, I am pleased that our FY22 **IR** won the Chartered Governance Institute of Southern Africa's Integrated Reporting Awards, co-hosted by the JSE, in the Mid Cap category for the second year in a row. We were also, once again, awarded second place in the EY Excellence in Integrated Reporting Awards.

Redefine has placed in the top 10 in the EY Excellence in Integrated Reporting Awards for the past nine years, reflecting our commitment to monitoring, measuring and reporting on our financial and non-financial commitments and demonstrating our integrated approach to strategic decision-making.

Acknowledgements

I would like to express my sincere gratitude to our employees for their time and collective commitment to Redefine's purpose. Your unwavering commitment to our financial goals and strategic objectives has been instrumental in shaping our financial success in FY23 and ensuring a solid foundation for the future. I would like to thank the group finance leadership team, for their ongoing dedication and hard work during FY23 as we progressed in managing the balance sheet and driving focus on the organic growth profile medium-term outlook.

Thank you to my fellow board members and the executive committee for their invaluable support and guidance. Your dedication and insightful contributions have been instrumental in navigating the challenging economic landscape. As I look ahead, I am confident that we are well positioned to continue to grow as individuals and as Redefine.

Expectations and prospects

Both the United States Federal Reserve and the South African Reserve Bank maintained interest rates in their most recent meetings. Two scenarios could play out – rates could remain higher for longer or start coming down early in 2024, indicating that we may have reached the peak of the rate hiking cycle.

Redefine has a quality portfolio and can defend value creation in high and stabilising interest rate environments. It is also well positioned to take advantage of interest rate cuts as it supports our organic growth strategy.

Our interest rate hedging profile plays an important role in an uncertain interest rate environment. We have been prudent in building a gradual interest rate hedge, which is guided by our group policy. At least 75% of group debt must be hedged. In FY23, we hedged 75% to 80% of group debt in line with our policy. We generally hedge for a longer period, but as we look ahead, we have decided to hedge for a shorter period. We believe we have reached the peak of the interest rate cycle and prefer to shorten our hedge tenor at this stage as there is potential to benefit from the anticipated recovery in the short to medium term.

Convention Tower, Western Cape, South Africa

5 Value creation

Financial capital

Manufactured capital

Human capital

Social and relationship capital

Intellectual capital

Natural capital

Cato Ridge, KwaZulu-Natal, South Africa

FINANCIAL CAPITAL

Effective financial capital management is a fundamental part of our ability to create sustained value for our stakeholders. From a balance sheet perspective, we continued to apply sound risk management to anchor value creation by proactively managing our debt maturity profile, broadening our funding sources, and strategically hedging our interest rate exposure.

What financial capital means to Redefine

Our financial capital is the pool of funds available to us for deployment, which includes debt, retained earnings and equity funding as well as the capital profits retained from the recycling of assets that no longer meet our investment criteria.

How financial capital supports our value-creation goals

The maintenance of sound credit metrics and the group's ability to manage its total cost of capital make a significant contribution to our sustainability and ability to fund the expansion of our distributable income-generating asset base.

Materiality

Through a materiality determination process, we identified the following matters as material to our financial capital.
Each matter is grouped under a relevant materiality theme.

Material themes	Material matters	Managing these matters	Page
GSF Impact of geopolitical and socioeconomic factors on the cost of capital and growth	Challenging macroeconomic environment; Financial market volatility; Government policy uncertainty	Hedging to protect against interest rate and foreign exchange movements	55
		Managing our debt maturity profile	55
HGR Heightened demands of governance and regulatory compliance	Governance and ethics; Regulatory compliance	Maintaining stable credit metrics	56
MBG Managing for long-term business growth	Ensuring business continuity in an evolving operating context; Managing financial sustainability	Diversifying our funding sources	56
		Managing our liquidity profile	55

KEY OUTCOMES

- LTV ratio at **41.1%** (FY22: 40.2%)
- Interest cover ratio at **2.4x** (FY22: 2.8x)
- Interest rates hedged on **77.1%** of total debt (FY22: 82.9%)
- Committed undrawn facilities and cash on hand of **R5.5 billion** (FY22: R6.2 billion)
- Weighted average cost of group debt of **7.1%** (FY22: 6.0%)
- Broadened funding sources through issue of **R4.2 billion** listed green bonds

LOOKING BEYOND

In FY24, we will remain focused on conservative balance sheet management to enable sustainable growth as the market dynamics continue to evolve. We expect the operating environment to remain constrained and volatile. We will thus continue to efficiently source capital and carefully manage liquidity.

OC

- Proactively refinance maturing debt facilities, extending the debt maturity profile
- Manage the interest rate risk through the cycle
- Diversify funding sources to limit concentration risk

Short- to medium-term priorities page 39

Contributing to our mission	UN SDG commitments
Creating smart and sustainable spaces through an adaptable, collaborative and agile shift in focus	8, 11

Long-term priorities (present to FY30) page 39

FINANCIAL CAPITAL continued

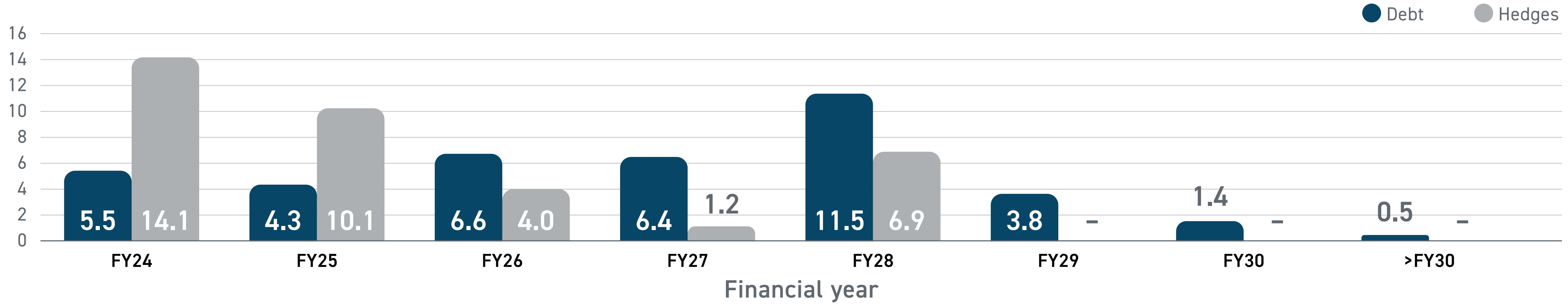
Maintaining a stable debt maturity profile

We manage our debt maturity profile by spreading the maturity dates to ensure that no more than approximately 25% of the group's debt matures in any given financial year. We proactively review our facilities and extend, restructure and renew upcoming maturities. We actively monitor the financial markets, which assists in the efficient execution of a funding plan for any new acquisition opportunities that may arise.

At 31 August 2023, we had R5.5 billion (FY22: R4.2 billion) of interest-bearing borrowings maturing in the next 12 months. During the year, R3.6 billion (FY22: R15.0 billion) of debt was repaid and R4.2 billion (FY22: R8.3 billion) was raised. We are currently in various stages of negotiation to refinance the balance of the short-term facilities at acceptable terms and do not foresee any liquidity challenges.

We aim to refinance debt within an 18-month maturity window to avoid a concentration of maturities and manage our liquidity profile. Our group debt maturity profile is at a comfortable level of 3.6 years (FY22: 3.9 years) as at 31 August 2023.

DEBT AND HEDGING MATURITY PROFILE (R'bn)



Hedging to protect against interest rate and foreign exchange movements

Fluctuations in interest rates can lead to higher borrowing costs that diminish distributable income. International and local economic conditions affect bond yields and central bank monetary policy, which determines the cost of our debt. To manage interest rate and foreign exchange movement risks, we hedge the cost of our interest-bearing borrowings by entering into derivative instruments (interest rate swaps). The board has set a hedging target of 75% of group interest-bearing borrowings to be fixed through the cycle.

During the financial year, interest rates in South Africa and in the Eurozone increased sharply. The hedging policy achieved the desired result, and we were protected against the full impact of the interest rate hikes. The market believes that interest rates in South Africa will remain higher for longer and that the Eurozone has not yet reached the peak of its hiking cycle. This makes hedging expensive, given the steepness of the curve. We expect interest rates to normalise during the fourth quarter of 2024. While the weighted average hedge term is relatively short at 1.8 years, we expect to increase the duration of our hedge term once the market normalises.

Historically, we took advantage of the lower interest rate environment in Europe by entering into fixed-rate hard-currency-denominated loans and cross-currency swaps. The rand deposit portion of the cross-currency swap is typically entered into at a variable rate, while the foreign-denominated nominal amount is fixed. This provides a natural hedge for South African borrowings – as interest rates rise or fall in South Africa, the interest receivable by Redefine on the cross-currency swaps will similarly increase or decrease. In the past, foreign property assets were geared up with the relevant currency debt (either through bank loans or cross-currency swaps) to create a natural NAV hedge – as and when the value of the property asset fluctuates, so too does the foreign currency denominated debt. Due to the consolidation of EPP during FY22, the group now has in-country hard-currency-denominated loans. As such, the strategy to gear up the equity investments in our foreign investments has moderated from 55.4% in FY22 to 51.0% in FY23. We intend to reduce the level of cross-currency swaps on a gradual basis.

PERCENTAGE OF DEBT HEDGED (%)

Managing our liquidity profile

We manage liquidity risk by proactively renegotiating debt maturities, optimising debt maturity profiles, monitoring forecasted and actual cash flows, and ensuring an optimal funding and cash management plan for each asset acquisition or disposal. We are focused on broadening our funding sources to mitigate concentration risks and maintain a healthy level of undrawn committed bank facilities and cash on hand to meet immediate funding requirements and cover short- to medium-term liquidity needs. This bolsters our liquidity profile and improves our ability to manage any unforeseen short- to medium-term events.

Revolving bank facilities reduce the need to hold unproductive cash resources and are cost-effective as the cash earns interest at the borrowing rate versus the cash deposit rate. Excess cash on hand is placed in highly rated liquid money-market funds, where we earn above cash rates while maintaining high liquidity. Our liquidity requirements are managed by monitoring the forecast and actual cash flows, recycling manufactured capital to avoid expensive funding, and renegotiating and extending debt facilities proactively.

In a rising interest rate environment, liquidity is a critical indicator of a company's ability to service debt. In FY23, we maintained a healthy liquidity profile with sufficient headroom for growth. Liquidity comprises our committed but undrawn facilities and cash on hand. Our liquidity profile shows that the risks in our balance sheet are well managed in line with our medium-term risk appetite and that we are able to respond to any shocks that may arise from the operating environment. In FY23, because of the steep increase in both the South African JIBAR and EURIBOR, our interest cover ratio reduced to 2.4x (FY22: 2.8x) – at this level there is sufficient headroom above the 2x covenant level.

During the year, we proactively managed our debt maturity profile in line with our medium- to long-term funding strategy, with all debt maturing in FY23 refinanced or repaid. During FY23, we issued unsecured listed green bonds to the value of R4.2 billion, in line with our expanding pool of sustainable funding. We believe that this will continue to play a critical role in strengthening and solidifying our balance sheet. Only 10% of group debt will mature in FY24; we proactively focus on maintaining a low-risk debt maturity profile across the group.

Based on our debt maturity profile and our available cash resources, we are confident that we do not face any significant short-term liquidity risk.

R'bn	Undrawn committed facilities	Cash on hand	Total
FY23	4.7	0.8	**5.5**
FY22	4.5	1.7	**6.2**
FY21	4.5	1.3	**5.8**

FINANCIAL CAPITAL continued

Diversifying our funding sources

We proactivley manage our concentration risk by broadening the sources of funding among financial institutions, the debt capital market (DCM), and, most recently, development finance institutions. Concentration and liquidity risks may arise from a credit crisis, changes to Basel III requirements, or prudential limits imposed by debt providers. Our credit rating, the size and quality of our unsecured assets, and the equity headroom on unencumbered assets allow us to raise unsecured debt – mostly through DCMs.

SOURCES OF DEBT (%)

South Africa | Poland | International

2023 (%)	
Standard Bank	15
Nedbank	11
RMB	11
Listed DCM	9
ABSA	7
Santander	7
PKO BP	6
Old Mutual	5
Erste	5
Helaba	4
Sanlam	4
Standard Chartered	3
Liberty	3
Ninety One	2
IFC*	2
MMI	2
Credit Agricole	1
Unlisted DCM**	1
mBank	1

2022 (%)	
Standard Bank	16
RMB	13
Nedbank	12
Listed DCM	9
Santander	6
ABSA	6
PKO BP	5
Old Mutual	5
Liberty	5
Erste	5
Helaba	4
Sanlam	4
Standard Chartered	3
Ninety One	2
MMI	2
Credit Agricole	1
Hypo Bank	1

* International Finance Corporation
** The unlisted notes directly held by the banks have been allocated to the relevant bank, and the balance of the unlisted notes are reflected as unlisted DCM

Maintaining stable credit metrics

We strive to maintain an LTV ratio target range of 38% to 41% as we consider this to be the optimal level of gearing over the medium term. As at 31 August 2023, our LTV ratio was marginally outside the medium-term range. We proactively monitor all our credit metrics to ensure they remain within acceptable levels. Moody's reaffirmed Redefine's rating on 23 April 2023.

MOODY'S CREDIT RATING

Ba2
Global long term

NP
Global short term

Aa2.za
National long-term corporate family rating

P-1.za
National short term

Stable
Outlook

	FY23	FY22	FY21
SA REIT LTV RATIO (%)	41.1	40.2	42.4
INTEREST COVER RATIO (x)	2.4	2.8	2.6
SOUTH AFRICAN UNENCUMBERED ASSETS TO UNSECURED DEBT COVER RATIO^ (x)	1.7	2.4	1.5
EQUITY HEADROOM FOR UNSECURED LENDER (R'bn)	65.6	57.3	51.5

^ Calculated using only South African investment properties and properties listed securities over South African unsecured debt, including contingent liabilities

MANUFACTURED CAPITAL

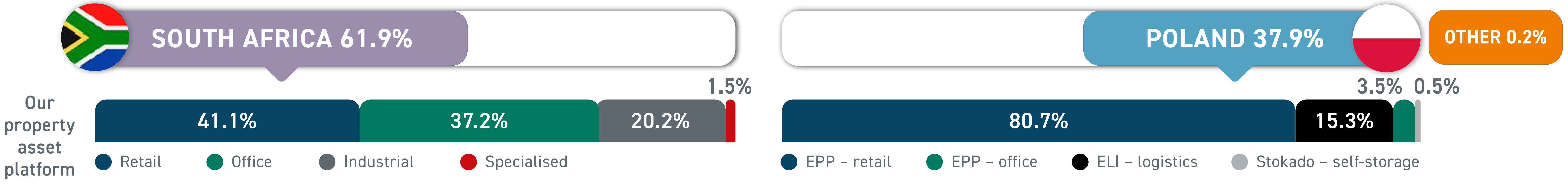
Our manufactured capital, comprising a sizeable, well-diversified and high-quality property asset platform, is poised to continue to deliver sustainable capital and income returns. During the year, we progressed the restoration of EPP into a yielding investment proposition.

What manufactured capital means to Redefine

We define manufactured capital as our diversified property asset platform, which comprises South African and Polish property investments, representing our deployment of financial capital.

How manufactured capital supports our value-creation goals

Decisions around allocating manufactured capital consider sustainable value creation and risk mitigation. We invest in well-located properties that meet users' needs by diversifying our property asset platform in terms of sectors and geographic areas. We invest for risk-adjusted returns – focusing on attracting and retaining tenants to secure rental growth, maintain operating margins, optimise energy and water use, and improve cash flow.



Materiality

We identified the following matters as material to our manufactured capital through the materiality determination process. Each matter is grouped under a relevant material theme.

Material themes	Material matters	Managing these matters
GSF Impact of geopolitical and socioeconomic factors on the cost of capital and growth	▶ Challenging macroeconomic environment ▶ Infrastructure and administrative delivery in South Africa	Details of our South African and Polish property portfolios, which include our investment criteria, strategic focus areas and an overview of our performance per sector, illustrate how we manage these matters
BMA Business model adaptability to the rapidly evolving context	▶ Business model resilience ▶ Innovation and agility ▶ Digitalisation ▶ Providing properties relevant to users' needs	
MBG Managing for long-term business growth	▶ Managing financial sustainability ▶ Ensuring business continuity in an evolving operating context ▶ Optimising the EPP business	

KEY OUTCOMES

- Property assets under management valued at R96.8 billion (FY22: R88.9 billion)
- Property asset disposals realised R0.6 billion (FY22: R9.4 billion)
- Restructured ownership of R1.1 billion government-tenanted portfolio (FY22: R1.4 billion)
- Strong tenant demand continues to fuel our expansion in Polish logistics
- Capital expenditure amounted to R2.5 billion (FY22: R1.7 billion)
- Established presence in the developing Polish self-storage sector

Our asset platform is focused on the retail, office and industrial sectors in South Africa as well as the retail and logistics sectors in Poland.

LOOKING BEYOND

We aim to build a quality, diversified portfolio that delivers sustainable risk-adjusted returns. To do this, we will continue to build a focused and diversified asset platform in South Africa that sustains organic growth. In addition, we will position our international asset platform for expansionary growth.

IS

- Preserve value through organic growth and asset optimisation
- Reduce reliance on municipally supplied utilities through innovative solutions and resource-efficient green initiatives
- Selectively deploy capital from recycled non-core assets into growth assets

Short- to medium-term priorities page 39

Contributing to our mission

Nurturing and optimising our ecosystems to create smart and sustainable spaces that meet tenant needs

UN SDG commitments

7 9 11

Long-term priorities (present to FY30) page 39

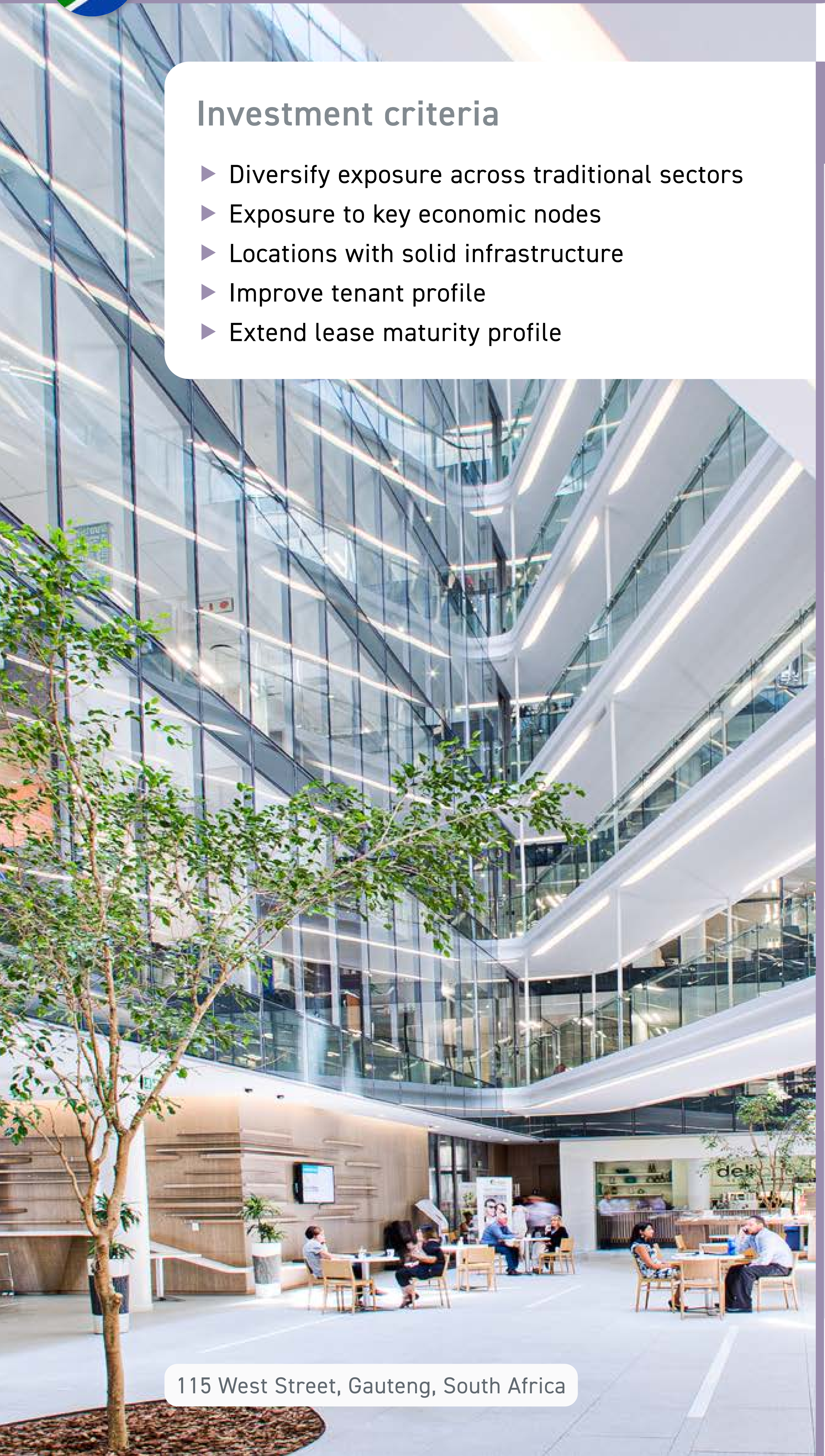
MANUFACTURED CAPITAL continued

SOUTH AFRICAN PROPERTY PORTFOLIO

A sizeable, well-diversified and high-quality portfolio

Investment criteria

- Diversify exposure across traditional sectors
- Exposure to key economic nodes
- Locations with solid infrastructure
- Improve tenant profile
- Extend lease maturity profile



