

**Value creation underpinned
by a strong ESG proposition**

Long-term value creation is at the core of L2D's philosophy. A growth mindset, complemented by passion for financial and operational excellence has been central to our focus, while still ensuring that all developments contribute to the quality of L2D portfolio assets. Fundamental to this is L2D's approach to; positive and impactful change in the retail sector, our sustainable recovery, our long-term prospects for growth and the consideration of environmental and social sustainability and governance (ESG) factors. We are guided by principles of humanity and people

engagement, as we understand that the sustainability and the impact of our business, today and into the future, benefits all stakeholders.

We remain focused on; future proofing our assets through unrivalled experiential offerings, supporting our passionate people to drive execution, while delivering sustainable growth overtime through improved financial performance, digital transformation initiatives and the execution of the asset masterplans.

We do not want to just rebuild, we want to make an impact - Build Tomorrow Together.





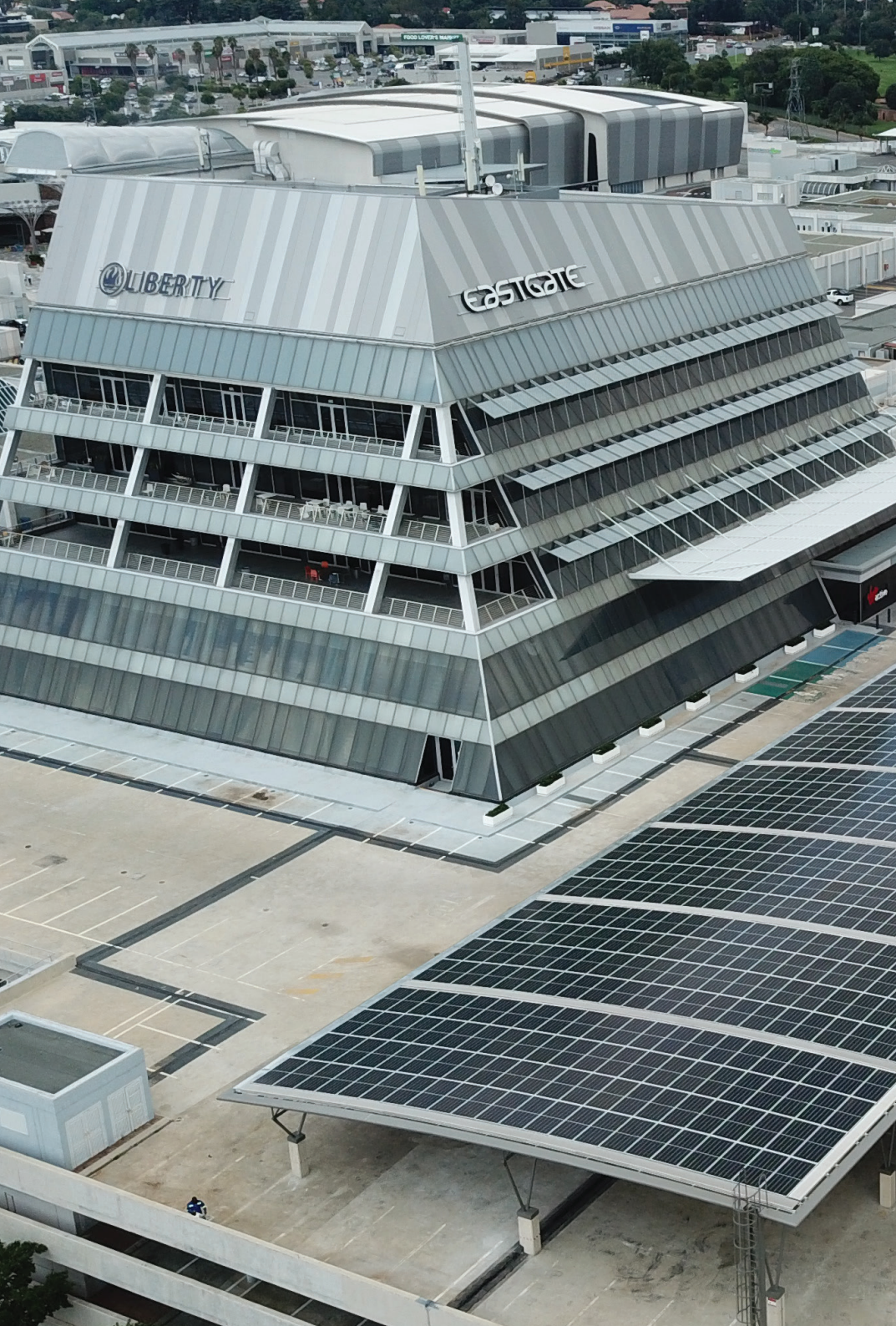
A message from our Chief Executive, Amelia Beattie

Our business is well positioned to counter economic challenges backed by a focused strategy, a strong balance sheet and a solid management team. We continue to strive to achieve our vision to be the leading South African precinct-focused, retail centred REIT, as we stand ready to lead through uncertain and challenging environments, demonstrating strong and ethical thinking. Our commitment to ESG underpins and enables our financial and operational performance, while safeguarding the relevancy of our portfolio. Our focus on achieving our ESG objectives reduces our exposure to commercial risk and asset obsolescence by ensuring that our assets are future ready. We remain dedicated to creating shared value for our investors along with all our other stakeholders. We will retain a sharp focus on the long-term sustainability of L2D while enhancing our distinctiveness and competitive edge.

