



## **RESPONSIBLE BUSINESS COMMITTEE CHARTER**

## 1. CONSTITUTION

- 1.1 In line with the requirements of the National Code of Corporate Governance for Mauritius 2016 (“NCCGM”) and the 2018 UK Corporate Governance Code (“UKCGC”), the Board of directors (“the Board”) of Grit Real Estate Income Group Limited (the “Company”) resolved to establish a Committee of the Board to be known as the Responsible Business Committee (“the Committee”).
- 1.2 The duties and responsibilities of the members of the Committee are in addition to those as members of the Board. The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgement in accordance with their statutory obligations.
- 1.3 Any reference in this Committee Charter (“the Charter”) to “the Group” is to be interpreted to include any Company or companies within the Group and not necessarily to refer only to the Group as a whole. Accordingly, this Committee Charter shall be applicable to Grit, and also to any company or companies within the Grit group of Companies, as the Investment Committee may deem appropriate.

## 2. PURPOSE

The Committee is established to assist the Board with the oversight of Environmental, Social and Governance (“ESG”) related matters and in ensuring that the Group is and remains a committed socially responsible corporate citizen.

The commitment to sustainable development involves ensuring that the Company conducts business in a manner that meets existing needs without knowingly compromising the ability of future generations to meet their needs.

The Committee’s primary role is to supplement, support, advise and provide guidance on the effectiveness or otherwise of management’s efforts in respect of Environmental, Social and Governance related matters which, *inter alia*, include the following:

- i. Sustainability management
- ii. Occupational, Health and Safety;
- iii. Ethics management;
- iv. Corporate Social Initiatives (CSI);
- v. Human Capital development, employment equity and transformation; and
- vi. Stakeholder engagement

The Committee plays an important role in ensuring that adequate reporting and monitoring is done by the Company as required by the sustainability policies of the Company and in line

with best practices.

### **3. ROLE**

The Committee will have an independent role, operating as an overseer and a maker of recommendations to the Board for its consideration and final approval. The Committee will not assume the functions of management, which remain the responsibility of the executive directors, officers and other members of senior management. The role of the Committee is to assist the Board in line with its role and responsibilities as set out in this Charter.

### **4. DUTIES AND RESPONSIBILITIES**

#### *4.1 Duties*

- i. To monitor the Company's activities, having regard to any relevant legislation, other legal requirements or prevailing codes of best practice, in respect of matters relating to:
  - Social and economic development, including the Company's standing in terms of the goals and purposes of:
    - the 10 (ten) principles set out in the United Nations Global Compact Principles;
    - the OECD recommendations and applicable laws regarding ethical matters, including against corruption, fraud; and
    - Employment laws in jurisdictions where the Group has employees;
  - Good corporate citizenship, including the Company's · promotion of equality, prevention of unfair discrimination, and reduction of corruption; · contribution to development of the communities in which its activities are predominantly marketed; and · record of sponsorship, donations and charitable giving;
  - The environment, occupational, health and safety, including the impact of the Company's activities and of its products or services;
  - Consumer relationships, including the Company's advertising, public relations and compliance with consumer protection laws; and
  - Labour and employment, including:
    - the Company's standing in terms of the International Labour Organisation Protocol on decent work and working conditions; and
    - the Company's employment relationships and its contribution toward the educational development of its employees;
- ii. To draw matters within its mandate to the attention of the Board as may be occasionally required; and
- iii. To report, through one of its members, to the shareholders at the Company's AGM on the matters within its mandate.
- iv. Members of the Committee, who are also members of the Risk Committee, shall update the Risk Committee of any matter from an enterprise risk management perspective or

any other agenda items common to both committees.

#### 4.2 Other duties will *inter alia* be:

- i. To review the framework, policies, performance and guidelines for occupational, health and safety, social investment, Community development, sustainability management and asset protection and security;
- ii. To review and consider reports from operations in the Company covering sustainability matters and give input in respect of the annual integrated report to focus on the impact of the Company in the economic, environmental and social spheres;
- iii. To ensure facilitated participation, co-operation and consultation within the Company in line with the spirit of this Charter;
- iv. To review and monitor the Company's stakeholder engagement plans, guidelines and practices;
- v. To provide guidance in relation to the promotion of Environmental, Social and Governance related policies;
- vi. To ensure compliance with contractual obligations under the transformation programme; and
- vii. To be informed of all risks in line with the spirit of this Charter.