115 West Street, Gauteng, South Africa

Our areas of focus

Achieving organic growth in a constrained rental and rising operating cost environment

Ensuring relevance of and improving existing well-located properties through **tenant demand-driven development**

Recycling non-core assets to position the portfolio for **sustained organic growth**

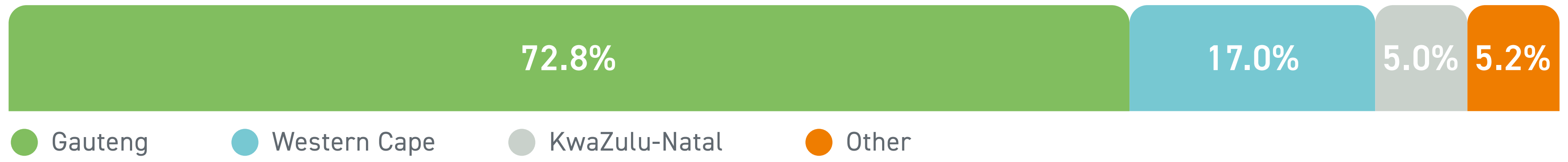
Implementing a **long-term strategy** on an asset-by-asset basis

Investing in more efficient, well-located, and better-quality properties with longer leases and A Grade tenants

Being selective about acquisitions in underrepresented regions to complement existing assets

Sectoral diversification by value

Regional diversification by value



Overview

	FY23	FY22
Number of properties	241	258
Number of tenants	4 021	4 060
Total GLA (million m^2)	3.7	3.9
Active vacancy (%)	7.0	6.7
Asset carrying value (R'bn)	58.4	58.2
Average value per property (R'm)	242.2	225.5
Average value per m^2 (R)	15 858	15 051
Average gross rent per m^2 (R)	138.0	131.0
Weighted average retention growth rate by GLA (%)	92.1	91.8
Weighted average renewal growth rate by GLA (%)	(6.7)	(12.0)
Weighted average in-force lease escalations by GMR* (%)	6.4	6.5
Weighted average unexpired lease term (remaining) by GMR (years)	3.5	3.6

** Gross monthly rental*

MANUFACTURED CAPITAL continued

Retail Well positioned to withstand headwinds and capture emerging trends

Our strategic approach

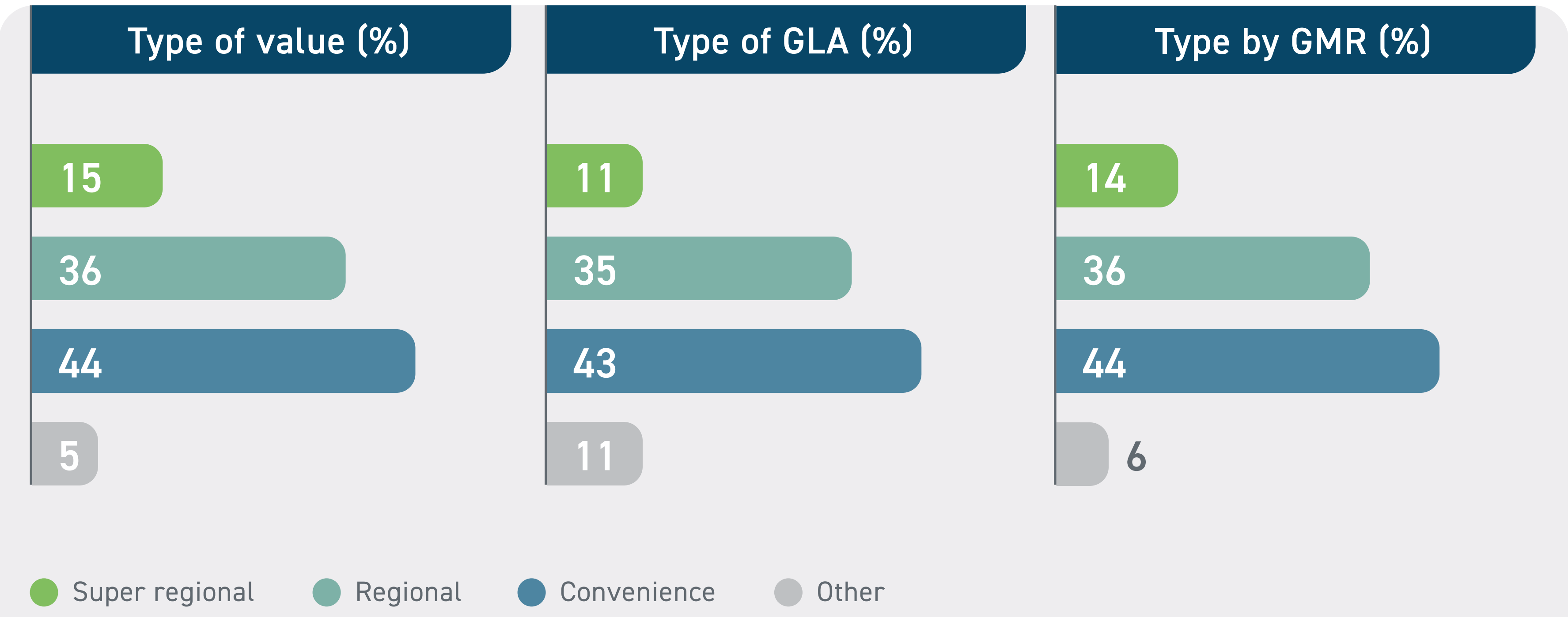
- Improve renewal rental reversions
- Collaborate with retailers to increase exposure to essential services and value-focused brands
- Execute initiatives to further embed our retail properties into the surrounding communities
- Allocate capital focused on value protection, yield-enhancing refurbishments, and unlocking the value of vacant land
- Roll out sustainability initiatives to manage our water and energy consumption as well as waste management processes to reduce the overall cost of occupation for our tenants

Year in review

Retail property valuations increased by **R0.3 billion** or **1.3%** year on year, driven mainly by improved operating metrics	Active vacancy of **6.4%** (FY22: 4.4%)	Letting activity of **238 540m²** (FY22: 287 196m²)	Weighted average in-force lease escalation **stable at 6.0%**

Key indicators

	FY23	FY22
Value (R'bn)	24.6	24.0
Number of tenants	2 623	2 660
Number of properties	59	60
Occupancy (%)	93.6	95.6
Tenant retention by GMR (%)	92.1	93.2
Renewal success rate by GLA (%)	85.6	75.5
GLA (million m²)	1.2	1.2
Footfall growth (%)	7.1	6.2
Rent to turnover (%)	7.4	7.5
Rental renewal reversions (%)	(4.1)	(8.6)



ESG in action

- We are integrating our retail centres into the communities in which we operate, implementing a tenant mix that reflects the demographics of the communities and contracting with local service providers
- **Solar PV solar installations**: 28 024kWp (FY22: 29 328kWp) of installed solar PV capacity, with installations in progress for a further 8 012kWp (FY22: 11 550kWp) at a cost of R107.0 million
- **Solar wheeling**: We are considering wheeling opportunities for several of our retail properties as off-takers for the City of Cape Town wheeling pilot
- **Green Star ratings**: 10 certifications were achieved during FY23, with a further 10 certifications planned for FY24
- **Water efficiency**: Municipal water withdrawn increased by 7.5% to 1 235 119kl (FY22: 1 138 880kl). The Propelair toilet installation rollout at Wonderboom Junction received a 2023 South African Facilities Management Award for Technology Implementation of the Year
- **Waste recycling:** 4 159.1 tonnes of total waste generated where waste management is managed by private service providers (FY22: 4 730.4 tonnes), of which 1 791.0 tonnes of waste were recycled (FY22: 2 001.2 tonnes)

Acquisitions

Cradlestone Mall Proprietary Limited transferred its 10% undivided share in Cradlestone Mall in full settlement of its loan payable, increasing our undivided share in the mall to 50%.

Disposals

R'm	FY23 proceeds	FY22 valuation
ABSA Centurion	15.5	15.5

Retail asset optimisation initiatives

EXPANDING	The development of a new motor dealership at **Blue Route Mall** with a cost of **R12.7 million**, GLA of **470m²**, and initial yield of **6.4%**	
PROTECTING	**Two refurbishments across the portfolio were completed** during the year at a cost of **R57.8 million**	Refurbishments are in progress at **Goldenwalk** and **East Rand Mall** at a cost of **R97.7 million**

MANUFACTURED CAPITAL continued

Top five retail properties by value



	Centurion Mall Centurion, Gauteng	**Golden Walk Shopping Centre** Germiston, Gauteng	**Kenilworth Centre** Kenilworth, Western Cape	**Blue Route Mall** Tokai, Western Cape	**East Rand Mall** (50% ownership) Boksburg, Gauteng
GLA	112 883m²	44 209m²	52 782m²	57 334m²	33 203m² (our 50% share)
Property valuation	R3.6 billion (FY22: R3.5 billion)	R1.6 billion (FY22: R1.5 billion)	R1.6 billion (FY22: R1.5 billion)	R1.6 billion (FY22: R1.5 billion)	R1.3 billion (FY22: R1.2 billion)
Occupancy	94.2% (FY22: 94.7%)	91.7% (FY22: 91.9%)	100% (FY22: 99.8%)	100% (FY22: 100%)	98.9% (FY22: 98.2%)
Average foot count per month	0.9 million (FY22: 0.8 million)	1.1 million (FY22: 0.9 million)	0.8 million (FY22: 0.8 million)	0.5 million (FY22: 0.5 million)	0.7 million (FY22: 0.7 million)
Major anchor tenants	Woolworths, Pick n Pay, Checkers Hyper, Dis-Chem, Game, Edgars, Metro Lifestyle, Planet Fitness, Ster-Kinekor and H&M	Shoprite and Pick n Pay	Pick n Pay, Checkers, Woolworths, Game, Dis-Chem, Total, Claremont VW and Virgin Active	Checkers, Woolworths, Edgars, Dis-Chem and Ster-Kinekor	Edgars, Woolworths, Mr Price, H&M and Ster-Kinekor

Super regional
Small regional
Regional

MANUFACTURED CAPITAL continued

Office Well-positioned portfolio with a positive weighting to quality space in key nodes

Our strategic approach

- Focus on letting vacant space and reducing negative renewal reversions by positioning our offering as superior
- Continue the smart building journey by piloting scalable projects principally focused on sustainability initiatives
- Refurbish projects to maintain or improve selected A and P Grade properties
- Lengthen the lease expiry profile by targeting early lease renewals
- Explore battery energy storage solutions to replace, supplement and reduce the cost of using generators, reduce energy security risk, and assist with demand shifting

Year in review

Office property valuations decreased by **R0.6 billion** or **-2.8%** year on year, impacted by income assumptions

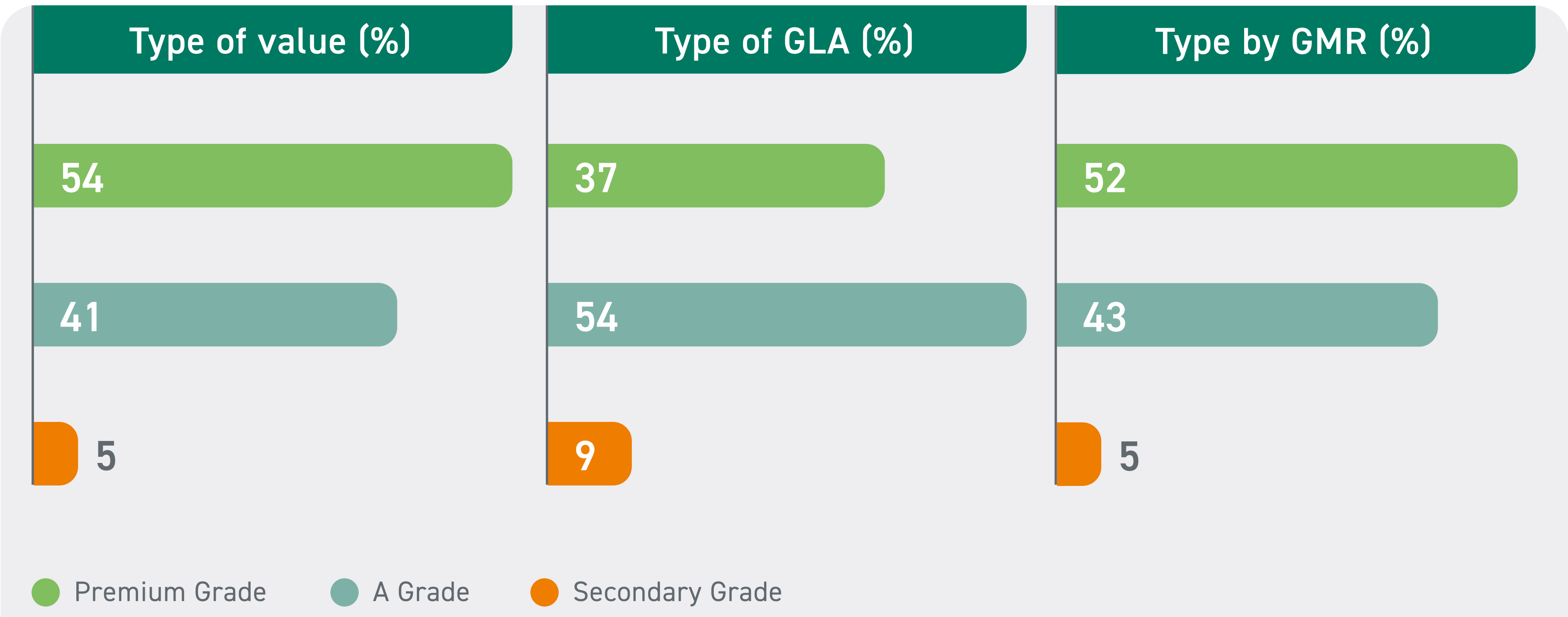
Active vacancy decreased to **11.4%** (FY22: 14.4%)

Letting activity of **229 570m²** (FY22: 274 923m²)

Weighted average in-force lease escalation decreased to **6.8%** (FY22: 7.2%)

Key indicators

	FY23	FY22
Value (R'bn)	21.2	22.0
Number of tenants	1 124	1 076
Number of properties	90	101
Occupancy (%)	88.6	85.6
Tenant retention by GMR (%)	94.7	91.5
Renewal success rate by GLA (%)	61.0	45.8
GLA (million m²)	1.0	1.1
Rental renewal reversions (%)	(12.1)	(16.9)



ESG in action

- **Solar PV solar installations**: 3 868kWp (FY22: 3 868kWp) of installed solar PV capacity, with installations in progress for a further 439kWp (FY22: 368kWp) at an estimated cost of R7.0 million
- **Green Star ratings**: 144 certifications (FY22: 142), with a further 31 recertifications and nine new certifications planned for FY24
- **Water efficiency**: Municipal water withdrawn increased by 21.9% to 729 200kl (FY22: 569 228kl) due to increased occupancy
- **Waste recycling**: 1 321 350 tonnes of total waste generated where waste management is managed by private service providers (FY22: 1 149.3 tonnes), of which 548 553 tonnes of waste was recycled (FY22: 407.27 tonnes)

Acquisitions

Setso Property Fund Proprietary Limited settled a portion of its loan payable by transferring its 33.3% undivided share in Hertford Office Park to us for a purchase consideration of R395.0 million. A 24% interest was acquired in GM Hatfield for R8.6 million in exchange for our 18% share of Schoeman Street and Peugeot Hatfield.

Disposals

R'm	FY23 proceeds	FY22 valuation
Wickham House	24.0	24.0
Schoeman Street – 18% share	3.7	5.8
Peugeot Hatfield – 18% share	2.7	7.4
Duncan Street	27.3	14.2
Abcon House	34.8	40.0
Gleneagles	15.0	15.0
Embassy House	8.1	4.4
Nashua House	24.0	22.4
Vacant land	60.0	60.0

Restructured the ownership of the R1.1 billion government-tenanted portfolio during the year.

