

Liberty Two Degrees is taking a bold step to eradicate plastic shopping bags across its malls by 1 January 2020

L2D aims to achieve a Net Zero sustainability target by 2030

10 May 2019 - Liberty Two Degrees (L2D), a South African precinct focused retail-centred REIT, is excited to announce its commitment to create a sustainable environment by implementing a 'no plastic shopping bags' policy across its malls by 1 January 2020.

L2D believes that the future of retail is defined by a continued adaption of standards that meet national and global sustainability goals. The company has therefore embedded sustainability values into the fabric of the organisation to deliver on these essentials and to achieve its vision of a Net Zero sustainability target by 2030, which sees the reduction of usage of energy and water as well as an efficient waste management system.

Amelia Beattie, Chief Executive of L2D comments ***"Natural capital is a critical part of the day-to-day function of all business. There should therefore be the same kind of urgency in transforming policies that govern natural capital as there are for other forms of capital. Plastic pollution is already a crisis and we need to avoid the chain reaction of unraveling ecosystems. The only choice we have is to create transformational targets and actions. We have therefore undertaken this bold step to implement a 'no plastic shopping bags' policy across our malls to ensure that change starts with us."***

As part of its commitment, L2D has partnered with an Alexandra community based organisation called Bana Bags to introduce plastic free bags into its centres to ensure the continuation of education to encourage sustainable and environmentally friendly ways of doing business. L2D has also already initiated the introduction of recycling drop-off booths in Sandton City and at Eastgate Shopping Centre and will be rolling this out throughout the portfolio.

The commitments of L2D's valued tenants, many of whom have already made this declaration publicly, will be critical in implementing the policy. The production of plastic, particularly single-use plastics is one of the environment's greatest risks, having reached an epidemic proportion.

"With rising levels of plastic pollution in our country and oceans, it is no longer a case of best practice to eradicate the use of plastic shopping bags but rather a commitment of paramount importance and necessity. We are committed to implementing this initiative to drive our sustainability imperative. The policy will be effective 1 January 2020 and as a sector benchmark, we are keen to continue to transform the retail industry in an environmentally sustainable manner," Beattie concludes.

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ENQUIRIES

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NOTES TO EDITORS

About Liberty Two Degrees Limited

Liberty Two Degrees was converted and relisted as a corporate REIT on the JSE main board on 1 November 2018 as Liberty Two Degrees Limited (L2D Limited) following the conversion from a CISIP. The new structure cancels the Liberty Group PUT option for no consideration and internalises the management company. The structure also introduces a conservative level of debt to the capital structure of L2D Limited, which will assist in reducing the weighted average cost of capital over time.

About Liberty Two Degrees' portfolio

The portfolio is one of South Africa's iconic, predominantly retail property portfolios with interests in assets such as the Sandton City Complex, the Eastgate Complex and Melrose Arch.

The majority of properties managed by L2D are biased toward retail rental income. The remaining rental income comprises predominantly office space while a small portion can be attributed to specialised opportunities including hotels (Garden Court Sandton, Sandton Sun and InterContinental).

The portfolio comprises predominantly retail real-estate assets in South Africa. In Johannesburg, the retail assets are an interest in the Sandton City Complex, the Eastgate Complex and Nelson Mandela Square. Two regional shopping centres; Liberty Midlands Mall in KwaZulu-Natal and Liberty Promenade Mitchells Plain in the Western Cape are also included in the portfolio as well as interests in the mixed-use precinct of Melrose Arch and the newly developed Botshabelo Mall.

The Sandton City Complex is in the economic heartland of the country and showcases some of the most prestigious of international and domestic retailers. The attraction of its long-established iconic presence and the overall quality of the shopping experience make it irreplaceable and confers brand-value and recognition on the portfolio.

Similarly, the Eastgate Complex, with its strong history and recent upgrade, is in a large catchment area with good access. The recently refurbished Nelson Mandela Square is also a destination centre with a good entertainment offering that complements the neighbouring Sandton City Complex. Melrose Arch's office and retail component supports its status as one of the leading mixed-use precincts in Johannesburg's high-end Northern Suburbs.

Liberty Midlands Mall and Liberty Promenade Mall are large high-quality centres within regional catchment areas positioned for high growth.

In addition to the offices included in the portfolio's main retail complexes, the portfolio includes select office properties located in key business nodes with blue-chip anchor tenants. These properties include the Standard Bank Centre in Johannesburg, Liberty Centre in Century City Office Park in Cape Town and Liberty Centre in Umhlanga Ridge, Durban. Also included the John Ross Eco-Junction where the Melomed Hospital and other development opportunities provide diversification and higher yield opportunities.