Principles underpinning our approach to ESG

- We believe that ESG factors are integral to assessing the quality of our assets and are thus a vital part of our investment process.
- Our ESG analysis focuses on areas that we believe are essential to our business to sustain a competitive advantage, over the long term.
- We understand that ESG factors are a component of investment decisions, and we consider the valuation, sustainability and fundamental risks inherent in the business





Unpacking the determinants of L2D's purposeful and impactful ESG Growth Mindset

Environmental sustainability

Natural capital is critical to the day-to-day functioning of our business and forms part of our strategic thinking. We remain focused on implementing our bold commitments in order to minimise our impact on the environment while protecting and preserving our natural resources. This will ensure that we drive operational efficiencies for the long-term sustainability of the business.



2020 Highlights

A first for the industry, the entire L2D retail portfolio is green star rated, certified by the Green Building Council of South Africa (GBCSA) which recognises and rewards environmental leadership in the property industry.

- The portfolio houses Sandton City, the first super regional shopping centre in South Africa to obtain a six-star rating from the GBCSA
- Individually, the rest of the assets were rated as follows; Eastgate Complex, Nelson Mandela Square, Liberty Promenade and Liberty Midlands Mall received 5-star rating, with Botshabelo Mall achieving a 4-star rating, making our retail portfolio the first in South Africa to achieve green star ratings across 100% of our assets
- The GBCSA has recognised and confirmed that the L2D policies and energy audits have driven overall energy and water improvements. L2D policies and energy audits have driven overall energy and water improvements





2020 Highlights

We remain bold in driving our sustainability targets of net zero waste by 2021, net zero water by 2025 and net zero energy by 2030, ensuring that our malls reset, co-create and redefine customer experience responsibly.

L2D has an effective framework to continually improve environmental impacts, implement sustainable and long-term cost savings and a reduced carbon footprint.

We have made great strides towards meeting this target.

- Eastgate Shopping Centre reduced its carbon footprint by over 16 000 tons of carbon dioxide emissions annually through the solar plant investment, which will generate 1,860,000kWh of energy in the first year and will be used to power the centre's lighting, air-conditioning units, lifts and escalators.
- Eastgate Shopping Centre's Aquaponics Farm District is a first for shopping centres in Africa, showcasing an opportunity to effectively use the rooftops at our malls, which are exceptional real estate.
- The portfolio's first 1MW solar photovoltaic plant was installed at Liberty Midlands Mall in 2019

- L2D has saved 60 million litres of water in 2020 across the portfolio, through:
 - the implementation of rainwater harvesting systems and dual plumbing at Liberty Promenade and Liberty Midlands Mall
 - condensation water harvesting and advanced low-flow toilets at Sandton City and Nelson Mandela Square.
- Smart metering systems have been rolled out across the portfolio and comprehensive energy audits have been conducted
- We instituted the call to action to the industry to ban plastic bags from 1 January 2020. While work remains to be done, this has triggered significant change in the overall environment
- L2D joined the SA Plastics Pact as the first landlord to support the implementation of solutions that enable a circular economy for plastics

2020 Highlights

Sandton City Precinct and Eastgate Shopping Centre have been SHORE certified and internationally recognised as safe retail destinations by the certification body SAFE Asset Group. Both super-regional centres have been awarded Gold Level Excellence for their ability to prevent, adapt, respond to, recover and learn from operational disruptions.

- Sandton City scored the highest global safety and security rating against 180 international assets.
- The L2D portfolio is certified as fully COVID Compliant by, SAFE Asset Group, further recognising our commitment to delivering the best possible experience to our shoppers, tenants and service providers.



Social sustainability

Supporting sustainable and inclusive economic growth within the regions in which we operate is imperative for our business. We are committed to actively serving, investing in, and supporting our communities while recognising the larger stewardship role that our organisation must play.

Transforming our communities through sustainable socio-economic initiatives

We continue to engage in various initiatives through our commitment to Transformation which include:

- A R700K allocation to bursaries was spent on African males and females on property-related degrees.
- We committed R260K to Enterprise Development and R520K to Supplier Development initiatives to drive true economic participation.
- We continue our drive to procurement spend on 31% black female owned EMEs and QSEs

As a responsible corporate citizen, we strive to make a positive impact in the communities in which we operate. Our #CreateTomorrow campaign aims to actively engage our

communities through social initiatives that seek to achieve meaningful and sustainable outcomes.

- We employed members of the Alexandra community as brand ambassadors for our #Create Tomorrow initiative at Sandton City
- Our Eastgate Aquaponics farm provided fresh produce to local soup kitchens who care for the community.
- We donated R1.25m to OnePeople Fund for feed the most vulnerable, amongst other initiatives.

Understanding that SMEs form the engine of our economy, L2D is committed to the #Payin30 initiative by the BLSA to pay suppliers and SMEs within 30 days. This already aligns to L2D's procurement policy.



Our People

Our philosophy places our people at the heart of everything that we do. We encourage our inspired, passionate and empowered people to maintain a balanced life. Our leadership focus is on delivering results, while challenging each person to take ownership of their performance, their learning and growth and the extent to which they can make a meaningful and productive contribution. Our people practices are geared to supporting this culture in the organisation and towards achieving outcomes that are aligned to our overall strategy. We strive to keep our values of Passion, Accountability, Care and Excellence (PACE) core to the way in which we work together.





Governance

At L2D, we embed an ethical culture across our operations as well as our financial reporting. Our corporate governance practices aim to build legitimacy through ethical leadership, reputation management and the adoption of an inclusive approach to business.

Highlights

- L2D is listed on the JSE as a corporate REIT
- We are committed to reporting transparently, reflecting the true nature of our operations
- L2D's consistently applied prudent capital management strategy, supported by quality assets, delivers value
- We continue to seek out opportunities in the market for the short, medium and long-term, with the aim of unlocking shareholder value.