

## Sustainability-linked instrument performance certificate

To whom it may concern

From: Redefine Properties Limited (“Redefine”)

Date: **24 November 2023**

Dear Sirs

1. This is Redefine Properties Limited’s (“Redefine”) sustainability certificate for its relevant sustainability-linked instrument.
2. This Sustainability Certificate is in respect of the Target Observation Date ended 31 August 2023 (the “Target Observation Date 2”) and is delivered pursuant to annexure A section 2 (Sustainability Interest Rate Adjustments) of the respective Applicable Pricing Supplement (“APS”) or as applicable per the respective financing documentation.
3. Each of the KPI absolute realised values (as at 31 August 2023) have been subject to limited assurance by the external auditors being PwC Inc. A copy of the limited assurance report is available [PwC-Limited-assurance-report-2023.pdf \(redefine.co.za\)](https://www.redefine.co.za/PwC-Limited-assurance-report-2023.pdf)
4. On 16 January 2023, 5 months into FY23, Redefine purchased 10 716 tCO<sub>2</sub>e of carbon offsets through Verra, which have been applied proportionately to Scope 1 and 2 emissions in terms of the Greenhouse Gas Protocol.<sup>1</sup> These offsets are set out in a certificate that confirms the quantum thereof. Whilst the carbon offsets total 10 716 tCO<sub>2</sub>e, the period covered by the certificate is 229 days of the financial year and the credits have been proportioned accordingly. The details of the carbon offsets are detailed below:

Information on offsets that have been purchased or developed outside the inventory boundary		
Quantity of GHGs (ktCO <sub>2</sub> e)	Type of offset project	Were the offsets verified/certified and/or approved by an external GHG program (e.g., CDM, Verra, Gold Standard, etc.)
10 716 tCO <sub>2</sub> e purchased on 16 January 2023 of which 6 724.44 tCO <sub>2</sub> e are eligible for use as carbon offsets for the target observation period	Verified Carbon Units (VCUs) from Teesta-V Hydro Power project in Sikkim	Verra certified with serial number 12344-404086411-404097128-VCS-VCU-291-VER-IN-1-766-01042008-30092009-0

<sup>1</sup> [ghg-protocol-revised.pdf \(ghgprotocol.org\)](https://www.ghgprotocol.org/ghg-protocol-revised.pdf) (page 62, 82 – 85).

EMISSIONS	TOTAL (tCO <sub>2</sub> e)
Scope 1	15 201.61
Scope 2	20 774.96
<b>TOTAL GHG EMISSIONS</b>	<b>35 976.57</b>
Carbon offsets retired <sup>1</sup>	(6 724.44)
<b>NET GHG EMISSIONS</b>	<b>29 252.12</b>

The table below confirms Redefine’s performance with respect to the KPIs and the associated net effect on the Sustainability Performance Target (“SPT”), in respect of Target Observation Date 2.

Themes	Sustainability KPI	Unit of measurement	Baseline (2019)	SPT 31 August 2023	KPI absolute realised value 31 August 2023 <sup>2</sup>	SPT realised performance	SPT Achieved (Yes/No)
			Restated Sustainability KPI Baseline 31 August 2019 <sup>#</sup>			SPT Realised Value <sup>3</sup> 31 August 2023	
Renewable Energy	Increase in installed capacity	MWp	17.97	6 MWp increase (23.97=17.97+6)	31.09 <sup>LA</sup> (total installed capacity)	+13.12* (c.74% increase on baseline)	Yes
Greenhouse gas emissions (“GHG”) <sup>##</sup>	Reduction in scope 1 and scope 2 GHG emissions including offset certificates	tCO <sub>2</sub> e	33 615.20**	3 516 tCO <sub>2</sub> e reduction (30 099.20 = 33 615.20 – 3 516)	29 252.12 <sup>LA</sup> (total Scope 1 and 2 GHG emissions)	- 4 363.08 ** (12.98% decrease on baseline)	Yes
Water Efficiency	Reduction of water withdrawn from municipal and borehole sources	Mℓ	2 658.76	140 Mℓ reduction (2 518.76 = 2658.76 – 140)	2 053.85 <sup>LA</sup> (total water withdrawn from municipal and borehole sources)	-604.93 *** (c.23% decrease on baseline)	Yes

<sup>2</sup> KPI absolute realised value as at 31 August 2023 means, in relation to the applicable KPI, the total absolute value realised as at the applicable Target Observation Date (being 31 August 2023).

<sup>3</sup> Difference between the KPI absolute realized value (31 August 2023) and restated Sustainability KPI Baseline (31 August 2019).

5. We confirm that as at the Test Date no Default is continuing.

The notes tabled below are provided to elaborate on the definitions included in annexure A (below) to support the interpretation of the results outlined above.