Office asset optimisation initiatives

EXPANDING

A further **15 869m²** is being developed to accommodate Santam at **Hill On Empire** at a cost of **R180.0 million** and initial yield of **9.0%**

An additional **1 698m²** is being developed at **Hertford Office Park** (33.3% share) at a total cost of **R44.3 million** and an initial yield of **9.6%**

PROTECTING

The densification of the **North and South towers at The Towers** to accommodate the demand for call centres continued during the year at a cost of **R137.9 million**

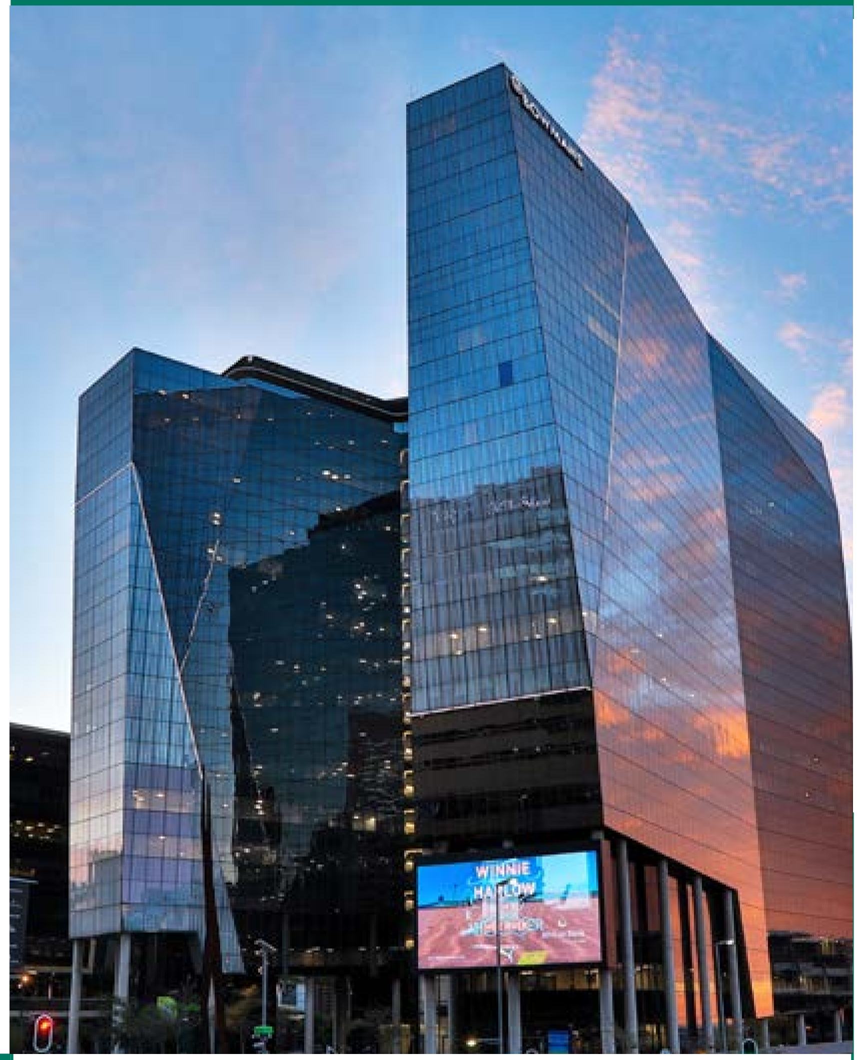
The refurbishment of the **North Courtyard at Black River Office Park** was completed during the year with a total cost of **R12.9 million**

The refurbishment of selected buildings in **Black River Office Park** will maintain their Premium Grade status and modernise and improve the aesthetics of the façades. The first phase of the refurbishment has commenced at a total cost of **R129.3 million** with an initial yield of 5.4%

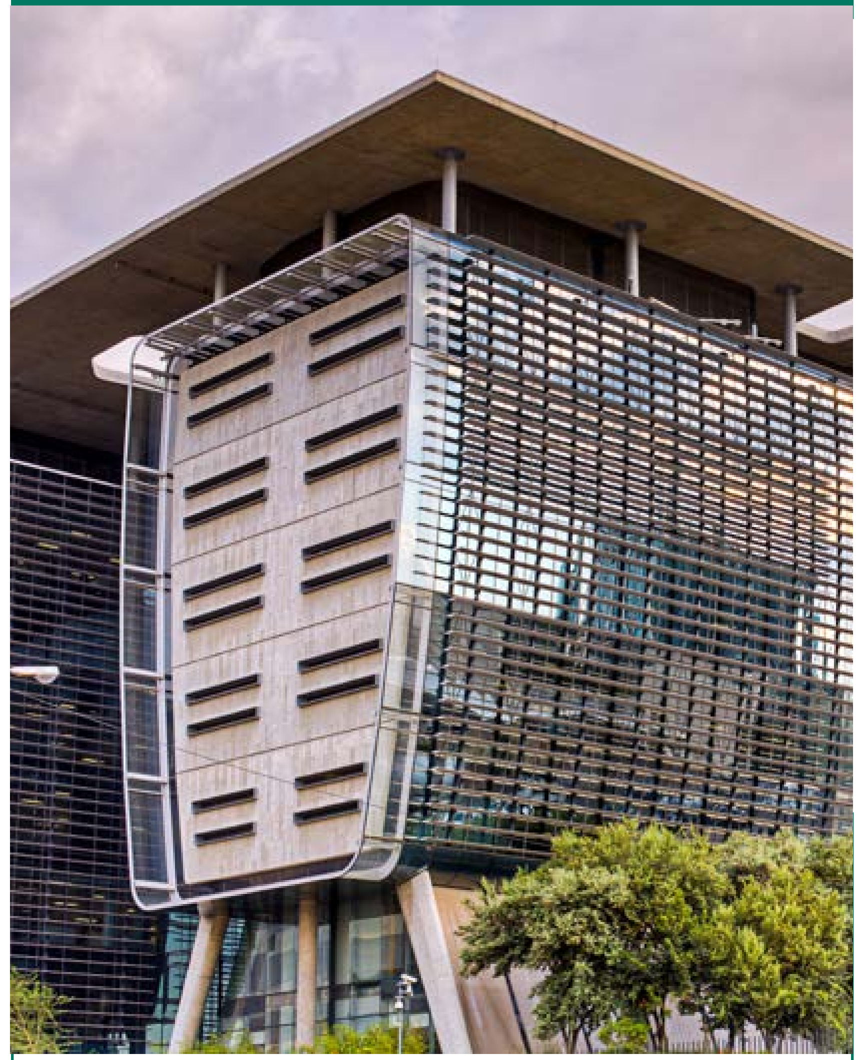
MANUFACTURED CAPITAL continued

Top five office properties by value

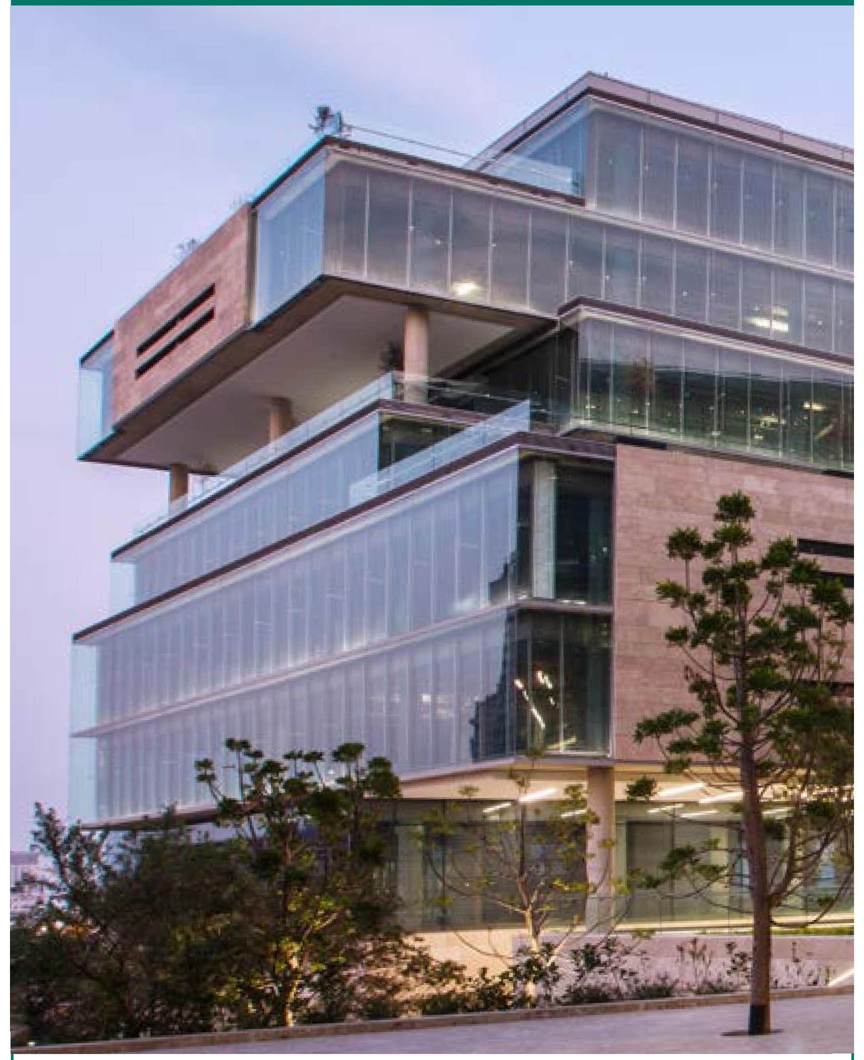
Alice Lane
Sandton, Gauteng



115 West Street
Sandton, Gauteng

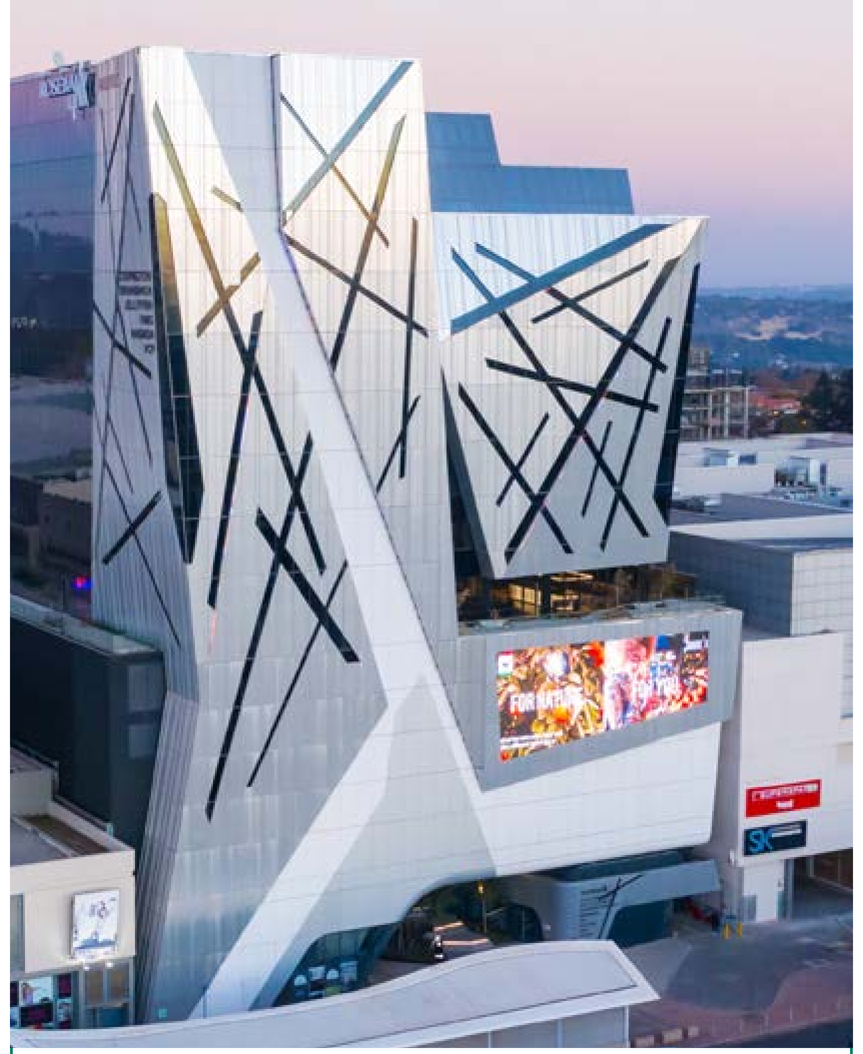


90 Rivonia Road
Sandton, Gauteng



Black River Office Park
Observatory, Western Cape

Rosebank Link
Rosebank, Gauteng



	Alice Lane	115 West Street	90 Rivonia Road	Black River Office Park	Rosebank Link
GLA	70 305m^2	36 546m^2	37 132m^2	49 820m^2	20 187m^2
Property valuation	R3.2 billion (FY22: R3.5 billion)	R1.5 billion (FY22: R1.5 billion)	R1.2 billion (FY22: R1.1 billion)	R0.9 billion (FY22: R1.0 billion)	R0.8 billion (FY22: R0.9 billion)
Occupancy	98.0% (FY22: 94.2%)	100% (FY22: 100%)	96.3% (FY22: 96.3%)	75.3% (FY22: 79.8%)	98.6% (FY22: 98.9%)
Major anchor tenants	Bowmans, Marsh, Sanlam Life and Santam	Alexander Forbes and Nutun Business Services	Webber Wentzel	Dimension Data, Adidas, government, Total Ninja and Flash Mobile Vending	We Work, Brunswick, Covington and Burling

Premium Grade

MANUFACTURED CAPITAL continued

Industrial | A quality portfolio that has proven to be defensive

Our strategic approach

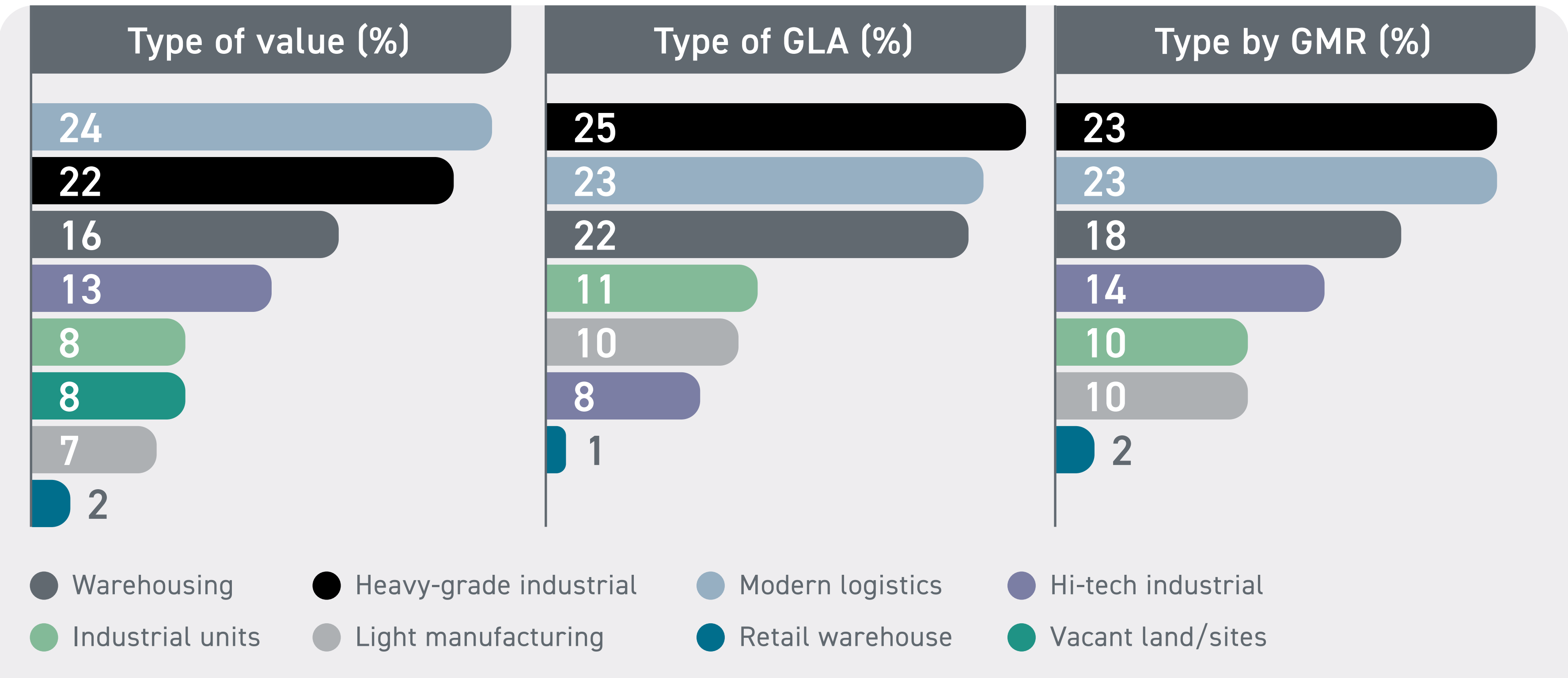
- Focus on organic growth in a challenging economic environment
- Pilot an industrial green lease with measurable incentives for Scope 3 carbon emission reduction
- Expand the use of smart metering for water and electricity
- Continue to expand and pursue new development opportunities in key nodes

Year in review

Industrial property valuations increased by **R0.4 billion** or **3.2%** year on year, driven by improved income assumptions	Active vacancy increased to **4.8%** (FY22: 3.1%)	Letting activity of **276 951m²** (FY22: 454 870m²)	Weighted average in-force lease escalation remained at **6.5%**

Key indicators

	FY23	FY22
Value (R'bn)	12.0	11.6
Number of tenants	273	232
Number of properties	92	194
Occupancy (%)	95.2	96.9
Tenant retention by GMR (%)	90.6	90.8
Renewal success rate by GLA (%)	74.6	56.5
GLA (million m²)	1.5	1.6
Rental renewal reversions (%)	2.1	(2.6)



ESG in action

- **Solar PV solar installations**: 2 968kWp (FY22: 1 858kWp) of installed solar PV capacity, with installations in progress for a further 1 050kWp (FY22: 1 412kWp) at an estimated cost of R12.0 million
- **Solar wheeling**: 5.2MWp wheeling and off-taker for installation at Massmart DC in Cape Town in progress
- **Green Star ratings**: 27 certifications (FY22: 15), with a further 10 planned for certification in FY24
- **Water efficiency**: Municipal water withdrawn increased by 3.4% to 523 547kl (FY22: 505 910kl)
- **Waste recycling**: 155 354 tonnes of total waste generated where waste management is managed by private service providers (FY22: 1 149.3 tonnes), of which 26 895 tonnes of waste was recycled (FY22: 407.27 tonnes)

Acquisitions

During the year, we acquired an additional 49.9% undivided share in BGM Massmart for a purchase consideration of R285.6 million, increasing our ownership to 100% of the property.

Disposals

R'm	FY23 proceeds	FY22 valuation
66 Michelin Street	13.8	12.8
Strydom Industrial Park	110.3	110.3
233 Barbara Road – 15% share	142.9	148.0
Daan De Wet Nel Drive	22.8	23.0
9 Brons Street	21.3	19.7
Vacant land	122.7	105.7

Industrial asset optimisation initiatives

EXPANDING	A new development for **Herholdt's Group** at **Brackengate** in Cape Town is in progress at a cost of **R25.7 million**, GLA of **2 803m²**, and initial yield of **9.7%**	A new development was completed at **S&J** for **Isuzu** during the year at a cost of **R151.3 million**, GLA of **20 107m²**, and initial yield of **8.6%**
PROTECTING	Infrastructure projects at **S&J** were completed during the year at a cost of **R138.5 million**	Infrastructure projects at **S&J** are in progress with a total projected cost of **R47.6 million**

MANUFACTURED CAPITAL continued

Top five industrial properties by value





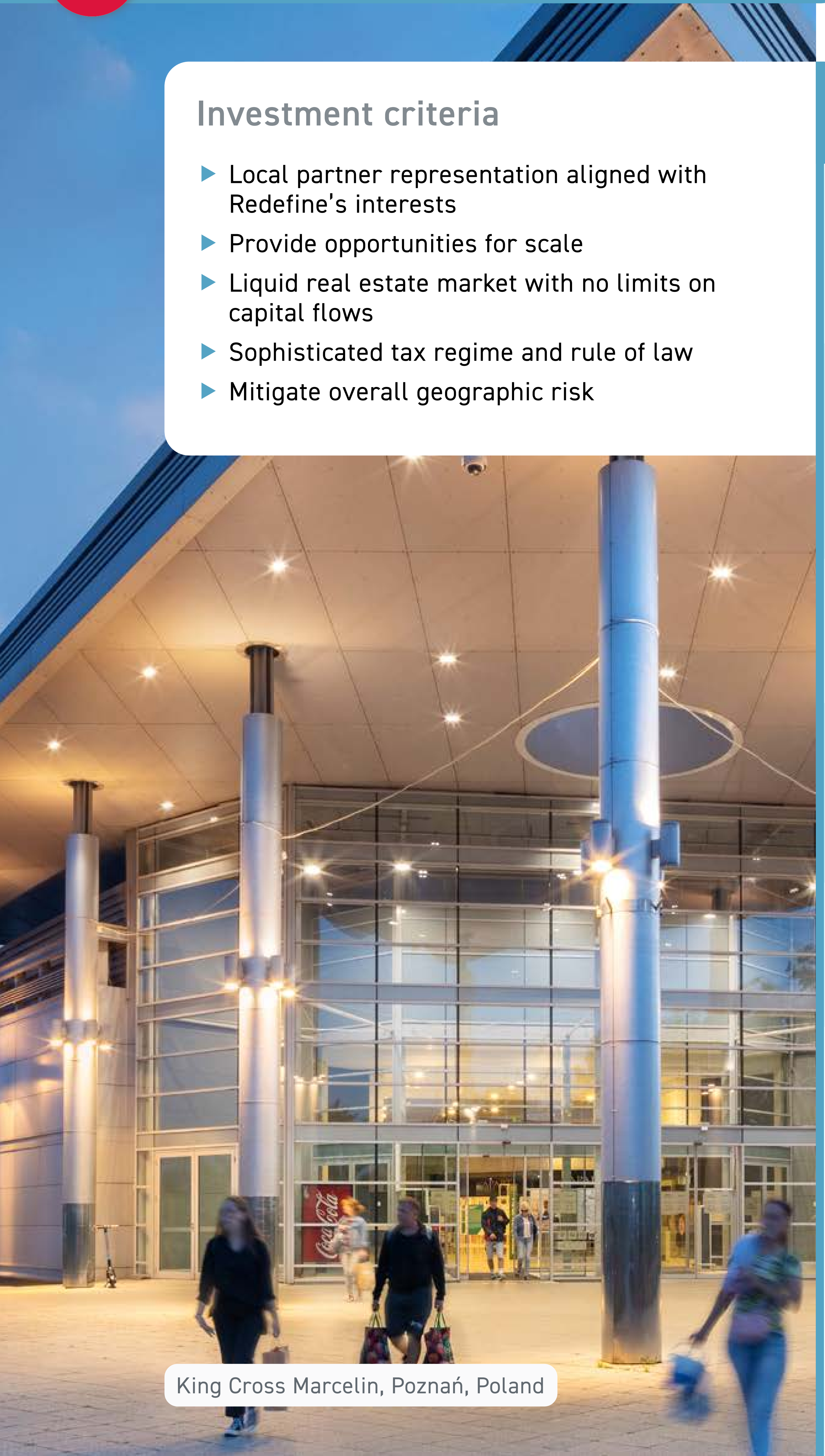
	233 Barbara Road Elandsfontein, Gauteng	Hirt & Carter Cornubia, KwaZulu-Natal	Macsteel Lilianton, Gauteng	Brackengate 5 Brackengate, Western Cape	Cato Ridge DC Cato Ridge, KwaZulu-Natal
GLA	102 631m²	47 718m²	83 347m²	52 601m²	50 317m²
Property valuation	R0.9 billion (FY22: R1.0 billion)	R0.7 billion (FY22: R0.7 billion)	R0.6 billion (FY22: R0.6 billion)	R0.6 billion (FY22: R0.3 billion)	R0.4 billion (FY22: R0.4 billion)
Occupancy	100% (FY22: 100%)	100% (FY22: 100%)	100% (FY22: 100%)	100%	100% (FY22: 100%)
Major anchor tenants	Macsteel	Hirt & Carter	Macsteel	Massmart	Pepkor