#### 4.3 *Compliance, speaking-up and fraud*

The Committee shall at least annually:

- i. review the adequacy and security of the Company's arrangements for its employees, contractors and external parties to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action;
- ii. review the Company's procedures for detecting fraud; and
- iii. review the Company's systems and controls for the prevention of bribery and receive reports on non-compliance on an ongoing basis.

In this respect, the Committee shall also report to the risk committee as may be required.

#### 4.4 *General*

The Committee shall at all times:

- i. Give due consideration to the relevant provision of the Companies (Guernsey) Law, 2008, the SEM and LSE Listing Requirements, the NCCGM and the UKCGC;
- ii. Retain a copy of the current Charter at the registered office of the Company, on the website of the Company and provide shareholders with a copy of the same if required; and
- iii. Consider such other topics and fulfil such other duties as defined by the Board.

## **5. AUTHORITY**

The Committee will act in terms of the delegated authority of the Board as recorded in these terms of reference. It has the power to investigate any activity within the scope of its terms of reference.

The Committee, in the fulfilment of its duties, may call upon the chairmen of the other Board committees, any of the executive directors, officers or Company Secretary to provide it with information, subject to following a Board approved process.

The Committee will have reasonable access to the Company's records, facilities and any other resources necessary to discharge its duties and responsibilities.

The Committee may form, and delegate authority to, subcommittees and may delegate authority to one or more designated members of the Committee.

The Committee has the right to obtain independent outside professional to assist with the execution of its duties, at Company's cost, subject to following a Board approved process.

The Committee shall make the recommendations to the Board that it deems appropriate on any area within the ambit of its terms of reference where action or improvement is required.

## **6. MEMBERSHIP**

### *6.1 Composition*

- i. The Committee must be properly constituted to ensure its independence;
- ii. Its members shall be appointed by the Board and shall comply with the following guidelines:
  - Consist of at least three non-executive directors, the majority of whom must be independent non-executive directors; and
  - The Chairman shall always be an independent non-executive director.

## 6.2 *Appointment*

- i. On recommendation of the Nomination Committee, the Board shall appoint the members of the Committee for any period of time and fill any vacancy as and when required; and
- ii. The Board shall appoint the Committee Chairman. In the absence of the Committee Chairman, the remaining members present shall elect one of themselves to chair the meeting who would qualify under this Charter to be appointed to that position by the Board. The Chairman of the Board shall not be Chairman of the Committee.
- iii. The Chairman of the Committee shall be required to attend the Company's Annual General Meeting ("AGM") to answer relevant questions posed by Shareholders.

## 6.3 *Duration*

Members of the Committee shall be appointed for such period of time as the Board requires.

## 6.4 *Termination*

The Board may terminate membership of any person serving on the Committee on recommendation of the Committee or at their discretion based on the evaluation feedback.

# 7. **MEETINGS**

## 7.1 *Frequency*

- i. The Committee should hold sufficient scheduled meetings to discharge all its duties as set out in these terms of reference but subject to a minimum of three meetings per year or as may be required from time to time. Should the members consider that less than three meetings are required, they should jointly agree to same in writing.
- ii. Any member of the Committee or the Chief Executive Officer, if not a member of the Committee, may request a meeting if deemed necessary and a meeting will then be arranged in consultation with the Chairman of the Committee; and

## 7.2 *Attendance*

- i. Members of the senior management may be invited to attend Committee meetings to report on any matters as required under the scope of this Charter.
- ii. The members may, if they deem fit, confer by telephone, closed circuit television or video conferencing.

- iii. The provisions of the Charter relating to the proceedings of members apply so far as they are capable of application of mutatis mutandis to such conference.
- iv. The Committee may invite any other relevant person to attend the Committee meetings, but by invitation only. Such persons may not vote on any matters.
- v. Committee members will attend all scheduled meetings of the Committee, including meetings called on an ad-hoc basis for special matters, unless prior apology, with reasons, has been submitted with the Chairman or Company Secretary.
- vi. The Company Secretary or the Group Corporate Secretary of the Company will be the secretary to this Committee ("Secretary").
- vii. If the nominated Chairman of the Committee is absent from a meeting, the members present shall elect one of the members present to act as Chairman.