<b>Notes:</b>	
LA	Limited assurance has been obtained
*	Achievement of the renewable energy SPT only takes into account solar PV installations that became operational during the 2022 and 2023 financial years across the operationally controlled properties within the South African portion of Redefine’s portfolio, due to the cumulative nature of the KPI.
**	The GHG Protocol Corporate Accounting and Reporting Standard, a longstanding and market accepted methodology, was utilised to calculate the GHG emission (scope 1 and 2) FY2019 restated baseline and KPI absolute realised value (31 August 2023). The GHG Protocol states that buildings not within operational control can be excluded from the calculation of GHG scope 1 and 2 emissions to avoid any potential double counting <sup>4</sup> . As per point four above, carbon offsets have been considered in the calculation.
***	Includes water consumption from municipal and borehole sources across the entire Redefine South Africa portfolio, on a like for like basis, irrespective of whether they are operationally controlled by Redefine or not. For properties which are not within Redefine’s operational control an equity control approach has been applied i.e., the total value per such property has been prorated in accordance with Redefine’s ownership stake. The properties that are not within our operational control and were included in this metric include 96 Caveleros, Chris Hani Crossing, East Rand Mall, 16 Fredman Drive, JD Dwarsloop, Cradlestone Mall, Hill on Empire, Loftus, Peugeot Hatfield, Schoeman Street and Loftus Park Hotel.
#	The baselines were restated as outlined in the first sustainability linked instrument certificate provided by Redefine, available at <a href="https://www.redefine.co.za/sustainability-linked-instrument-performance-certificate-final.pdf">Sustainability-linked-instrument-performance-certificate-final.pdf (redefine.co.za)</a> . Please refer for additional context.
##	During FY23 (target observation period) Eskom once again imposed unprecedented levels of load shedding-  In response to the load shedding, Redefine had to purchase over 7,45 million litres of diesel for the South African portion of the portfolio (aligned to the Like

<sup>4</sup> <https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf> (Pages 31-39) and [https://ghgprotocol.org/sites/default/files/standards\\_supporting/Base%20Year%20Adjustments.pdf](https://ghgprotocol.org/sites/default/files/standards_supporting/Base%20Year%20Adjustments.pdf) (Section 1, Pages 1-4).

for like principle) for our generators, to ensure that our tenants were able to continue their operations. This cost was approximately R170,255 million.

Due to the unprecedented levels of loadshedding and reliance on diesel generators in lieu of grid-supplied electricity, Redefine experienced an increase in absolute GHG emissions. As such, Redefine utilised carbon credits to offset the emissions associated with heightened diesel consumption in order to achieve the 31 August 2023 GHG SPT.

Given we recognise that loadshedding is an anticipated externality which will remain for the coming year and the need to reduce our carbon footprint, Redefine is constantly looking for opportunities to increase energy provision from renewable sources. Our current solar embedded plants, adjusted on a like for like basis, have produced 35 038 519 kWh during the financial year. The contribution of existing embedded generation to our total energy requirement, calculated on the same basis, is 8.45%.

Furthermore, Redefine has partnered with the City of Cape Town for a Wheeling pilot project where construction is anticipated to commence at the end of the 2023 calendar year. It is anticipated that 10.39% of our total energy usage will be generated by renewable sources.

Eskom's virtual wheeling program is expected to become operational towards the middle of 2025, provided that the Energy Regulation Act (ERA) amendment is approved by Parliament and the Transmission System Operator is established as envisioned in the ERA. This amendment will lead to the formation of a competitive energy trading market which will lead to greater opportunities for purchasing renewable energy from independent power producers.

For and on behalf of Redefine Properties Limited

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Signatory: Anelisa Keke  
Capacity: Chief Sustainability Officer  
Who warrants his/her authority hereto

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Signatory: Ntobeko Nyawo  
Capacity: Chief Financial Officer  
Who warrants his/her authority hereto

## ANNEXURE A

Relevant extracts from applicable finance documentation needed to interpret the above results

### DEFINITIONS

The following expressions have the following meanings:

KPI means the following:

- a. Renewable Energy means an increase in installed solar energy capacity measured in Megawatt Peak ("MWp") on a Like for like basis with respect to the South African portion of the portfolio only;
- b. Greenhouse gas (GHG) emissions means a reduction in scope 1 and scope 2 emissions measured in tonnes carbon dioxide equivalent (tCO<sub>2</sub>e) on a Like for like basis with respect to the South African portion of the portfolio only;
- c. Water Efficiency means a reduction in the water withdrawn from municipal and borehole sources measured on a Like for like basis in Mega Litres (ML) with respect to the South African portion of the portfolio only;

**“Like for like basis”** means, in relation to the measurement and reporting of the KPIs extrapolated data, acquisitions, disposals and developments within the South African portion of the portfolio will not be considered and will therefore not impact KPI measurement and reporting.