Heavy-grade industrial   Modern logistics

MANUFACTURED CAPITAL continued

POLISH PROPERTY PORTFOLIO

Exposure to Polish retail and logistics provides geographic diversification



King Cross Marcelin, Poznań, Poland

Investment criteria

- Local partner representation aligned with Redefine's interests
- Provide opportunities for scale
- Liquid real estate market with no limits on capital flows
- Sophisticated tax regime and rule of law
- Mitigate overall geographic risk

Our areas of focus

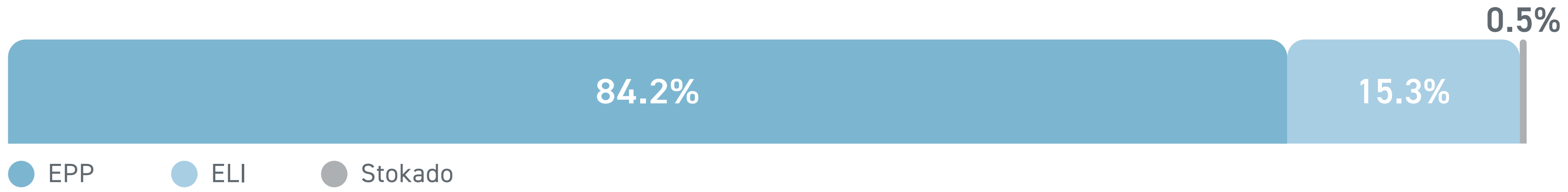
Investing to capture the **long-term economic growth opportunities in Poland**

Investing directly where there is potential for capital uplift through **active asset management and development**

Actively hedging income to manage rand volatility

Hedging our financial position naturally through matching currency gearing

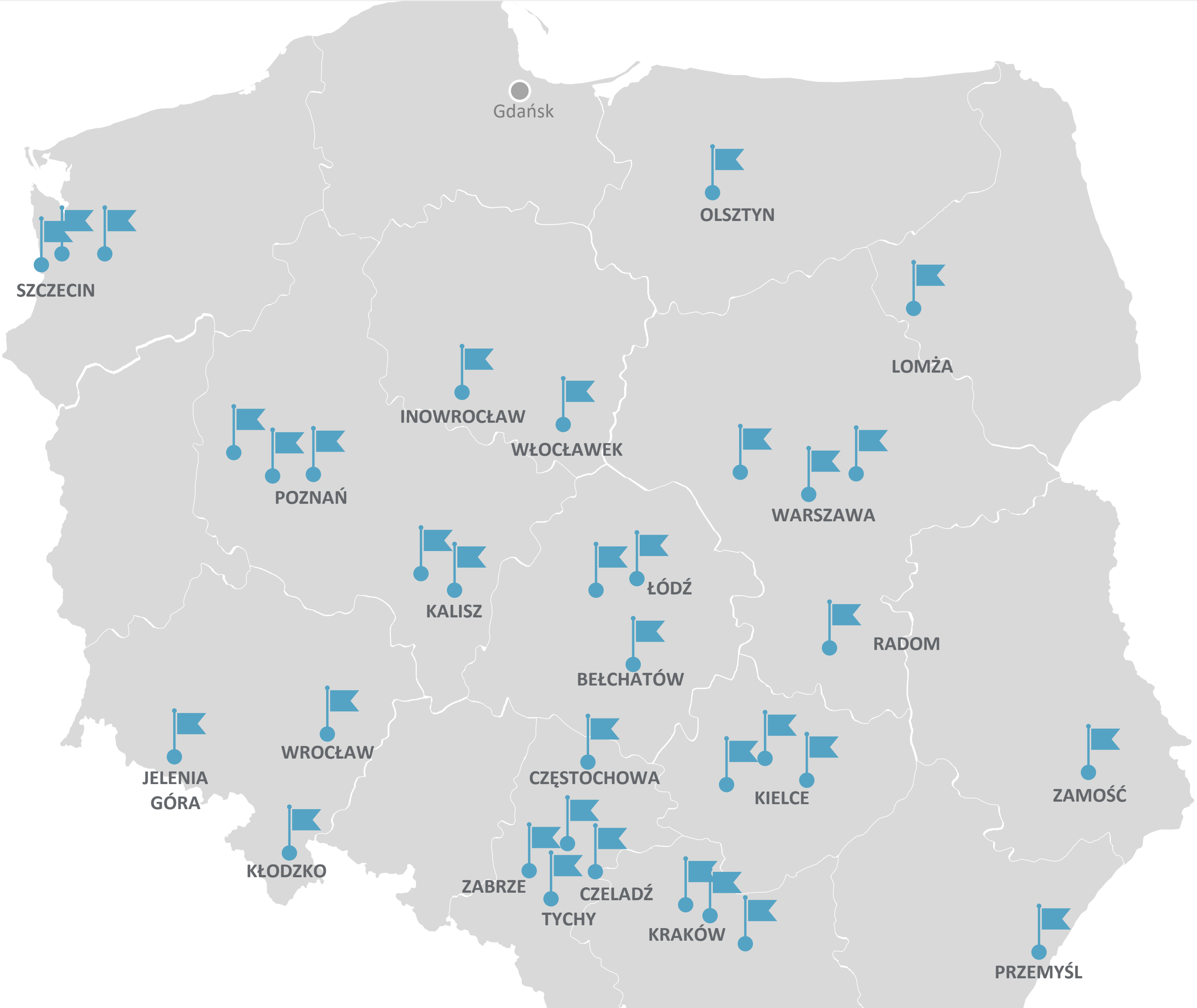
Monitoring geographic and sectoral concentration risk



Overview

	FY23	FY22
Platform carrying value (R'bn)	**36.7**	29.8
EPP property asset base (R'bn) – EPP Core	**30.9**	25.1
European logistics carrying value (R'bn)	**5.6**	4.7
Stokado carrying value (R'bn)	**0.2**	–
See-through value of assets (R'bn)	**31.3**	24.0
See-through value of debt (R'bn)	**13.5**	11.8

Geographical footprint of EPP properties in Poland



MANUFACTURED CAPITAL continued

Retail The Polish retail market has absorbed several challenges

Our strategic approach

- Proactively secure value retailers to our centres to cater for the shift in consumer behaviour
- Secure new brands entering Poland to refresh offering
- Continue to offer services for Ukrainian refugees
- Focus on tenant retention and, where relevant, strengthen the tenant mix
- Focus on pro-footfall and pro-sales actions supported by local endorsers tailored to local communities
- Continue to develop digital communication with the customers to collect and use big data to optimise our marketing
- Invest to improve energy efficiency in the portfolio as well as solar panel installations on roofs

Year in review for EPP Core

Retail propery valuations remained stable with an increase of **0.2%** year on year

Vacancy decreased to **1.6%** during the year

The weighted average rent indexation rate increased to **6.9%** (FY22: 2.1%)

Rent-to-sales ratio improved to **9.5%** (FY22: 9.9%)

Metro claim dismissed

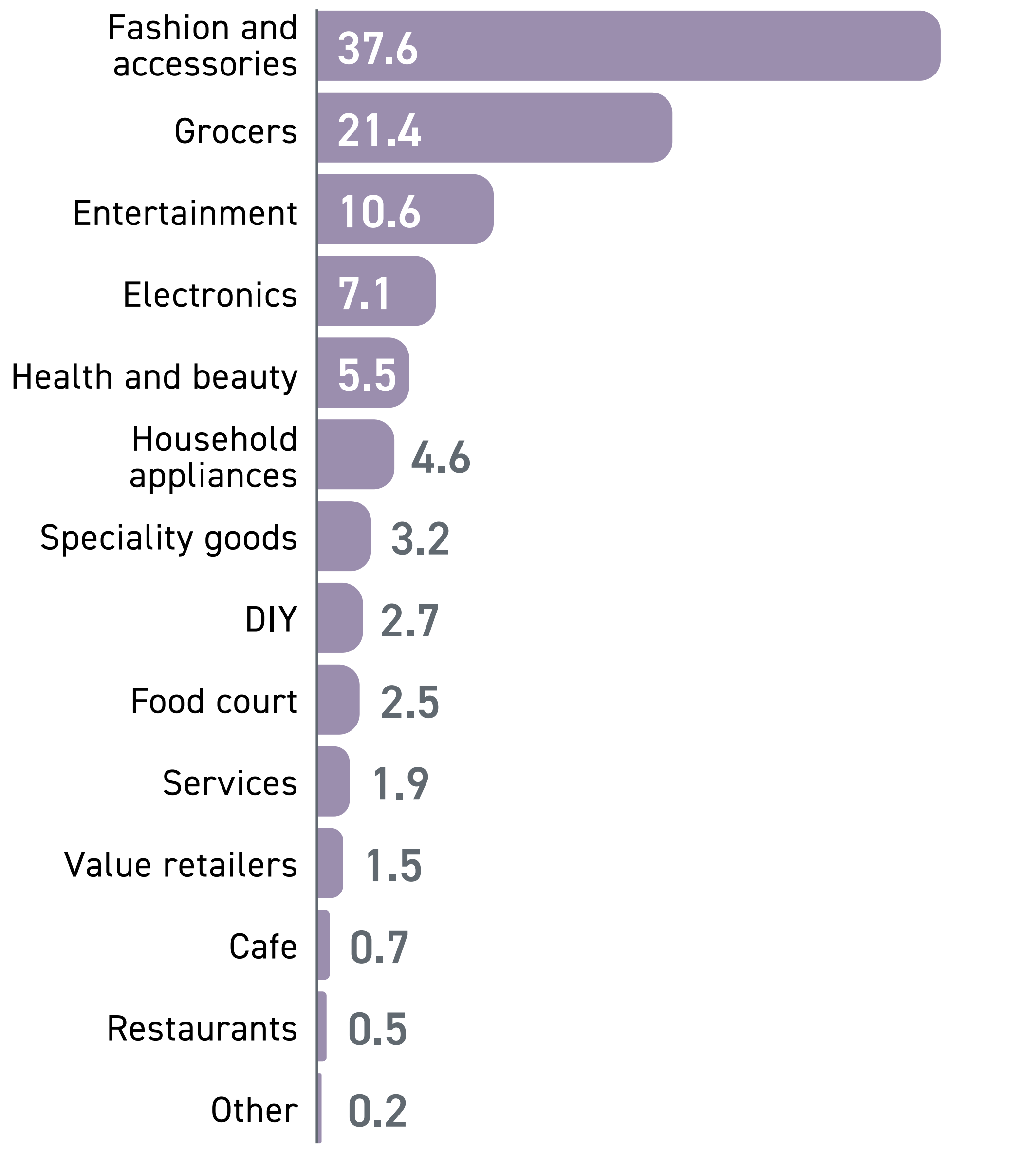
Key indicators

	FY23	FY22
Value (R'bn)	19.2	16.8
Occupancy (%)	98.4	96.5
Renewal success rate by GLA (%)	74.1	75.4
GLA (m²)	282 368	341 073
Number of tenants	699	694
Weighted average unexpired lease term by GLA (years)	5.3	6.2
Weighted average lease indexation rate (%)	6.9	2.1
Rental renewal reversions (%)	(7.2)	(7.1)

ESG in action

- **83.3%** of the Core portfolio has BREEAM In-Use ratings of Excellent (for offices) or Very Good (for retail)
- Finalised feasibilities of solar panels across the portfolio
- Gradually implementing green lease clauses with tenants

PERCENTAGE OF EPP'S CORE GLA BY RETAIL CATEGORY (%)



Disposals

R'm	FY23 proceeds
Power Park Kielce	697.0
Power Park Tychy	339.0

EPP's retail sales trends by category

%	2023 vs 2019	2023 vs 2020	2023 vs 2021	2023 vs 2022
Cafe	75	88	80	26
Electronics	46	44	10	11
Food/groceries/supermarkets	26	31	27	13
Food court	58	81	82	19
Health and beauty	39	51	54	18
Household appliances	4	25	12	-11
Services	15	44	62	22
Speciality goods	8	24	27	10
Total weighted average	**33**	**43**	**38**	**15**

MANUFACTURED CAPITAL continued

Top five Polish core retail properties by value

Galaxy, Szczecin

Pasaz Grunwaldzki, Wrocław

Galeria Echo, Kielce

Outlet Park, Szczecin

King Cross Marcelin, Poznań

	Galaxy Szczecin	Pasaz Grunwaldzki Wrocław	Galeria Echo Kielce	Outlet Park Szczecin	King Cross Marcelin Poznań
GLA	56 442m²	48 102m²	71 398m²	28 018m²	45 395m²
Property valuation	R5.6 billion (FY22: R4.6 billion)	R4.6 billion (FY22: R4.0 billion)	R4.5 billion (FY22: R3.6 billion)	R1.9 billion (FY22: R1.6 billion)	R1.9 billion (FY22: R1.6 billion)
Occupancy	99.4% (FY22: 97.4%)	94.1% (FY22: 93.9%)	99.0% (FY22: 90.7%)	98.7% (FY22: 99.4%)	99.7% (FY22: 98.2%)
Average foot count per month	1.0 million	0.7 million	0.6 million	0.3 million	0.4 million
Major anchor tenants	Auchan, Multikino, H&M, Zara, CCC, Reserved, Media Expert, e-obuwie, Half Price, Smyk, Rossmann, Pepco, Deichmann, Home & You, Cropp, House and mk bowling	Delikatesy Tradycja i Jakość, Multikino, Media Markt, Half Price, H&M, Reserved, Pepco, CCC, e-obuwie, Rossmann, Deichmann, LC Waikiki, House, Cropp, dm drogerie, Sinsay, Mohito, Fitness Academy and Martes Sport	Carrefour, RTV Euro AGD, Zara, Bershka, Smyk, Home & You, Pepco, KiK, Dealz, Jula, Helios, New Yorker, Mohito, Stradivarius, Pull & Bear, H&M, C&A, Reserved, Cropp, Sinsay, TK Maxx, Martes Sport, Happy Jumper, Komfort, Zdrofit, mk bowling, Jysk and CCC	Netto, Helios, Smyk, Media Expert, Martes Sport, Adidas, CCC, Puma, Nike, Dom Lekarski and Zdrofit	Auchan, Media Markt, Cropp, Carry, H&M, New Yorker, Empik, Pepco, Smyk, Rossmann, CCC, House, Sinsay, Mohito, Dealz and Superpharm

MANUFACTURED CAPITAL continued

Logistics **Our future growth strategy captures the market fundamentals in the Polish logistics sector**

Our strategic approach

- Focus on developments that are at least 65% pre-let and built-to-suit (BTS) developments
- Undertake developments that maintain a spread of 2% between development and valuation yield
- All developments to be BREEAM certified to a level of Very Good or Excellent
- Implement green solutions that lower the operating costs of tenants, such as natural light, heat pumps and solar PV panels
- Continue with the focus on investments in sought-after logistic nodes and regions
- Recycle assets with limited upside to fund development expansion

Year in review

Active income-producing GLA of **999 241m²**
(FY22: 724 196m²)

Vacancy of **7.5%** during the year
(FY22: 6.5%)

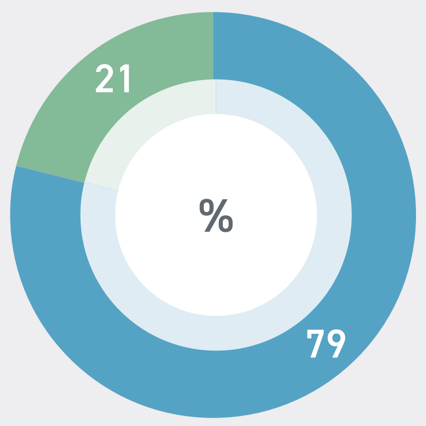
The weighted average rent indexation rate increased to **7.6%**
(FY22: 5.3%)

Renewal reversion rate of **6.0%**
(FY22: 2.4%)

Key indicators

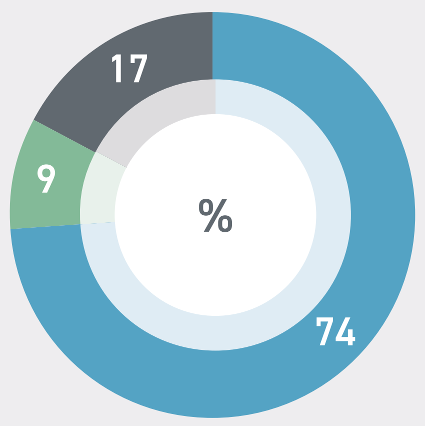
	FY23	FY22
Value (R'bn)	**19.7**	12.2
Occupancy (%)	**7.5**	93.5
Tenant retention by GMR (%)	**90.1**	70.8
Renewal success rate by GLA (%)	**89.8**	66.2
GLA (m²)	**999 241**	724 196
Weighted unexpired lease term by GLA (years)	**6.4**	6.2
Rental renewal reversions (%)	**6.0**	2.4
Rent indexation (%)	**7.6**	5.3

NODAL PROFILE



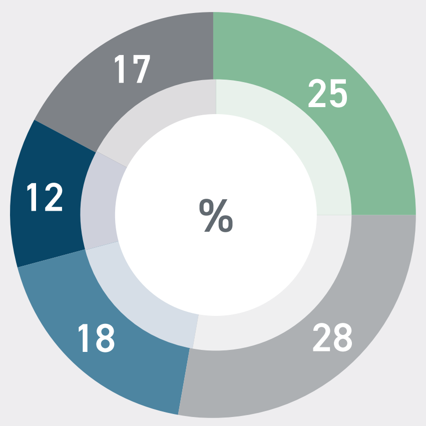
Established market
Emerging market

PROPERTY TYPE



Multitenanted
Last mile
Built to suit

TENANT TYPE



Distribution centres
Light manufacturing
Third-party logistics providers
Delivery
Other

ESG in action

- **80%** of the buildings in the logistics portfolio are BREEAM certified, and 80% of the existing certified portfolio has been certified as Very Good or Excellent. All new developments are developed to meet the BREEAM standard of Very Good or Excellent

Logistics asset optimisation initiatives

EXPANDING

During the year, developments with a total GLA of **275 014m²** and a cost of **R4.8 billion were completed** and fair valued to **R5.2 billion**, reflecting a **9.0%** capital uplift from the development cost

PROTECTING

We are looking at the possibility of installing **rooftop PV panels** where the building structures can accommodate the installation in and we are investigating an appropriate business model

MANUFACTURED CAPITAL continued

Top five Polish logistics properties by value

	Lublin II Lublin	Warsaw Airport VI Warsaw	Bielsko-Biala Bielsko	BTS Zabrze Zabrze	Gdansk V Gdansk
GLA	87 598m^2	72 260m^2	71 466m^2	78 734m^2	78 486m^2
Property valuation	R1.9 billion (FY22: R1.2 billion)	R1.6 billion (FY22: R1.3 billion)	R1.5 billion (FY22: R1.3 billion)	R1.5 billion (FY22: R1.3 billion)	R1.3 billion (FY22: R1.1 billion)
Occupancy	69.4% (FY22: 48.4%)	100% (FY22: 100%)	100% (FY22: 100%)	100% (FY22: 100%)	100% (FY22: 100%)
Major anchor tenants	Varoc	Rohlig	NVH and Proseat	Weber	LPP

HUMAN CAPITAL

Our employees are fundamental to growing our brand, achieving our strategic priorities, and ultimately delivering on our strategy. We want to grow and inspire people who create and manage spaces for positive impact through a culture of individual wellbeing and overall organisational wellness. We recognise that when our people perform at their best, it drives the delivery of our strategy in the long term.