### 7.3 *Agenda*

- i. The Secretary in consultation and agreement with the Chairman of the Committee shall draft the agenda, which shall be circulated with supporting documentation, preferably 5 business days prior to each meeting to the members of the Committee.
- ii. The Committee must establish an annual work plan to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual work plan must ensure proper coverage of the matters referred to in this Charter.
- iii. The Committee members must be fully prepared for Committee meetings, to provide appropriate and constructive input on matters tabled at meetings.

### 7.4 *Minutes, written resolutions and reporting procedures*

- i. The minutes of the Committee meetings, along with its matters arising shall be completed within ten business days of such meeting and shall be circulated to all members of the Committee and other relevant personnel as directed by the Committee, for review thereof.
- ii. The minutes will be formally approved by the Committee at its next scheduled meeting.
- iii. The Secretary shall attend and minute all meetings.

- iv. The Secretary shall incorporate the approved minutes of meetings of the Committee in the meeting files prepared for meetings of the Board for noting purposes.
- v. In addition to the above, the Chairman of the Committee will provide verbal and/or written feedback at the meetings of the Board of directors on the Committee's recent activities and shall also recommend matters to be approved by the Board, as may be required.
- vi. A resolution in writing signed by a majority of the members of the Committee at the time when such resolution is released for signature, shall be as valid and effectual as if it has been passed at a duly constituted meetings of the Committee, provided that each member of the Committee shall have been afforded a reasonable opportunity to express an opinion on the matter to which such resolution relates.

#### 7.5 *Quorum*

A representative quorum for meetings is a majority of members present. Individuals in attendance at Committee meetings by invitation may participate in discussions but do not form part of the quorum for Committee meetings.

#### 7.6 *Attendees*

For the purpose of the Committee meetings, the Chairman shall agree to the attendance of key personnel of the Group to report on matters as set out in this Charter.

### **8. MEMBER SKILLS AND TRAINING**

To perform the roles and responsibilities outlined in this Charter, the members of the Committee shall be knowledgeable about the affairs of the Group and, where appropriate, specific skills shall be represented on the Committee.

Every member should have experience in some area pertinent to the business of the Committee, and at least two members should be familiar with the industry within which the Company operates.

New members should receive a complete orientation that allows them to function effectively from the start.

Opportunities for continuous education and training on sustainability issues should be actively pursued by each member.

All Committee members will be required to keep up to date with developments affecting the areas of responsibility of the Committee.



## **9. REMUNERATION**

Having regard for the functions performed by the members of the Committee, in addition to their functions as directors, and in relation to the activities of the Committee, and pursuant to the specific power conferred upon the Board by the shareholders and the Articles of Association of the Company, the Chairman and members of the Committee shall be paid in accordance with the remuneration levels approved by the shareholders at an AGM of the Company.

## **10. EVALUATION**

The Committee shall annually conduct self-assessment or self-evaluation. The Committee Chairman shall assess the performance of individual Committee members, and the Board shall evaluate the Committee's Chairman, based on several factors. These include:

- i. Expertise;
- ii. Inquiring attitude, objectivity, and independence;
- iii. Judgement;
- iv. Understanding of the Group's business;
- v. Understanding of and commitment to the Committee's duties and responsibilities;
- vi. Willingness to devote the time needed to prepare for and participate in Committee deliberations;
- vii. Timely responses; and
- viii. Attendance at meetings.

After completing its evaluation, the Committee should review the results with the Board of directors, so that where necessary, appropriate action can be taken on any recommendations resulting from the review.

## **11. REVIEW OF CHARTER**

The Committee shall, at least annually, review its composition and this Charter to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board.

## **12. GENERAL**

The Committee, in carrying out its tasks under this Charter, may obtain outside or other independent professional advice as it considers necessary, to carry out its duties, at the Company's cost, subject to a Board approval process.

The Committee members are obliged to disclose in writing any interest they have within or outside the Company and the Group that may be perceived to be a conflict of interest and interfere with the performance of their duties.

All Group related information that becomes known to directors in the performance of their

duties must at all times be kept confidential.

This Charter may from time to time be amended by the Board, as and when required and will be reviewed at least once a year.

This Charter is approved by the Board of directors on xxx and signed on their behalf by:

Signed by Peter Todd

Signed by xxx

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Chairman of the Board

Chairman – Responsible Business  
Committee