

Green Bond Fact Sheet

Growthpoint Properties			Date: 09-Mar-2018
Issue date: 09-Mar-2018 Maturity date: 09-Mar-2028 Tenor: 5-10			
Issuer Name	Growthpoint Properties	Amount Issued	ZAR1.1bn (USD93.1m)
Country of risk	South Africa	CBI Database	Included
Issuer Type ¹	Financial Corporate	Bond Type	Green Bond
Green Bond Framework	Link to GB Framework	Second party opinion	N/A
Certification Standard	Not certified	Assurance report	KPMG
Certification Verifier	N/A	Green bond rating	N/A
Use of Proceeds			
<input type="checkbox"/> Energy	<input type="checkbox"/> Solar <input type="checkbox"/> Onshore wind <input type="checkbox"/> Offshore wind <input type="checkbox"/> Geothermal <input type="checkbox"/> Hydro <input type="checkbox"/> Tidal	<input type="checkbox"/> Biofuels <input type="checkbox"/> Bioenergy <input type="checkbox"/> Waste to energy <input type="checkbox"/> District heating <input type="checkbox"/> Electricity grid	<input type="checkbox"/> Energy storage <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input checked="" type="checkbox"/> Buildings	<input checked="" type="checkbox"/> Certified Buildings <input type="checkbox"/> HVAC systems <input checked="" type="checkbox"/> Energy performance	<input checked="" type="checkbox"/> Water performance <input type="checkbox"/> Energy storage/meters <input checked="" type="checkbox"/> Other energy related	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Transport	<input type="checkbox"/> Electric vehicles <input type="checkbox"/> Low emission vehicles <input type="checkbox"/> Bus rapid transit <input type="checkbox"/> Passenger trains <input type="checkbox"/> Urban rail	<input type="checkbox"/> Freight rolling stock <input type="checkbox"/> Coach / public bus <input type="checkbox"/> Bicycle infrastructure <input type="checkbox"/> Energy performance	<input type="checkbox"/> Transport logistics <input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Water & wastewater	<input type="checkbox"/> Water distribution <input type="checkbox"/> Water treatment <input type="checkbox"/> Wastewater treatment <input type="checkbox"/> Water storage	<input type="checkbox"/> Storm water mgmt <input type="checkbox"/> Desalination plants <input type="checkbox"/> Erosion control <input type="checkbox"/> Energy performance	<input type="checkbox"/> Infrastructure <input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience
<input type="checkbox"/> Waste management	<input type="checkbox"/> Recycling <input type="checkbox"/> Waste prevention <input type="checkbox"/> Pollution control	<input type="checkbox"/> Landfill, energy capture <input type="checkbox"/> Energy performance <input type="checkbox"/> Infrastructure	<input type="checkbox"/> Industry: components <input type="checkbox"/> Adaptation & resilience

<input type="checkbox"/> Land use & agriculture	<input type="checkbox"/> Afforestation/parks <input type="checkbox"/> Land remediation <input type="checkbox"/> Sustainable agriculture <input type="checkbox"/> FSC Forestry <input type="checkbox"/> Energy/water efficiency <input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> FSC Cellulose & paper
<input type="checkbox"/> Other	<input type="checkbox"/> Adaptation & resilience <input type="checkbox"/> ICT <input type="checkbox"/> Industry: process
Issue details	
Reporting	The company will report annually on the proceeds allocations and will include information regarding carbon emissions (total tonnes CO ₂ e/m ²), energy (electricity kWh/m ²), water (m ² /m ³), and waste (tonnes/m ²).
Company information	Growthpoint Properties is the largest South African real estate investment trust (REIT). Its portfolio includes retail, office and commercial properties.
Firsts, records and certifications	Growthpoint Properties is the first South African corporate to issue a green bond listed on the Johannesburg Stock Exchange.
Proceeds description	The REIT will mainly finance office buildings within its THRIVE Platinum Portfolio, which includes Growthpoint's highest rated assets, but retail and industrial buildings that meet the eligibility criteria may also be financed. Proceeds will be allocated only to properties which have obtained at least a Four-Star Green Star rating on a scale from one to six.
Climate Bonds view	<p>It's great to see South Africa's pool of green bond issuers expanding with new issuer types coming to market and we hope to see more of the country's corporates following suit.</p> <p>We haven't analysed the Green Star SA rating tool before, so let's take a closer look. The rating system covers several categories that evaluate the environmental performance of a commercial property, including energy, emissions, materials and land use. Each category is assigned a percentage score and category weighting factors are then applied to calculate the final rating. The six levels of the scale also indicate the weighted score range and a recognition parameter of the rating level achieved (acknowledgement, best practice, South African Excellence, World leadership). We note that a Four-Star Green Star SA level stands on the middle to upper range of the rating system, which is good. What would be even better is seeing issuers achieving commercial property certifications on the highest end of the scale.</p>
Underwriters	RMB
Deal comments	
Credit Rating	Baa3 (Moody's)
Pricing summary	The five, seven and ten-year tranches priced at 139bps (1.39%), 169 bps (1.69%), and 200bps (2%) above the three-month JIBAR respectively.
Investors summary	The issue attracted both local and international investor.

¹ Issuer categories: ABS, development bank, financial corporate, government-backed entity, loan, local government, non-financial corporate, sovereign