What human capital means to Redefine

We understand that it is not businesses that create value but rather the people behind them. Our people are the heart and soul of our business – they set us apart from our competition. With their knowledge, skills, dedication and commitment, we differentiate our business and ensure we remain sustainable in the long term.

How human capital supports our value-creation goals

To turn our aspirations into reality, we rely on the daily efforts of our people. We know that motivated and engaged employees are more likely to surpass expectations. That is why we prioritise creating a work environment that makes our employees feel heard and fulfilled. We aim to align our staff with our people-centric brand promise and ensure they remain deeply connected with our values.

Materiality

Through a materiality determination process, we identified the following matters as material to our human capital. Each matter is grouped under a relevant materiality theme.

Material themes	Material matters	Managing these matters	Page
ERB The evolving role of business in creating a prosperous and sustainable society	▶ Purpose-led imperative ▶ Transformation at a business and societal level	Enhancing our human capital management	71
		Championing diversity, equity and inclusion	72
BMA Business model adaptability to the rapidly evolving context	▶ Innovation and agility (including responding to disruptive technology)	Benchmarking our employment practices	72
		Growing our employee capabilities	73
HGR Heightened demands of governance and regulatory compliance	▶ Governance and ethics	Creating a values-driven corporate culture	73
MBG Managing for long-term business growth	▶ Employee attraction, retention, development and skill resilience ▶ Health, safety and wellness	Attracting and retaining top talent	72
		Engaging with our employees	73
		Focusing on employee health, safety and wellness	73

KEY OUTCOMES

Employee engagement at **90%**, which is above the South African national benchmark of **64%**

Employee net promoter score (eNPS)*
SA: **14.3%**
Poland: **28.0%**

Employment status ratio
SA: **90.4%** permanent and **9.6%** temporary
(FY22: 86.1% and 13.9%)
Poland: **96.2%** permanent and **3.8%** temporary

Female employees
SA: **58.1%**
(FY22: 58.3%)
Poland: **63.3%**

SA: **88th percentile** advanced ethical maturity score

Certified as a **top employer** for the eighth consecutive year

SA: **80.9%** of promotions were ACI
(FY22: 86%)

Employee hours spent on training
SA: **18 464** (FY22: 27 076)
Poland: **5 786**

Total training investment
SA: **R13.7 million**
(FY22: R14.5 million)
Poland: **R3.1 million**

461 learners have completed our Learnership Programme since 2013
(FY22: 354 learners)

Permanent employee turnover
SA: **13.3%** (FY22: 10.9%)
Poland: **5.7%**

* eNPS scores below 0 needs improvement, between 0 to 29 is good, between 30 to 69 is great and above 70 is excellent

HUMAN CAPITAL continued

LOOKING BEYOND

Investing in and transforming our human capital are essential to the long-term success of our business in a world that demands creativity and innovation to thrive.

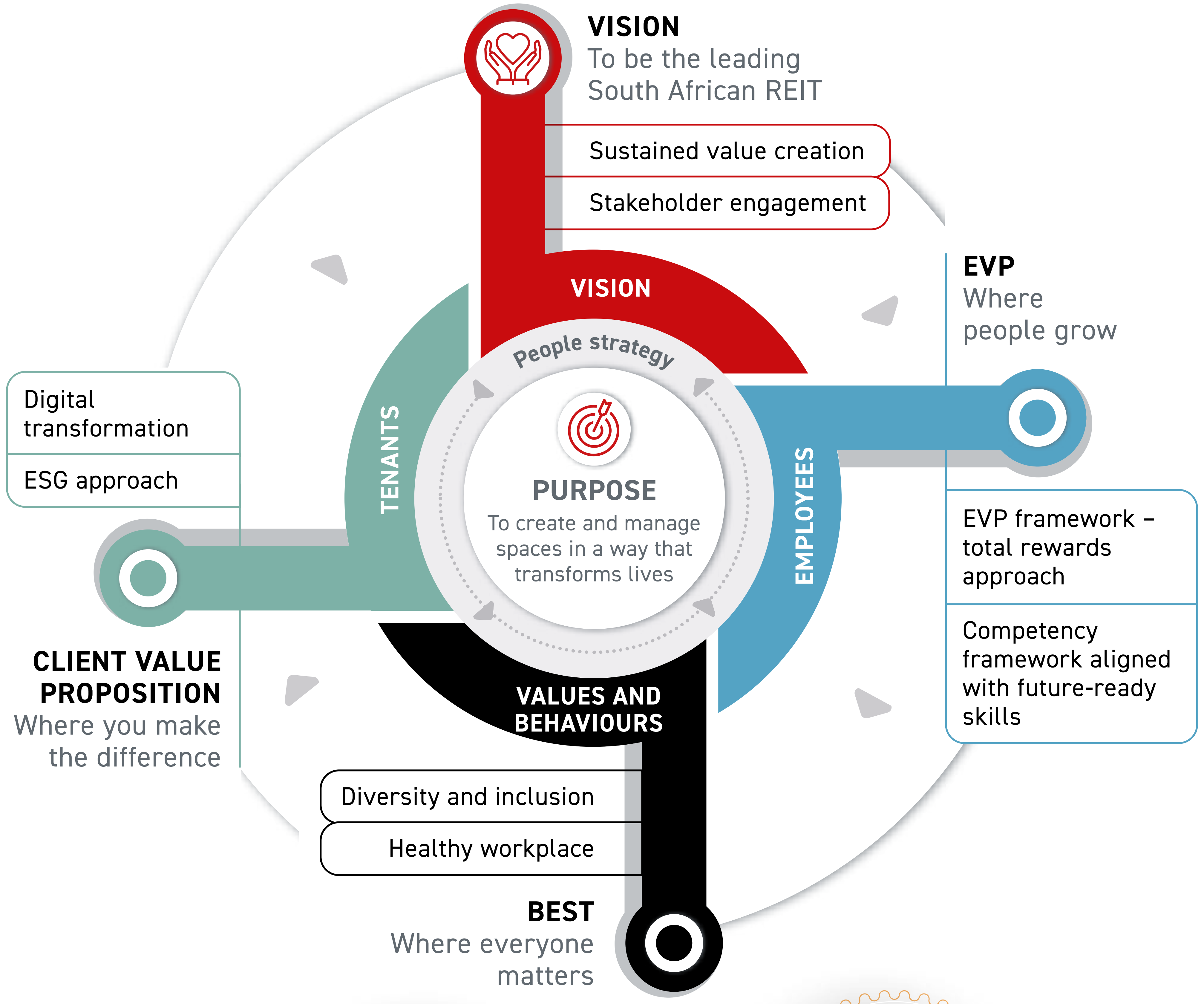
ET

Implement strategies to attract, retain and develop a pool of key talent
Promote employee wellness programme and encourage work-life balance
Foster an inclusive environment to attract diverse talent and deliver innovative thinking

Short- to medium-term priorities page 39

Contributing to our mission	UN SDG commitments
Embrace diversity to build a future-ready workforce Promote human rights	
Enhance performance through digital transformation	
Reskill for a low carbon economy	

Long-term priorities (present to FY30) page 39



Enhancing our human capital management

Our mission pathways come to life through the daily actions of our people. Recognising this critical dependency, our people strategy aims to grow and inspire **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 mission pathways and what we need to do as a business to achieve these goals.

We strive to **attract, retain and develop the best talent** – a place where people grow. Achieving this demands a compelling EVP and a focus on bolstering future-ready skills.

As an organisation, we strive to be **diverse and inclusive** – a place where our people matter. To achieve this, we must promote employee wellbeing and healthy workspaces and ensure trust in our leadership and a continued focus on diversity, equity and inclusion.

Finally, we strive to be **collaborative and innovative** – a place where employees know they make a difference as we continue to work to be a catalyst for good. This requires every employee to take ownership of our ESG strategies and be empowered through technology to drive positive performance.

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

People strategy delivering value

To grow and inspire people who create and manage spaces for positive impact

Individual	Organisation	Communities
Where OUR PEOPLE GROW	**Where OUR PEOPLE MATTER**	**Where OUR PEOPLE MAKE THE DIFFERENCE**
To attract, retain and develop the best talent	To be diverse and inclusive	To be collaborative and innovative

HUMAN CAPITAL continued

Unpacking our employee profile

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

SA EMPLOYEE PROFILE	FY23	FY22	FY21
Permanent employees	**415**	429	444
Temporary employees	**44**	69	55
Female employees (%)	**58.1**	58.3	57.4
Average tenure (years)	**7.0**	6.9	6.2
Average age (years)	**40.9**	41.9	41.1
Permanent employee turnover (%)	**13.3**	10.9	11.9
Temporary employee turnover (%)	**69.4**	68.8	75.6

Our total employee turnover rate was higher than the previous reporting period. Career development with specific mention of our flat organisational structure and earning potential were cited as the main reasons for resignation, with flexibility, working from home for more extended periods and proximity of employees' homes to their places of work being consistent trends. We consider all feedback from exit interviews when reviewing our employee retention initiatives.

EPP EMPLOYEE PROFILE

Following Redefine's takeover of EPP in FY22, we have started our journey of integrating EPP's employee data into the group data. The following EPP employee data is monitored and reported to the group on a regular basis.

EPP EMPLOYEE STATISTICS	FY23
Total employees	**212**
Permanent employees	**204**
Temporary employees	**8**
Female employees (%)	**63.3**
Average tenure (years)	**5.0**
Average age (years)	**41.0**

Championing diversity, equity and inclusion

Embracing the principle that our people matter, we place significant emphasis on diversity, equity and inclusion. We believe that diverse perspectives enhance organisational effectiveness and resilience. Moreover, diversity is a powerful driver of innovation, and an inclusive workplace provides equal opportunities for all.

DIVERSITY**	MANAGEMENT RACE (%)			MANAGEMENT GENDER (%)			NON-MANAGERIAL RACE (%)		
	Black total*	White total	Foreign nationals	Male	Female	Other	Black total*	White total	Foreign nationals
FY23	**54.8**	**42.9**	**2.4**	**52.4**	**47.6**	**0.0**	**78.8**	**20.8**	**0.5**
FY22	45.2	53.8	1.1	53.8	46.2	0.0	81.3	18.0	0.7
FY21	36.3	61.9	1.8	43.3	56.7	0.0	79.0	20.0	0.7
FY20	31.0	67.0	1.8	58.0	42.0	0.0	69.0	30.0	1.0

** Black includes ACI employees*
*** The above statistics are only applicable to South Africa*

We continued providing diversity training to enhance the dialogue around diversity and inclusion, understand our challenges better, and find collaborative means of addressing these while leveraging identified opportunities.

We engage with the UN Global Compact's (UNGC's) questionnaire on Women's Empowerment Principles to quantify our commitment to gender equality. This allows us to understand the degree to which gender equality principles are integrated into our policies and practices.

We used the UNGC's LGBTIQ+ Standards Gap Analysis Tool for an objective review to further diversity, equity and inclusion in our organisation. In this way, we receive recommendations to address identified gaps, aiming to refine our policies for a more inclusive workplace. With these insights, we have begun several strategies for greater inclusivity.

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

Attracting and retaining top talent

In today's climate, our employees face challenges from rising interest rates to the mental toll of the pandemic, loadshedding and deteriorating infrastructure. Such issues are prevalent across companies. We remain dedicated to understanding and addressing these concerns, highlighting the importance of innovative talent management. 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 between the 50th and 75th percentile of the market for scarce and critical skills.

We seek top talent beyond property, often from other sectors. This brings diverse thinking and new skills and supports our relevance in a changing world.

We nuture our people in line with our group-wide talent and skills competencies to meet our evolving business needs.

Embracing technology, we implemented a new human resources management and payroll system, integrating functionalities that address all human resource needs, boosting productivity, and offering predictive analyses to drive performance.

Our EVP also promotes work-life balance, demonstrated by our comprehensive wellness programme and leave policies.

HUMAN CAPITAL continued

Engaging with our employees

Employee engagement is linked to business performance because it affects profitability, productivity, absenteeism, retention and customer satisfaction. Engagement is also linked to a company's ability to innovate and adapt in times of change, which impacts its future performance.

We conduct annual employee surveys to identify trends that affect engagement and satisfaction. Feedback helps us formulate business strategy, improve our EVP, and understand our employees' needs.

We conducted an employee engagement survey in July 2023, with 89% (FY22: 89%) of our people completing the survey, ensuring that the results are credible and representative of the current levels of employee engagement. The results indicate a remarkably high level of employee engagement, with a score of 90% (FY22: 87%), significantly outperforming the South African benchmark of 64% (as reported by Emergence Human Capital).

A component of our engagement survey involves establishing an eNPS. The eNPS indicates employees' experience, categorising them as promoters, passives and detractors. It is comparable to other organisations and is increasingly used to survey employees' willingness to recommend the workplace to other people. In FY23, we determined eNPS scores for our South African and EPP operations. Both received results within the mid to high range of good.

South Africa: 14.3 EPP: 28

NEEDS IMPROVEMENT	GOOD	VERY GOOD	EXCELLENT
-100 to 0	1 to 29	30 to 69	70

emergence HUMAN CAPITAL

ENGAGEMENT MODEL

Communication
Organisational communication | Timing
Knowledge sharing | Employee/manager feedback

Employee growth
Learning and development
Career pathing | Opportunities for growth

Wellbeing
Work-life balance | Work environment
Cultural acceptance | Social responsibility

Benefits
Non-monetary | Monetary | In-kind

Reward and recognition
Communication | Incentives
Recognition | Performance-related pay

Business alignment
Reputation | Brand
EVP | People practices

Senior leadership
Effective leadership | People management
Communication | Vision

Manager
Goal-setting | Performance management
Feedback | EQ

Team effectiveness
Team development | Productivity
Trust and integrity | Communication

Work outputs
Teamwork | Organisational support
Equipment | Policies and procedures

Workplace culture
Current culture | Behaviours
Relationships | Perceptions

Values
Individual values | Organisational values
Entrenchment

Growing our employee capabilities

Our employees' capabilities are grown through a blended approach of on-the-job training, digital learning, coaching and mentorship, workshops, structured programmes, and study bursaries for tertiary education, which enhances our business performance. 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.

SA TRAINING		FY23	FY22	FY21
Number of training interventions		**78**	105	128
Employee hours spent in training	(hours)	**18 464**	27 076	18 672
Direct investment in training*	(R'm)	**4.7**	5.4	4.0
Total training investment**	(R'm)	**13.7**	14.5	11.4
EPP TRAINING				
Total training investment	(hours)	**5 786**		

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

Creating a values-driven 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.

ETHICS SURVEY FY23		
71% employee participation (FY22: 63%)	88th percentile advanced ethical maturity score based on a survey conducted by The Ethics Institute (FY22: 88th percentile)	93rd percentile ethics behaviour risk score (FY22: 93rd percentile)

Focusing on employee health, safety and wellness

We are committed to supporting 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.

Further detail on our employee wellness can be found at in our ESG report.

SOCIAL AND RELATIONSHIP CAPITAL

While property is our commodity, people are our business. Recognising that our impact extends beyond our buildings and investments and that our business is impacted by our socioeconomic context, we are deeply invested in cultivating positive social change. For us, this means aligning our business objectives with broader societal goals to create symbiotic relationships with our stakeholders.

What social and relationship capital means to Redefine

Each of our properties is intricately woven into the fabric of a community. Our social and relationship capital serves as the integral link between our assets and the larger society. It encompasses the invaluable relationships that underpin our people-focused approach.

How social and relationship capital supports our value-creation goals

We refine our stakeholder goals and value propositions through meaningful stakeholder engagement to ensure we achieve our primary goal of growing and improving cash flow in order to create sustained value for all our stakeholders. Through this process, we develop stakeholder initiatives that generate shared-value, safeguarding the long-term sustainability of our operations.

Materiality

Through a materiality determination process, we identified the following matters as material to our social and relationship capital.
Each matter is grouped under a relevant materiality theme.

Material themes	Material matters	Managing these matters	Page
GSF Impact of geopolitical and socioeconomic factors on the cost of capital and growth	▶ Challenging macroeconomic environment ▶ Social instability	Our stakeholder-centric approach to value creation	76
		Insight into our community involvement	80
ERB The evolving role of business in creating a prosperous and sustainable society	▶ Ensuring effective ESG strategies and implementation ▶ Effective stakeholder engagement and collaboration ▶ Purpose-led imperative ▶ Transformation at a business and societal level	Our stakeholder-centric approach to value creation	76
		Delivering transformation impact	80
BMA Business model adaptability to the rapidly evolving context	▶ Innovation and agility (including responding to disruptive technology) ▶ Providing properties relevant to users' evolving needs ▶ Health, safety and wellness	Our stakeholder-centric approach to value creation	76
		Responsible corporate citizenship in action	80

KEY OUTCOMES

Increased engagement rate on tenant portal: 3 755 users accessed the portal in FY23 (50% increase)
(FY22: 2 517)

LinkedIn followers increased to 11 538 (323% growth)
(FY22: 2 726)

Completed 22 CEO connect employee sessions with an 85.9% employee attendance

Maponya Mall Community Hub: 1 055 people impacted directly, R1.1 million worth of space donated, and eight jobs created

Kenilworth Centre rooftop garden: 5 742 plants grown, 510kg of crops harvested, and R3.7 million worth of space donated in support of job creation and training

312 employee registrations on the Red Thread employee volunteer platform (68% of total employees)
(FY22: 190)

68 jobs created at Hawk Academy*
(FY22: 64)

1 175 learners at Hawk Academy*
(FY22: 1 285)

921 hours of employee time spent on the Red Thread employee volunteer platform
(FY22: 222)

1 260 073 people impacted directly through community initiatives and execution of the SED strategy
(FY22: 534 000)

** School developed on S&J land*

SOCIAL AND RELATIONSHIP CAPITAL continued

LOOKING BEYOND

To meaningfully affect our social and relationship capital, we seek to understand our stakeholders' needs to ensure that their effect on us and our impact on them create meaningful, sustained value. We will actively pursue this through the engagement initiatives and our corporate citizenship commitments.

GR

Create sustainable socioeconomic impacts through SMME development

Build sustainable partnerships with tenants, suppliers and community-based organisations

Short- to medium-term priorities page 39

Contributing to our mission	UN SDG commitments
Embedding diversity, equity and inclusion	5, 8, 10
Commitment to nurturing and optimising ecosystems and being a catalyst for good	3, 4, 8, 9, 10, 11, 17

Long-term priorities (present to FY30) page 39

KEY

Quality of relationship indicator used on the pages that follow

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	●○○○○

Redefine Learnership Programme, Gauteng, South Africa

1 2 3 4 5

SOCIAL AND RELATIONSHIP CAPITAL continued

Our stakeholder-centric approach to value creation

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.

Providers of financial capital – investors

QUALITY OF RELATIONSHIP

FY23 ●●●○○

Source of assessment
Investor perception survey

Affected UN SDGs

16 Peace, justice and strong institutions; 17 Partnerships for the goals

What we want	What they want
GOAL To be a source of sustained growth in total returns.	**VALUE PROPOSITION** We offer our investors sustained capital growth and dividends by strategically allocating capital and managing our funding through the cycles.

VALUE WE RECEIVE

- Access to competitively priced equity funding
- Liquidity in the trading of our shares
- Fair rating of our shares
- Open dialogue to understand and address concerns
- Improved sentiment and advocacy for Redefine
- Alignment with global sustainability targets, boosting investor confidence
- Enhanced adaptability to market changes and challenges through investor-aligned ESG integration
- Readiness for the transition to a low-carbon economy, ensuring long-term viability

VALUE STAKEHOLDERS RECEIVE

- Solid investment case
- Sustained growth in capital and dividends over time
- Strategic alignment with globally recognised sustainability targets
- Enhanced resilience and adaptability through our ESG-aligned approach
- A forward-thinking vision equipped for the transition to a low-carbon economy
- Assurance of ethical and environmentally conscious decision-making at all levels

How we engage

- Equity roadshows
- Annual and interim results presentations as well as integrated and ESG reports
- SENS announcements and breaking news alerts
- Webcasts
- Corporate website
- One-on-one meetings with executive management and, where appropriate, non-executive directors
- Investor perception surveys
- Property tours

Key matters raised	Our response
Building confidence – delivering risk-adjusted returns	▶ Focusing on organic growth in the portfolio by limiting negative reversions and enhancing cost control ▶ Stabilising asset valuations and disposing of non-core assets
Lowering the see-through gearing of the group to reduce the balance sheet risk	▶ Responsibly reducing the see-through gearing through amortisation of the Polish in-country debt ▶ Disposing of non-core assets to decrease gearing in our joint ventures
Revising earnings guidance	▶ Being transparent and efficient in our communication with investors about the factors, both positive and negative, that influence our distributable income

Refer to page 58 of our ESG report for more information on key initiatives that engage our investors.

Providers of financial capital – funders

QUALITY OF RELATIONSHIP

FY23 ●●●●○

Source of assessment
Self-assessment

Affected UN SDGs

9 Industry, innovation and infrastructure; 13 Climate action; 16 Peace, justice and strong institutions; 17 Partnerships for the goals

What we want	What they want
GOAL To be a reliable source of returns on debt funding.	**VALUE PROPOSITION** We offer our funders a secure source of returns by ensuring prudent balance sheet management, healthy credit risk metrics, and proactive risk management.

VALUE WE RECEIVE

- Access to reasonably priced debt funding to expand our portfolio
- Open dialogue to understand and address concerns
- Ideas on risk mitigation tools and structuring solutions

VALUE STAKEHOLDERS RECEIVE

- Timeous payment of interest and capital repayments
- Assurance that sustainability, good governance, and strong risk management controls are integrated into the business strategy
- Achievement of ESG targets as per terms of green bonds

How we engage

- Debt roadshows
- Annual and interim financial results as well as integrated and ESG reports
- SENS announcements and breaking news alerts
- Corporate website
- Regular one-on-one meetings with executive management
- Responding to *ad hoc* information requests

Key matters raised	Our response
Increasing Redefine's access to sustainable funding	▶ Issued R4.2 billion of listed green bonds to refinance Green Star certified South African assets, promoting sustainability and climate-smart commercial real estate
Lowering risk by simplifying the balance sheet and reducing our LTV and see-through LTV ratios	▶ Maintaining the interest cover ratio above 2x – at 2.4x, this has come under pressure due to rising interest rates (FY22: 2.8x) ▶ Maintaining the SA REIT LTV ratio within the target range of between 38% to 41% – currently at 41.1% (FY22: 40.2%) ▶ Asset platform and geographic diversification significantly simplified and repositioned for sustained growth ▶ Focusing on reducing the see-through LTV ratio by degearing the joint venture structures through debt amortisation and selected asset disposals

Refer to page 60 of our ESG report for more information on key initiatives that engage our funders.

SOCIAL AND RELATIONSHIP CAPITAL continued

Customers – tenants

QUALITY OF RELATIONSHIP

FY23	●●●◐○

Source of assessment
Tenant score card

Affected UN SDGs

3 Good health and well-being; 9 Industry, innovation and infrastructure; 12 Responsible consumption and production; 13 Climate action

How we engage

- Email campaigns
- Annual tenant surveys
- Annual in-person meetings
- Lease negotiation and renewal process
- ESG-related tenant meetings
- Tenant portal
- Call centre
- Corporate and retail websites

Key matters raised	Our response
Cost of utilities	▸ Strategy to ensure all tenants have access to utility consumption data by implementing our smart metering solution
The economic climate and tough trading conditions	▸ Flexibility when negotiating renewals and continued progress of our tenant performance improvement programme, ***Smartten***
Concerns about energy security and the impact of loadshedding	▸ Proactive strategy to keep the lights on, including generators and solar installations (where practical/possible), engagement with key tenants on joint sustainability initiatives, and the development and implementation of a green lease framework
Access to key information (e.g. statements)	▸ Targeted communication campaigns to increase awareness of the tenant portal (which includes the ability to access statements)

What we want	What they want
GOAL To provide differentiated and relevant space.	**VALUE PROPOSITION** We offer tenants resource-efficient spaces relevant to their evolving needs, and our differentiators – people centricity, technology, and environmental efficiency – are at the forefront of our offering.

VALUE WE RECEIVE

- Compliance with lease terms, including timeous payments
- Tenant growth and retention through lease renewals
- New tenants with innovative solutions to improve our service offerings
- Participation in our efforts to promote and enhance our buildings
- Joint sustainability partnerships and alignment of ESG initiatives
- Rental reversions minimised
- Service-based collaborations that harness mutual growth and value creation
- Partnerships that drive our shift towards a platform-centric business model

VALUE STAKEHOLDERS RECEIVE

- Quality spaces aligned with market trends, including renewable energy and wellbeing
- Market-related rentals
- An ethical and ESG-focused business partner
- Quality relationships, underscored by our emphasis on digital transformation and continuous business support
- Valuable insights into customer behaviour and robust marketing assistance in the retail landscape
- A commitment to service excellence, cemented by partnerships and platform integrations

Refer to page 62 of our ESG report for more information on key initiatives that engage our tenants.

Employees

QUALITY OF RELATIONSHIP

FY23	●●●●◐

Source of assessment
Employee engagement survey

Affected UN SDGs

3 Good health and well-being; 4 Quality education; 5 Gender equality; 8 Decent work and economic growth; 10 Reduced inequalities; 16 Peace, justice and strong institutions

How we engage

- One-on-one interactions between employees and line managers
- Internal communications through multiple platforms
- Employee engagement surveys, connect sessions and focus groups
- Employee rewards and recognition programme
- Performance reviews and exit interviews
- Engagement events
- Internal email campaigns
- Perception surveys
- Learning and development opportunities

What we want	What they want
GOAL To grow and inspire people who create and manage spaces for positive impact.	**VALUE PROPOSITION** Our employees have access to ongoing professional development and training, reskilling opportunities and market-related remuneration as part of our purpose-led business.

VALUE WE RECEIVE

- Engaged employees, nurtured by a culture of curiosity and a design-thinking mindset, drive our brand forward and deliver on our business strategy
- Employees who feel a sense of belonging in positive and productive work environments become advocates for Redefine
- Return on our human capital investment through learning and development
- Diversity of thought in the workforce strengthens sustainable decision-making and leads to innovative ideas

VALUE STAKEHOLDERS RECEIVE

- Flexible working environment, facilitating a balance between their professional responsibilities and personal needs
- Sustainable income coupled with a sense of purpose leading to personal fulfilment and satisfaction
- Access to learning, development and growth opportunities, amplified by a culture of curiosity that encourages individual and collective growth and exploration
- A focus on wellbeing and healthy workspaces

Key matters raised	Our response
Greater transparency with a focus on fair and market-related remuneration	▸ Enhancing the EVP and framework ▸ Employee benefit training sessions ▸ Annual benefits presentation
Workplace flexibility	▸ Flexible workdays, with three office days per week ▸ Flexible working hours, with core working hours between 9h00 and 16h00
Wellbeing and stress management	▸ Reviewing leave allocation ▸ Holistic employee wellness programme ▸ Maintaining a safe and healthy work environment

Refer to page 64 of our ESG report for more information on key initiatives that engage our employees.

SOCIAL AND RELATIONSHIP CAPITAL continued

Suppliers

QUALITY OF RELATIONSHIP

FY23 ●●●◐○

Source of assessment
Internal assessment

Affected UN SDGs

3 Good health and well-being; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure; 12 Responsible consumption and production

How we engage

- One-on-one meetings with procurement and facilities
- Supplier onboarding as required
- Annual supplier sustainability survey
- Service level agreement management and service delivery feedback
- Monitoring compliance to supplier code of conduct
- Email campaigns
- ESG and other related training
- A focused enterprise and supplier development programme
- Corporate website

What we want

GOAL
To be a responsible and compliant business partner, creating business opportunities and developing meaningful relationships.

VALUE WE RECEIVE
- Subscription and adherence to Redefine's supplier code of conduct
- Suppliers with strong transformation objectives and credentials
- Creating opportunities for a circular economy
- Converting suppliers to tenants
- Sustainable business partnerships that contribute to the economy and Redefine's financial success
- Brand ambassadors who represent us to our customers
- Providing environmentally friendly goods and services, allowing us to meet our sustainability objectives and maintain our Green Star ratings
- Enterprise and supplier development initiatives to enhance our supply chain

What they want

VALUE PROPOSITION
We create mutually beneficial partnerships with suppliers by delivering relevant, seamless services and creating circular supply chains.

VALUE STAKEHOLDERS RECEIVE
- Opportunities and partnerships that assist in growing businesses
- Fair opportunities and negotiation processes
- Responsible and compliant business partner
- Timely payments within clearly communicated standard operational procedures
- Innovative and sustainable procurement opportunities that create sustained value

Key matters raised	Our response
Cost savings and objective performance management	▶ Implemented phase one of the supplier rationalisation programme ▶ Continued review and improvement of supplier agreements ▶ Continued execution of supplier development and support initiatives for exempt SMMEs with preferential payment terms
Driving equity and inclusion	▶ Continued participation in the supplier development programme, Property Point, with an additional 15 participants onboarded in FY23 ▶ An additional enterprise development programme was started with Raizcorp to help grow 12 exempted microenterprises and six qualifying small enterprises in Gauteng, Klerksdorp, Polokwane and Mpumalanga ▶ Traffix Patrol enterprise development ▶ Ongoing engagement with non-compliant suppliers to improve their BBBEE performance ratings ▶ Continuous assessment of our current suppliers' BBBEE levels

Refer to page 71 of our ESG report for more information on key initiatives that engage our suppliers.

Property brokers

QUALITY OF RELATIONSHIP

FY23 ●●●◐○

Source of assessment
Broker feedback and surveys

Affected UN SDGs

3 Good health and well-being; 8 Decent work and economic growth; 9 Industry, innovation and infrastructure; 12 Responsible consumption and production

What we want

GOAL
To be our property brokers' preferred business partner.

VALUE WE RECEIVE
- Increase in the number of deals concluded
- Positive broker sentiment as reflected in surveys conducted, including a net promoter score (NPS)
- Brand awareness – ensuring that our marketing and engagement initiatives result in the Redefine brand being top of mind
- Strengthened partnerships aligned with our integrated strategy, focusing on mutual benefit to achieve sustainable long-term impact
- The attraction of high-quality tenants that align with our values
- Improved transformation of the broker sector

Key matters raised	Our response
Timely payment of commissions	▶ Our payment processes are streamlined to minimise delays
Time frames from lease deal origination to conclusion	▶ We continue to improve our processes to ensure our decision-making is quick and incentive programme structuring simple

What they want

VALUE PROPOSITION
We engage and support our property brokers by providing quality spaces, enhancing the ease of doing business, and providing them with the information they need to introduce quality tenants. This partnership creates mutual value for both parties.

VALUE STAKEHOLDERS RECEIVE
- Opportunities to foster business growth through strategic partnerships
- Timely payments on commissions earned
- An ethical business partner
- Ease of doing business
- Access to data to improve the leasing process
- Spaces that are easy to promote, deliver on tenants' needs, and keep up with the latest trends
- Equitable leasing mandate
- Market-leading incentive programmes

How we engage

- Email campaigns
- Biannual broker surveys and market surveys
- Pricing structure surveys
- REACH Incentive Programme
- Quarterly newsletter
- Annual digital magazine
- Monthly distribution of the vacancy schedule
- Corporate website
- One-on-one relationships with Redefine leasing teams
- Broker events

Refer to page 73 of our ESG report for more information on key initiatives that engage our property brokers.

SOCIAL AND RELATIONSHIP CAPITAL continued

Customers – shoppers

QUALITY OF RELATIONSHIP

FY23 ●●●●○

Source of assessment
External assessment – NPS survey

Affected UN SDGs

3 Good health and well-being; 8 Decent work and economic growth; 10 Reduced inequalities; 11 Sustainable cities and communities; 12 Responsible consumption and production

What we want	What they want
GOAL To provide a safe and enjoyable shopping experience that is integrated into the community.	**VALUE PROPOSITION** Shoppers have access to a safe and convenient retail environment that meets their needs.

VALUE WE RECEIVE

- Shopper support and growth, leading to increased market share and financial returns
- Increased footfall
- Participation in mall- and community-related initiatives
- Engagement and growth on social and digital platforms
- A high NPS (when conducting shopper surveys)

VALUE STAKEHOLDERS RECEIVE

- A relevant tenant mix
- Convenient location
- Active community participation and integration with the community
- Safe, clean and secure shopping experience
- A safe and convenient parking experience

How we engage

- Digital platforms, including Google ratings, retail websites, wi-fi platforms and social media, email, WhatsApp, SMS, Chatbots, monthly newsletters, and shopper engagement surveys (NPSs)
- On-site digital media, including LED screens
- Interaction with centre management and customer care centre
- Community meetings
- In-mall events and activations

Key matters raised	Our response
Shoppers demand a more convenient shopping experience	▶ Conducted surveys to understand shopper requirements concerning convenience and other key mall experience metrics ▶ Incorporated NPS into building strategies ▶ Centre upgrades and renovations
Customer satisfaction	▶ Enhanced NPS methodology with the ability to access and track data in real time ▶ Highlighted areas of focus for management intervention are safety and security, hygiene and cleanliness, a variety of shops, and parking experience
Tenant mix	▶ Market share research to identify tenant mix gaps ▶ Upgrading of essential services stores and increased exposure to value fashion
Demonstrate a commitment to improving the lives of shoppers as community members	▶ Integrating community members into all marketing initiatives ▶ Launch of Maponya Mall Community Hub (this is in addition to the hub already established at Matlosana Mall).
Safety and security	▶ Rationalisation of service provider outputs and enhanced collaboration with local police ▶ Parkade upgrades, including lighting and way-finding signage
Cleanliness	▶ Rationalisation of service providers that improved quality control

Refer to page 75 of our ESG report for more information on key initiatives that engage our shoppers.

Communities

QUALITY OF RELATIONSHIP

FY23 ●●●○○

Source of assessment
Internal assessment

Affected UN SDGs

3 Good health and well-being; 5 Gender equality; 6 Clean water and sanitation; 11 Sustainable cities and communities; 16 Peace, justice and strong institutions

What we want	What they want
GOAL To be a responsible community participant by positively impacting people's lives through sustainable and tangible impacts in our communities.	**VALUE PROPOSITION** Through our focused impact (SED) strategy, we prioritise the wellbeing and improved quality of life of our community members, fostering a sense of belonging. This is in line with our purpose and goal to transform lives. We provide our communities access to programmes that address systemic issues in innovative and sustainable ways, enabling them to unlock their potential.

VALUE WE RECEIVE

- Inclusivity and transformation
- Strong relationships with local communities
- Resilience and long-term future of our buildings

VALUE STAKEHOLDERS RECEIVE

- Employment and business opportunities
- Exposure to other enabling resources and opportunities to collaborate
- Improved environment in and around our spaces
- Better lives for community members

How we engage

- Research
- Surveys
- On-site teams
- Local media
- Social media and digital platforms
- Relationships with key community groups, including SED and community partners
- Red Thread initiatives

Key matters raised	Our response
Education	▶ Beyond Hawk Academy, the Maponya Mall Community Hub and the Matlosana Mall Learning Centre, we identify schools/educational organisations that require resource support through various campaigns and outreach initiatives ▶ Impacting at least 500 people through various campaigns/initiatives
Health and safety	▶ All our properties meet rigorous health and safety standards and are audited annually by an external company to ensure compliance with all health and safety legislation and standards
Socioeconomic factors	▶ We identify local employment seekers for new development projects and appoint a community liaison officer through the main contractor. This officer links us with the community, streamlines employment, and assesses skills for development to enhance local socioeconomic factors

Refer to page 77 of our ESG report for more information on key initiatives that engage our communities.

SOCIAL AND RELATIONSHIP CAPITAL continued

Analysis of EPP's stakeholders

In FY23, EPP developed a stakeholder importance matrix that considers the impact of each stakeholder group on EPP as well as their interest in EPP. The assessment was completed by EPP's management board and ESG director and considered both internal and external stakeholders. The assessment enabled EPP to categorise stakeholders as primary or secondary stakeholders.

For a more detailed overview of EPP's stakeholder engagement approach refer to page 82 in our ESG report.

Delivering transformational impact

We have implemented our impact framework – a strategic guide for effecting meaningful and sustainable change. Complementing this framework is an actionable impact plan that outlines explicit requirements necessary for the framework to drive effective and transformative change. Our objective is to ensure that social impact is woven into the fabric of our overall corporate strategy and for the different business units to coordinate and exponentially increase our impact on our key stakeholders.

Our framework and action plan serve as guiding tools that articulate these efforts and indicate the roadmap for further progress. We believe this integrative approach will substantially enhance our overall efficiency and effectiveness, fostering a more synergistic and impactful method to accomplish our business and social objectives. By doing so, we aim to drive substantial, tangible improvements for our stakeholders and society.

The principal objective of the impact framework is establishing a future-ready business over the long term, seamlessly integrated into our company strategy. This integration entails maintaining relevance within the evolving transformation landscape, creating a diverse and future-ready workforce, and fostering a digitally proficient company that actively contributes to value creation for key stakeholders. Concurrently, it ensures adaptability to changes in various regulatory requirements, including the Property Sector Code, corresponding requirements, and amendments to the Employment Equity Act, No 55 of 1998.

Our impact framework focuses on four areas

Digital impact	Human capital impact	Socioeconomic impact	Transformation impact

These factors drive us to consistently evaluate and rejuvenate our financial, corporate, and social investment strategies alongside people's capabilities. This proactive approach enhances our collective impact in line with our purpose to create and manage spaces in a way that transforms lives.

Refer to page 53 of our ESG report for more information on our impact framework.

Insight into our community involvement

Our SED strategy focuses on the communities surrounding our buildings and is underpinned by a demand or needs-driven approach. We utilise 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 implementation of the strategy is segmented into flagship, non-flagship and *ad hoc* projects.

An additional but essential part of our strategy is to ensure our employees participate in the implementation of 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.

A summary of our five-year SED strategy includes the following outcomes and initiatives:

Objectives	Strategic focus area
We believe that we best serve the communities surrounding our buildings with SED 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	Driven by innovation to ensure scalability and replicability, we focus on four strategic focus areas for SED: ▶ Skills development ▶ Youth development ▶ Community development ▶ Environmental awareness These focus areas are crucial to creating a positive legacy for our communities.

Further details of our five-year SED strategy can be found on our website.

Kenilworth Centre rooftop garden, Western Cape, South Africa

Responsible corporate citizenship in action

In pursuit of our mission pathways, we align our operations and strategies with the utmost respect for inalienable human rights and our stakeholders' health, safety and wellbeing.

Respecting human rights

Our commitment to promoting and upholding human rights is unwavering and multidimensional. The board approved a comprehensive human rights policy in February 2022, which aligns with globally recognised principles such as the Universal Declaration of Human Rights, the International Bill of Rights, and the Ten Principles of the UNGC. This policy, accessible on our website, emphasises our dedication to safeguarding the right to freedom of association and eradicating forced or compulsory labour. We also require that our suppliers adhere to human rights standards through our supplier code of conduct, which is publicly available. Our human rights policy applies to all Redefine employees.

Prioritising health and safety

We are committed to protecting and enhancing our stakeholders' wellbeing. While the board is ultimately responsible for overseeing the health and safety of our business activities, it is a priority for us as a business. 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.

While our health and safety strategy is not aligned with ISO principles, it does encompass the pertinent provisions of the Occupational Health and Safety Act, No 85 of 1993. The strategy applies to 100% of our employees and 100% of our South African portfolio.

Refer to page 84 of our ESG report for more information on responsible corporate citizenship.

INTELLECTUAL CAPITAL

In a world increasingly marked by technological disruptions, climate change and social instability, embracing integrated thinking is more crucial than ever. Harnessing the power of technology equips us to respond adeptly to the ever-shifting challenges of the present while robust governance anchors our long-term strategy.

What intellectual capital means to Redefine

Intellectual capital is what distinguishes our business and drives its sustainable growth. It encompasses the broad knowledge and capabilities intrinsic to our organisation and is distinct from human capital in that it can be reproduced and shared. It also includes our long-term journey to digitalise our internal processes, operating architecture, and overall service offerings.

How intellectual capital supports our value-creation goals

We understand that economic value is not solely based on our tangible assets that generate income. It also depends on how efficiently we use these assets to create maximum value while adhering to our core purpose and meeting the expectations of our stakeholders. We must rely on our intellectual capital to turn our properties into a service. This transformation aims to enhance the experience for our tenants and improve their interactions with us.

Materiality

We identified material matters that impact our intellectual capital and grouped them under relevant themes.

Material themes	Material matters	Managing these matters	Page
BMA Business model adaptability to the rapidly evolving context	▶ Digitalisation (including cyber resilience) ▶ Innovation and agility (including responding to disruptive technology) ▶ Providing properties relevant to users' evolving needs	Future-proofing our business and asset platform	82
HGR Heightened demands of governance and regulatory compliance	▶ Governance and ethics ▶ Regulatory compliance	Striving for best practice governance	82
ERB The evolving role of business in creating a prosperous and sustainable society	▶ Ensuring effective ESG strategies and implementation ▶ Effective stakeholder engagement and collaboration	Embedding ESG throughout the business	82
MBG Managing for long-term business growth	▶ Ensuring business continuity in an evolving operating context ▶ Optimising the EPP business	Embedding ESG throughout the business	82
		Future-proofing our asset platform and business	82

KEY OUTCOMES

- Enhanced tenant app for the EPP portfolio
- Developed single stack websites for multiple retail properties
- Advanced our ESG strategy through collaboration with key stakeholders, especially tenants and suppliers
- Achieved a digital ratio of 23.0% in FY23 for our South African operations (FY22: 14.5%)
- Recognised as leaders in integrated reporting, demonstrating our leadership in integrated thinking, reporting and transparency
- An appropriately skilled, diversified and independent board
  100% of non-executive directors are independent
  50% of our board is female | 60% of our board is ACI

LOOKING BEYOND

Our intellectual capital is crucial to achieve long-term goals by fostering innovation, accelerating new data and digital platforms, and creating smart, sustainable spaces.

IS	OC	ET
Provide solutions to evolving user needs	Intensify efforts to retain and attract tenants by offering compelling value-added services	Build a culture of innovation and exploration through our future-ready skills training programme
Reduce reliance on municipally supplied utilities through innovative solutions	Achieve operational excellence in all aspects of what we do by accelerating digital transformation	

Short- to medium-term priorities page 39

Contributing to our mission	UN SDG commitments
Enabling our people, through technological advancements and data, to ultimately enhance the quality and performance of our service offering, with a primary focus on pivoting the tenant servicing model and transforming the experience	9, 11
Being a catalyst for good to differentiate Redefine from its competitors and align with stakeholder value expectations	4, 8, 9
Continuing development of our people by fostering a culture of curiosity and a design-thinking mindset to evolve and grow our business by fundamentally transforming how it creates value across the stakeholder spectrum	4, 8, 9

Long-term priorities (present to FY30) page 39

INTELLECTUAL CAPITAL continued

Entrenching INTEGRATED THINKING

We know our strategic choices today will have long-term consequences. Therefore, we consider our impact on all six capitals, striving to make a positive impact wherever possible.

INTEGRATED THINKING

Real estate is a long-term asset class that requires a long-term strategy. Our approach therefore considers market cycles, risks, opportunities, and the interconnectedness of our available capital. We also consider any trade-offs associated with our strategic choices and create objectives and action plans for the short, medium and long term. Additionally, we are committed to integrating ESG principles into our operations. (For more information, see the discussion within this section on embedding ESG throughout our business.)

Refer to page 9 for a deeper understanding of our integrated approach to business.

Striving for best practice governance

Establishing and maintaining trust with our stakeholders is crucial to creating long-term value. This can only be done by making governance an integral part of our business strategy. Therefore, our approach to governance and leadership forms part of our intellectual capital and supports our overall value-creation process.

Redefine's governance structures and processes enable effective controls and support ethical leadership development. Our commitment to ethical business practices is evident in our internal policy framework that firmly embeds ethics in all our operations. Additionally, we expect our suppliers to follow our code of conduct, which mandates implementing good governance practices in their operations.

Refer to governance on page 13 and our ESG report for more information on how we create value through our governance processes.

Galeria Veneda, Łomża, Poland

INTEGRATED THINKING driving our strategic priorities

A siloed approach to thinking is not sustainable in today's complex and rapidly evolving business environment. Integrated thinking has emerged as the cornerstone for forward-looking organisations, weaving together disparate strands of strategy, governance, performance and prospects. It fosters a holistic view of the business landscape and empowers organisations to align their strategic priorities seamlessly. By championing integrated thinking, we position ourselves to anticipate challenges, unlock innovative solutions, and ensure sustained growth in an interconnected world.

Our strategy is an integral part of our intellectual capital and key to addressing the resilience of our business model in a rapidly changing context. Our rigorous and inclusive annual strategic review process considers the risks and opportunities connected to our broader operating context and how these impact our investment decision-making, leasing strategies, the deployment of capital expenditure, and the management of our day-to-day operations. These processes ensure we deliver against this strategy to create value for ourselves and our stakeholders – now and in an increasingly uncertain future.

Embedding ESG throughout our business

In the face of a rapidly transforming global landscape, ESG considerations have become fundamental drivers of long-term value and resilience. Recognising their pivotal role, we have intricately woven ESG principles into the fabric of our operations and strategic planning. By embedding ESG throughout our business, we aim to foster sustainable growth, ensure responsible governance, and make a meaningful societal impact while safeguarding our planet for future generations.

Our ESG strategy is guided by the UN SDGs and outlines our objectives for 2030. It establishes high-level targets for incorporating ESG considerations into our investment decisions, day-to-day operations, and stakeholder interactions. To achieve our ESG goals, we leverage our intellectual expertise to research and develop innovative solutions within our portfolio, enabling us to manage and mitigate various environmental and social risks.

The strategies support the mitigation of sustainability-related risks, and the pursuit of related opportunities is incorporated into our ESG strategy, which, in turn, is incorporated into our annual board strategy.

The board is conscious of and active in its role of aiding the achievement of the UN SDGs. Our goal and target-setting processes define frameworks to monitor and evaluate performance against set UN SDG linked targets. Group-level ESG targets and incentives are in place to ensure that executives and members of senior management are appropriately motivated to pursue our ESG objectives, particularly those that enable access to capital (for example, Green Star certifications or the sustainability-linked bond KPAs). Target setting is overseen by the executive committee and incorporated into performance incentives by the executive directors and the CPO, with ultimate oversight by the SET and REM, as set out on page 47 of this report.

These are measured against our strategic priorities, using meaningful KPIs that apply across the organisation. Moreover, we apply an asset-level due diligence process to all developments, acquisitions and disposals in South Africa, as well as to all standing investments. Critically, this process allows for the assessment of asset-level ESG initiatives and determining whether they are sufficient to respond to asset-specific ESG risks and opportunities. Our ESG due diligence process is informed by rating agencies' reports and the Sustainability Accounting Standards Board (SASB) standards.

Future-proofing our business and asset platform

Mobilising digital transformation is central to delivering the Redefine of tomorrow and is a core element of our future intellectual capital. We are currently on a journey to digitalise our business, targeting a greater than 50% digital ratio by FY30.

We embed ICT governance standards throughout our organisation and ensure that we align ICT services and infrastructure with current and future business needs while maintaining an adequate, effective and agile operational management level. Our internal digital transformation hub drives this process at management level, and the RCT provides oversight.

Redefine's ICT standards and guiding principles align with our objectives and goals. The ICT strategy is designed to help us deliver the most relevant, secure business-effective model and a better end-user experience. Our ICT strategic approach is anchored in embracing technology advancements and thinking differently about the core of our business model. This approach is a catalyst for creating exceptional tenant and employee experiences and enables us to blend people competencies with new data and technology capabilities.

INTELLECTUAL CAPITAL continued

	Tenant journey	Smart building journey	People journey
Business value-add	Transforming the client experience ▶ Reimagine the tenant experience ▶ Measure customer centricity ▶ Pivot the servicing model towards self-service	Delivering smart buildings through the internet of things ▶ Smart, connected buildings ▶ Buildings operating efficiently ▶ Insights to drive and accelerate ESG opportunities	Blending human potential with technology ▶ Amplify human potential ▶ Optimise talent management ▶ Reimagine the EVP
FY23 highlights	▶ Lead generation ▶ Tenant portal enhancements ▶ Digitised offer-to-lease	▶ Trend analysis of metered data ▶ Centralised per property operational static data	▶ Employee self-service enhancements ▶ Streamlined enterprise content management

Enabler

Core environment

Data platform	Leasing	Human resources and payroll	Governance	Workflow/ automation	Facilities management

Enterprise architecture

Targets and performance

Base digital ratio FY20	Digital ratio actual FY23	Digital ratio target FY30
5.1%	23.0%	> 50%

Our ICT strategic drivers

FY23	FY24
Deepen our data and analytics capabilities	Data and analytics will be a key driver of business value
Establish a flexible, scalable and productive baseline enterprise data platform	Deep machine learning will provide our decision-makers with relevant insights
Digitalise core processes to measure and improve efficiency	Embed technology into our operations to create value for users
Shift our digital ratio by prioritising and delivering digital capabilities with high operational impact and demonstrable return on investment	Explore emerging technologies, such as AI and Chat GPT, to unlock new opportunities

Building a smart portfolio

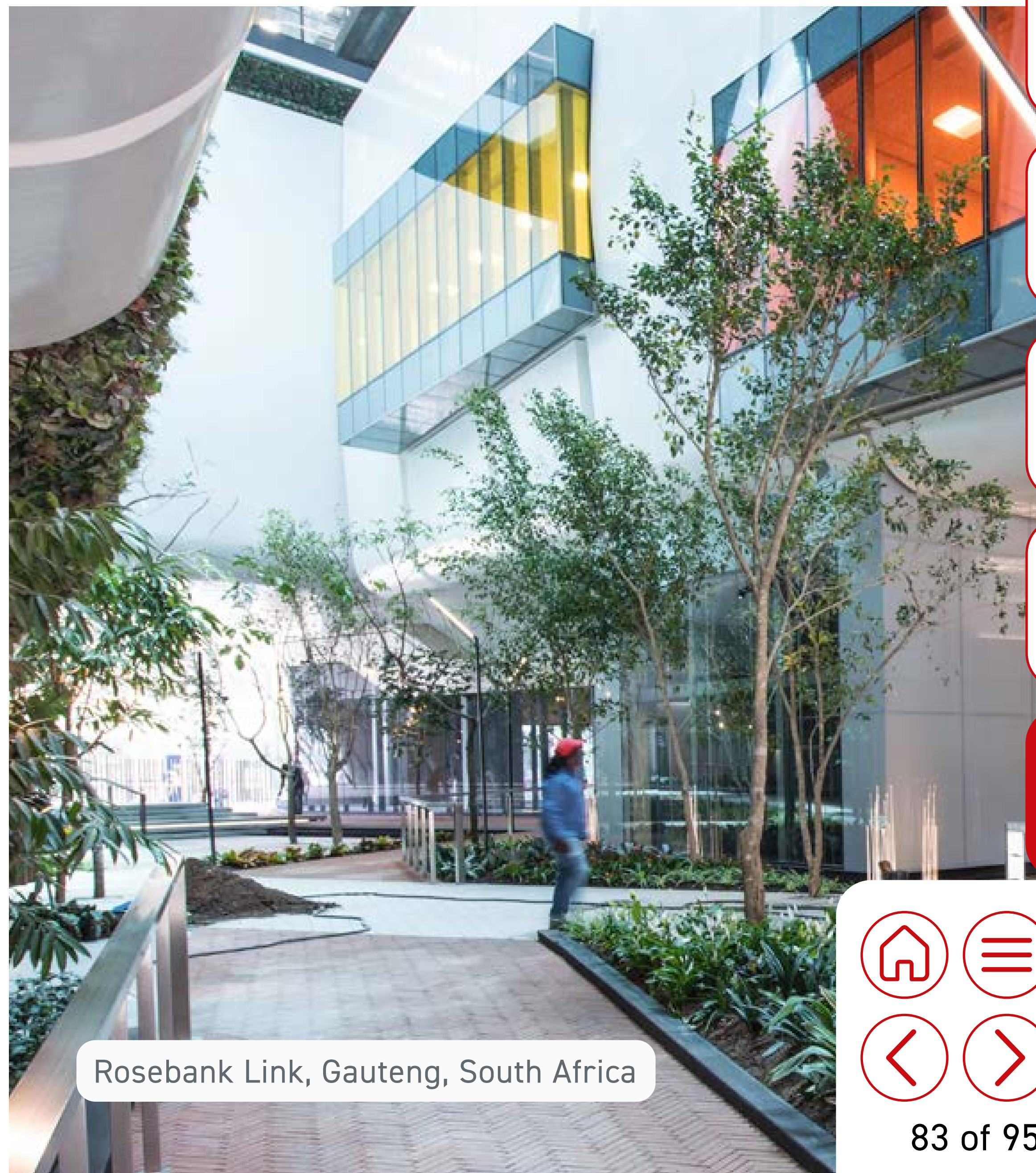
We have made significant strides in future-proofing our asset platform, including:

- **Developing a holistic smart building strategy:** We have finalised our smart building strategy and moved to the execution phase to create a data-enabled business
- **Progressing data management:** We have implemented our data platform, allowing for data consolidation and management. Data is added as requirements are prioritised
- **Prioritising ongoing infectious disease management**: Indoor air quality moved to the forefront during the pandemic as, in addition to airborne disease management, air quality influences the health and wellbeing of building occupants. We are piloting a digitally enabled air quality management process and focusing on touchless interfaces to minimise risk
- **Furthering our energy management automation:** We have installed 10 243 electricity meters (both smart and manual) across the South African portfolio, and we are testing the automation of energy monitoring and management. This is essential to our ability to identify energy-inefficient buildings and thereafter reduce energy consumption, saving costs for ourselves and our tenants while reducing our carbon footprint
- **Driving self-service models:** We are pivoting towards self-service models where our responses to tenant enquiries are automated and pre-filled with the information provided during their search to ensure an always-on solution for tenant convenience
- **Creating digital twins:** We aim to build detailed virtual models, or 'digital twins', of our properties. These digital models will help us plan more effectively and make better decisions by providing a real-time look at how our buildings are being used and how they are performing. We are also implementing a facilities management system to ensure proactive and efficient management of assets in our properties

Entrenching innovation as part of our DNA

To stay relevant in today's rapidly changing business context, we need to foster a culture of innovation and exploration. We have therefore embedded this element as a strategic pathway to remain competitive. We have established a company-wide idea-logging channel where all employees can collaborate to drive innovative strategic execution. We encourage the experimentation, creativity and flexibility that promote innovative thinking while managing risks within our agreed-upon appetite. We have adopted a design-thinking approach to solving problems.

To ensure appropriate oversight and governance of our process to embed innovation into our business, the RCT supports the business in reviewing, advising and approving all aspects of ICT and digitalisation, including, but not limited to, governance, strategy, operations and significant risks.



Rosebank Link, Gauteng, South Africa

NATURAL CAPITAL

Climate change and resource scarcity concerns have driven governments, investors and consumers to prioritise sustainable practices. We acknowledge the crucial role of environmental sustainability in the real estate sector and are committed to sharing our strategic approach with our stakeholders.

What natural capital means to Redefine

Our natural capital comprises the resources we use at each critical stage of the building life cycle, including renewable and non-renewable environmental resources.

How natural capital supports our value-creation goals

Natural capital is integral to value creation. As such, preserving it is a business imperative. We strive to understand our critical environmental focus areas (reflected to the right) and understand our impact, limit any adverse effects, create awareness, and influence positive behaviours among our stakeholders.

OUR ENVIRONMENTAL FOCUS AREAS

Climate change resilience	Carbon footprint	Energy	
Water	Waste	Green buildings	Biodiversity

Refer to our ESG report and CRR for detailed reporting on our approach and performance across these focus areas.

Materiality

Through a materiality determination process, we identified the following matters as material to our natural capital. Each matter is grouped under a relevant materiality theme.

Material themes	Material matters	Managing these matters	Page
GSF Impact of geopolitical and socioeconomic factors on the cost of capital and growth	▶ Government policy uncertainty ▶ Infrastructure and administrative delivery	Our energy strategy	87
		Our water strategy	89
		Our waste management strategy	89
ERB The evolving role of business in creating a prosperous and sustainable society	▶ Climate change resilience ▶ Energy management in the face of the global energy crisis ▶ Water security ▶ Waste management	Driving behavioural change through engagement	85
		Climate change and resilience	86
		Our water strategy	89
		Biodiversity	90
		Our waste management strategy	89
BMA Business model adaptability to the rapidly evolving context	▶ Business model resilience	Our green building journey	90
HGR Heightened demands of governance and regulatory compliance	▶ Regulatory compliance	Alignment with international best practice standards and frameworks	85

KEY OUTCOMES

- **3.6%** increase in Scope 1, 2 and 3 emissions (FY22: 7.8%)
- To achieve efficient waste management, we have consolidated waste services from eight to three service providers
- **11.3%** reduction in total electricity demand (FY22: 21.8%)
- **17.4%** increase in installed renewable energy capacity* **35MWp** (FY22: 29.8MWp)
- **Three** buildings submitted for a WELL Health and Safety Rating
- **Three** submissions for net zero operational carbon certifications (FY22: Three)
- **43%** of portfolio covered by internal waste management initiatives (FY22: 39.0%)
- **129** energy performance certificates (FY22: 103)
- **7.9%** reduction in water withdrawn from municipal and groundwater (borehole) sources
  Municipal: **2 142ML** (FY22: 2 286ML)
  Groundwater: **432ML** (FY22: 478ML)
- **186** Green Star SA certifications (FY22: 160)
- **83.3%** BREEAM certifications in our core Polish portfolio

* *Figures exclude installed capacity at Mall of the South*

NATURAL CAPITAL continued

LOOKING BEYOND

To be a catalyst for good and achieve our UN SDG commitments, we must carefully manage our impact on natural capital. We continue to embed ESG into everything we do, embrace and foster stakeholder collaboration, and extend the reach of our green initiatives.

OE

Optimise operational efficiency

Embed compliance and risk management

GR

Implement multipronged and sustainable energy, water and waste solutions to reduce reliance on grid-supplied energy, municipal water and waste services

Further integrate ESG into our stakeholder relationships

Incorporate climate risk and opportunity management into every strategic choice

Short- to medium-term priorities page 39

Contributing to our mission	UN SDG commitments
Delivering on our net zero ambitions	6, 7, 9, 11, 12, 13, 17
Creating smart and sustainable spaces by focusing on resource efficiency and collaborating with our tenants to reduce energy demand in their spaces	6, 7, 9, 11, 17

Long-term priorities (present to FY30) page 39

Our approach

We believe that it is crucial for us to have a positive impact on our natural capital. To achieve this, we have developed a clear approach to identifying, managing and measuring our progress across our environmental focus areas. Our ESG strategy guides this approach with individual policies, strategies and accountability frameworks that support each key environmental focus area. Furthermore, we aim to identify and manage our climate risks and opportunities and take action in areas that require improvement. By doing so, we become advocates for responsible environmental stewardship in the areas where we excel while measuring our impact on the natural environment.

Our approach comprises

- Our ESG strategy
- Stakeholder engagement, particularly with our tenants
- Identifying and mitigating our environmental risks and opportunities
- Embedding our climate risk framework, including the results of our FY23 scenario analysis
- Measuring our impact through selected metrics and targets
- Alignment with international best practice and standards

Driving behavioural change through engagement

Our approach to creating value is centred around our stakeholders. We strive to understand their needs and take actions that positively impact long-term sustainability, including effective environmental stewardship. By integrating ESG into our stakeholder engagement strategy, we can raise awareness and ensure that the negative environmental impact of any products and services provided to us are mitigated appropriately.

ENGAGEMENT

Understand impact	Awareness and response	Influence behaviour

Tenant engagement in focus

We finalised our green lease frameworks for the retail, office and industrial sectors during FY23. We are actively discussing these green lease frameworks with several tenants to start embedding sustainability into leasing negotiations in the medium term. From FY25 onwards, we aim to incorporate the green lease addendum into at least 5% of new commercial, retail and industrial sector leases. Pleasingly, tenants and brokers showed increased interest in understanding the sustainability features and performance of our assets during FY23.

With the assistance of the GBCSA, we have made strides in implementing general and facilities management-related ESG training for employees. Tenant and broker ESG training sessions are also being finalised for implementation in FY24. These sessions will provide information on the Green Star SA existing building performance tool and how we calculate and manage carbon emissions as well as awareness around green leases.

In our Polish retail portfolio, we are in the process of negotiating green leases with interested tenants, and EPP regularly communicated information on on-site ESG initiatives to tenants during FY23. Our communications included simple guidelines aimed at improving their performance. We have also introduced an incentive for tenants in our retail centres to replace their in-store lighting with LED lighting, helping them reduce their energy consumption in an increasingly regulated operating environment while reducing our EPP Scope 3 emissions.

Alignment with international best practice standards and frameworks

We continuously advance our efforts to adopt and align with industry-leading frameworks and standards. By aligning our strategy with contributing towards one or more of the UN SDGs, we help respond to the UN's call to protect the planet and actively promote the just transition. Committing to these guidelines and other frameworks strengthens our ability to effect positive change through collaborative efforts across companies, industries and countries by providing them with decision-useful and consistent environmental information. Our incorporation of IFRS S1 and S2 is set out on page 14 of our ESG report and (in the case of S2) on page 28 of our CRR. EPP will gradually align its reporting with the Corporate Sustainability Reporting Directive, European Sustainability Reporting Standards (ESRS) and EU Taxonomy reporting requirements. These steps align with the increasing requests from regulators and investors for easily tracked and quantifiable reporting.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 17 PARTNERSHIPS FOR THE GOALS

NATURAL CAPITAL continued

UN SDGS

We have identified our primary and secondary UN SDGs (those areas of business or society where we can make the most significant impact)

EPP's ESG strategy aligns with the UN SDGs that are most relevant to their operating environment

We have updated our measures and targets through our KPA framework to focus on quantifiable impact

IFRS S1 AND S2

Building on the work undertaken in the past to align our reporting practices (where possible) to SASB and TCFD, we are taking a measured approach to implementing the IFRS S1 and S2, progressively incorporating the ISSB guidelines (which encompass the TCFD recommendations and SASB Standards for Real Estate and Infrastructure).

EPP has published a CRR that incorporates the principles of TCFD and the relevant portions of the European Sustainability Reporting Standards (ESRS) and EU Taxonomy

UNGC

Remained a formal signatory to the UNGC (our annual communication on progress will be available on the UNGC website in early 2024)

Participated in several UNGC programmes to strengthen the ability of the business to incorporate international best practice

JSE SUSTAINABILITY DISCLOSURE GUIDELINES

Released in June 2022, we are taking steps to incorporate the JSE's guidance into our external reporting.

Our ESG data book sets out the relevant metrics from the JSE Sustainability Disclosure Guidance and is available here.

CLIMATE CHANGE AND RESILIENCE

We acknowledge that climate change is not a remote possibility but a significant risk that demands our attention. We also recognise that our operations within the built environment can have negative environmental impacts, including energy consumption, carbon emissions, water usage and waste generation, which must be adequately managed.

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. We also encourage the development of real estate building codes and standards to meet the demand for climate-resilient building design. Our climate risk management processes consider our properties' life cycles when assessing future environmental impacts. Therefore, from initial acquisition or development to disposal, we ensure that our management approach considers our environmental goals and mitigates our climate-related risk exposure.

For more information in this regard, please see page 34 of our ESG report as well as our environmental supplement available on our website.

6 CLEAN WATER AND SANITATION | 7 AFFORDABLE AND CLEAN ENERGY | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 11 SUSTAINABLE CITIES AND COMMUNITIES | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 17 PARTNERSHIPS FOR THE GOALS

Our objective: Mitigate adverse effects while enhancing positive contributions

Achieved by:

- Aligning with industry **best practice**
- Engaging with internationally recognised **frameworks and standards**
- Identifying and quantifying **the impact our business activities and value chain have on the environment**
- Exploring **innovative approaches** to gradually reach net zero carbon, water and waste targets
- Assessing the **financial impacts** of climate change-related risks on our ability to create long-term value in various **climate scenarios**

Refer to our CRR for more information.

Forging the path to net zero

To address the environmental crisis, we have set ambitious targets to align our business with a 1.5°C climate scenario. We aim for all new buildings to achieve net zero operational carbon by 2030 while actively working to ensure that existing buildings reach net zero operational carbon by 2050. These targets embody our determination to proactively mitigate climate change and foster a sustainable future.

PHASE 1

Short-term portfolio-wide milestone targets (year on year) South Africa only

- Renewable energy capacity installations: 3MWp
- Reduction in water withdrawn: 70ML reduction
- Waste reduction: 5% reduction in waste to landfill
- Adhere to boundaries of net zero commitment (geographical boundaries, approach to landlord and tenant emissions, and embodied carbon)
- Converting selected buildings to net zero carbon/water/waste as a pilot (from FY23 onwards)

2025 goal: Three-year (science-based) targets for the reduction of Scope 1, 2 and 3 GHG emissions (year on year) South Africa only

- South Africa: 21% reduction in Scope 1, 2 and 3 GHG emissions (from 2019 baseline)
- EPP: 13 500 tCO_2e reduction in intensity of Scope 2 emissions

PHASE 2

Key focus areas

- We have defined the boundaries of our net zero commitment (i.e. geographical boundaries, approach to landlord and tenant emissions and embodied carbon)
- Continue to convert selected buildings to net zero carbon/water/waste following our successful pilot certifications
- Conduct an analysis throughout 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 be converted to net positive carbon/water/waste (in the long term)

PHASE 3

2030 goal

- All new buildings are net zero
- South Africa: 42% reduction in Scope 1, 2 and 3 emissions
- EPP: 50% reduction in Scope 1 and 2 and 30% reduction in Scope 3 (category 13) emissions

PHASE 4

2050 goal

- All existing buildings are converted to net zero
- South Africa: 90% reduction in Scope 1, 2 and 3 emissions
- EPP: 93% reduction in Scope 1, 2 and 3 (category 13) emissions

NATURAL CAPITAL continued

CARBON FOOTPRINT REPORTING

We set ambitious carbon emission reduction targets to manage emissions from operations under our direct control and thus reduce the erosion of society's natural capital, which is already severely constrained and rapidly deteriorating due to climate change. Our approach includes initiatives to increasingly use renewable energy sources such as solar PV plants.

Our FY23 carbon footprint assessment accounts for emissions from operations under our direct control for Scope 1 and 2. This year, we are increasing our coverage on Scope 3 emissions by including category 15 emissions from our investments. These are investments that are not under our direct operational control within the South African portfolio. The emissions are prorated in line with the size of our relative shareholding in the assets. Due to the relatively small portion of our portfolio comprising investments, this has not materially affected our Scope 3 emissions. This inclusion will only apply from FY23 onwards, and the carbon footprint assessments from previous years will not be adjusted to include category 15 emissions. Furthermore, only electricity and water-related emissions will be disclosed for category 15 investments. From FY24 onwards, we will disclose the emissions from diesel generators, refrigerants and waste, provided the data becomes more readily available.

Year	SCOPE 1 Direct emissions (tCO_2e)		SCOPE 2 Indirect emissions (tCO_2e)		SCOPE 3 Indirect emissions (tCO_2e)	NON-KYOTO GASES
2023	20 937	+	28 146	+	491 869	2 208
	3.87%		5.2%		91%	
			= 540 952			
2022	4 458	+	33 261	+	484 224	1 352
	1%		6%		93%	
			= 521 942			
2021	3 265	+	34 300	+	528 676	1 547
	0.6%		6.1%		93.4%	
			= 566 354			

Total tonnes of carbon dioxide equivalent (tCO_2e)

2023 vs 2022 % change			
370%	-15.4%	1.6%	63.3%

Total tCO_2e emissions (Scope 1, 2 and 3) = 3.6% increase

OUR ENERGY STRATEGY

Our energy strategy aims to implement alternative and/or renewable energy sources and reduce consumption, especially in energy-intensive buildings. In our pursuit of energy efficiency, we constantly explore opportunities to reduce overall consumption across our three focus areas.

REDUCING OUR CONSUMPTION OF ENERGY FROM THE NATIONAL GRID

The locus of our energy management strategy is energy efficiency as the energy demand of our assets determines the specifications of our per-building renewable and standby energy solutions. As environmental legislation evolves, the minimum energy efficiency levels that all buildings have to meet may be prescribed by regulation regardless of whether the energy is sourced from on-site renewables or the power grid.

ASSISTING OUR TENANTS IN REDUCING ENERGY CONSUMPTION AND COST

We actively support our tenants in their energy efficiency efforts as this contributes to reducing our Scope 3 emissions.

FOCUSING ON IMPROVING RENEWABLE ENERGY GENERATION FOR SELF-USE AND MONITORING THE PACE OF ENERGY LIBERALISATION IN SOUTH AFRICA

Our approach involves the use of on-site embedded solar PV installations, which effectively reduce our bulk demand from the national grid. In addition, we are also taking advantage of off-site wheeling opportunities, although this is a developing field with multiple challenges.

We are exploring additional renewable energy storage solutions where feasible.

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 include

- Embodied carbon
- Life-cycle emissions

NATURAL CAPITAL continued

ABSOLUTE ELECTRICITY CONSUMPTION (MWh)		
FY23	421 530	11% decrease
FY22	425 205	

SCOPE 2 LIKE-FOR-LIKE ENERGY CONSUMPTION (MWh#)		
FY23	26 535	9.1% decrease
FY22	26 543	

Excludes acquisitions, disposals and developments

We achieved a combined energy reduction of 55 011MWh (FY22: 54 070MWh) through optimisation and renewable energy projects – a 17.4% increase from FY22. EPP's energy consumption is set out in their ESG report.

Bolstered by the introduction of our climate risk framework, we are actively implementing efficiency-first principles (instead of focusing solely on renewable energy) to reduce our consumption of all sources of energy. Our approach to reducing carbon emissions aligns with global best practice principles regarding net zero carbon.

THE GROWING IMPERATIVE OF RENEWABLE ENERGY

Solar energy is currently one of the cheapest and most sustainable ways to generate clean electricity while providing favourable financial returns. Solar PV installations also relieve pressure on a severely strained power grid by reducing our reliance on the communal power supply. Our solar PV programme remains a critical enabler in our long-term journey to achieve net zero carbon status for our portfolio.

Our solar PV fleet generated **8.8%** of our total energy demand, producing **42.4MWh** in FY23, equating to supplying electricity to more than **6 111 households**

Total capacity of **34.6MWp** (FY22: 29.8MWp) (excluding Mall of the South) (**8.8%** of energy use, with an **11.9%** increase in installed renewable energy capacity)

Solar PV plants under construction, with a capacity of **21.2MWp**

Our solar PV fleet generated **8.8%** of total grid requirements (FY22: 10.7%)

* Figures include installed capacity at Mall of the South

As we exhaust our viable rooftop capacity for solar PV installations, our ability to access further renewable energy opportunities through wheeling will become increasingly dependent on municipal cooperation. We therefore continue to explore opportunities in the wheeling and energy trading space to increase potential revenue streams from renewable energy and secure renewable energy for our buildings at more affordable rates that help reduce our carbon emissions. For example, we are participating in the City of Cape Town wheeling pilot project. This entails the construction of a 5.7MWp solar PV plant on the Massmart distribution centre roof, with energy wheeling to selected Redefine-owned offtaker sites.

From an EPP perspective, we purchase green certificates as part of our energy management strategy, which allows us to source renewable energy from different sources, including off-site solar PV installations and wind farms.

Golden Walk, Gauteng, South Africa

NATURAL CAPITAL continued

OUR WATER STRATEGY

With a strong focus on ensuring the security and reliability of our water supply, we have developed a water strategy for our South African portfolio that encompasses various measures. Our strategy prioritises the use of water-efficient building equipment, followed by the implementation of water harvesting, treatment and storage facilities where feasible and in accordance 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 determined by, among other factors, tenant and visitor behaviour at our properties. To encourage responsible water use, we are improving our engagement with these stakeholders on the types of water-efficient technologies used at our buildings, over and above existing initiatives in Green Star SA certified buildings. Our smart management approach to water-use efficiency starts with regular equipment maintenance and continuous measurement to enable early leak detection. As a result, in FY23, our total water withdrawn reduced by 6.3% (FY22: 0.41%).

WATER FRAMEWORK

Measurement

Security and safety of supply
- Water harvesting, recycling and storage
- Influence and engagement
- Groundwater and greywater treatment facilities
- Green Star SA certifications

Water-use optimisation

Installation of water-efficient equipment and facilities
- Smart management
- Leak detection
- Automatic shut-off valves
- Targeted equipment replacement

Metering and early leak detection systems

Total water withdrawal (kl)	Total municipal water withdrawal*	Total withdrawal from groundwater sources
FY23	2 142 787	40 320
FY22	2 286 394	47 836
FY21	1 993 620	60 638

Like-for-like comparison*	% increase/ decrease	kl	Kl/GLA
FY23	-9	1 984 930	0.58
FY22	3	2 184 075	0.61
FY21	-9	2 114 046	0.58

** Like-for-like comparison excludes extrapolated data, acquisitions, disposals and developments, and values shown for the FY22 reporting period may differ from values shown in the previous year's report*

OUR WASTE MANAGEMENT STRATEGY

Waste management strategy

Internal waste management	Measure and categorise	Influence behaviour	Reduce production	Increase recycling

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. We must manage the waste generated at our properties responsibly and influence tenant behaviour to promote responsible consumption and production in their operations. Similarly, we encourage our suppliers to responsibly manage how they approach waste and consumption, including pollution and the use of hazardous materials. By reducing the use of single-use items, particularly plastics, we raise awareness and effectively decrease waste production.

From a development perspective, 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.


2 Pybus Road, Gauteng, South Africa

NATURAL CAPITAL continued

OUR GREEN BUILDING JOURNEY

Our green building programme serves as a vital component of our journey towards net zero. In alignment with the C40 Cities climate change mitigation efforts pledged by the cities of Tshwane, Ekurhuleni, Cape Town, eThekwini and Johannesburg (where most of our assets are located), we are committed to achieving net zero operational carbon emissions for new builds by 2030 and for existing buildings by 2050. Likewise, several of EPP's properties in Poland are located in Warsaw, which is a C40 City.

We drive our green building goals by setting targets to achieve Green Star SA certifications and participating in the Morgan Stanley Capital International Global Green Building Index.

We strive to use building materials sustainably and encourage our tenants to do the same. Our cradle-to-grave approach to our assets includes life cycle impact assessments, reduces carbon emissions during the operational life of the building, explores circularity principles, and will also include the embodied carbon of our activities and materials during construction.

Green buildings

186 **Green Star SA certifications** (FY22: 160)	**54%** **of total GLA certified**	**10** design certifications **Five** as-built certifications **168** existing building certifications **One** interior certification **One** industrial custom **One** public and education building

BIODIVERSITY

As we progress in our understanding of our reliance on nature, we become increasingly aware of the impact of our activities, especially in construction and fit-outs, on the extraction of resources directly from nature.

Our approach to protecting biodiversity includes

Before embarking on new developments, we conduct thorough due diligence assessments to safeguard vulnerable species and sensitive ecological systems on the designated land. Furthermore, our biodiversity strategy is intricately linked to our water strategy, especially within our landscaping practices. By replacing impermeable surfaces, bare ground, and weed-infested areas with native plants, we ensure that our landscaping efforts positively impact biodiversity and water conservation.

Furthermore, we actively explore innovative approaches to protect the biodiversity of areas affected by our operations. These initiatives demonstrate our dedication to responsible development and environmental stewardship. We recognise the importance of balancing our business objectives with the preservation of ecosystems. We are committed to finding sustainable solutions that contribute to the long-term wellbeing of the natural environment.

S&J Industrial Estate, Gauteng, South Africa

DEFINITIONS

AC	Audit committee
ACI	African, Coloured and Indian
AFS	Annual financial statements
AGM	Annual general meeting
BDO	BDO South Africa
bps	Basis points
BBBEE	Broad-based black economic empowerment
board	Board of directors
CEO	Chief executive officer
CFO	Chief financial officer
COO	Chief operating officer
CO_2e	Carbon dioxide equivalent
Companies Act	Companies Act, No 71 of 2008 (as amended)
CRR	Climate risk report
CSI	Corporate social investment
DIPS	Distributable income per share
ELI	European Logistics Investment B.V.
EPP	EPP N.V.
ESG	Environmental, social and governance
EU	European Union
EVP	Employee value proposition
EWRM	Entreprise-wide risk management
FY	Financial year
GBCSA	Green Building Council South Africa

GDP	Gross domestic product
GHG	Greenhouse gas
GLA	Gross lettable area
GMR	Gross monthly rental
IC	Investment committee
ICT	Information and communications technology
IFRS	International Financial Reporting Standards
IR	Integrated report
ISSB	International Sustainability Standards Board
JSE	JSE Limited
King IV™	King IV Report on Corporate Governance™ for South Africa 2016
kl	Kilolitre
KPA	Key performance area
KPI	Key performance indicator
LED	Light-emitting diode
LTI	Long-term incentive
LTV	Loan-to-value
Ml	Megalitre
MWh	Megawatt hour
MWp	Megawatt peak
NAV	Net asset value
NOI	Net operating income
NOM	Nomination and governance committee
NOPM	Net operating profit margin

PEP	Politically exposed persons
PV	Photovoltaic
PwC	PricewaterhouseCoopers Inc
RCT	Risk, compliance and technology committee
Redefine	Redefine Properties Limited (Redefine, the group or the company)
REIT	Real Estate Investment Trust
REM	Remuneration committee
SA	South Africa
SARB	South African Reserve Bank
SASB	Sustainability Accounting Standards Board
SED	Socioeconomic development
SET	Social, ethics and transformation committee
SMMEs	Small, medium and microenterprises
STI	Short-term incentive
Stokado	Stokado sp. z o.o.
Talis Fund	Talis Property Fund Proprietary Limited
TCFD	Task Force on Climate-related Financial Disclosures
UNGC	United Nations Global Compact
UN SDGs	United Nations Sustainable Development Goals

Shareholders' diary and administration 95

NOTES

NOTES

NOTES

1
2
3
4
5

IR

ZERO
WASTE
Go digital.

Shareholders' diary

AGM	Half-year end	Interim financial results	Financial year end	Annual financial results
19 February 2024	29 February 2024	6 May 2024	31 August 2024	4 November 2024

Administration

REDEFINE PROPERTIES LIMITED
(Incorporated in the Republic of South Africa)
(Registration number: 1999/018591/06)
JSE share code: RDF ISIN: ZAE000190252
(Approved as a REIT by the JSE)

REGISTERED OFFICE AND BUSINESS ADDRESS
155 West, 4th Floor, 155 West Street, Sandown,
Sandton, Johannesburg 2196, South Africa
PostNet Suite 264, Private Bag X31,
Saxonwold 2132, South Africa
Telephone +27 11 283 0000
www.redefine.co.za

INDEPENDENT AUDITORS
PricewaterhouseCoopers Inc
4 Lisbon Lane, Waterfall City,
Jukskei View Johannesburg 2090
Telephone +27 11 797 5988

COMPANY SECRETARY
Anda Matwa
Telephone +27 11 283 0000
Email cosec@redefine.co.za

TRANSFER SECRETARIES
Computershare Investor Services
Proprietary Limited
Rosebank Towers, Office Level 2,
15 Biermann Avenue, Rosebank 2196
Telephone +27 11 370 5000

CORPORATE ADVISOR AND SPONSOR
Java Capital
6th Floor, 1 Park Lane,
Wierda Valley, Sandton 2196
Telephone +27 11 722 3050

INVESTOR RELATIONS
Should you wish to be placed on the mailing list to receive email updates, please send an email to investorenquiries@redefine.co.za

Follow our LinkedIn page

www.redefine.co.za

REDEFINE PROPERTIES

We're not landlords. We're people.