



grit

CONFLICT OF INTEREST POLICY

Revision History

Revision reference	Date	Description of changes
V03	February 2023	Annual Review – No changes

POLICY	ISSUE DATE	LAST REVIEW DATE	VERSION	DEPARTMENT	APPROVED BY	DATE APPROVED
P-HR_Conflict	May 2020	Feb 2023	No. 3	Human Capital & Compliance Function	Responsible Business Committee	February 2023

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1. BACKGROUND

Grit Real Estate Income Group Limited (“GRIT” or the “Company”) has confidence in the integrity of its employees. It also recognizes that many of them, because of their varied interests, have affiliations with other businesses or organizations. Considering the nature and scope of the operations of GRIT, the large number of organizations with whom the Company conducts business, and its important presence in many local communities, it is possible that actual or apparent conflicts of interest may develop.

2. PURPOSE

The purpose of this policy is to protect the best interests of GRIT and its worldwide affiliates, as well as to assist employees in meeting their responsibilities to the Company.

3. SCOPE OF APPLICATION

The policy applies to the entire GRIT Grit Group and all other operations within the business.

4. SUBSTANTIVE POLICY

A conflict of interest exists in any situation which, due to an outside activity, there is actual impairment, or a reasonable appearance of impairment, of the employee's ability to act, objectively and independently, in the best interest of the Company.

A "reasonable appearance of impairment" refers to those situations in which it is reasonable for others to believe that the employee's ability to act in the best interest of the Company might be adversely affected.

The management of GRIT expects that employees will avoid involvement in outside activities that create an actual or apparent conflict of interest.

5. IMPLEMENTING GUIDELINES

It is recognized by the Company that a conflict of interest will depend to a large extent on:

- a) The employee's position and authority within the Company;
- b) The employee's ability to influence or to determine GRIT actions; and
- c) The employee's access to trade secrets and other confidential information.

The examples below describe situations in which there are actual or apparent conflicts of interest:

5.1 Outside financial interest

An employee having a financial interest, including stock, bonds, other debt, etc., in an actual or potential supplier, customer or competitor. Owning less than 1% of the common stock of a publicly - held organisation is normally not likely to create a conflict of interest. However, even in that situation, access to non-public information as a result of an employee’s position within GRIT that may affect the price of such organisation’s securities can create a conflict if the employee trades or induces others to trade in such organisation’s securities.



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5.2 Outside business relationship

An employee having a business relationship with an actual or potential supplier, customer, or competitor. A business relationship may include employment, as well as a consulting, financial, commercial, or other contractual arrangement.

5.3 Personal relationship

An employee influencing or directing GRIT to do business with a friend (including any person with whom the employee has a personal relationship) or relative.

5.4 Accepting gifts

An employee accepting gifts, payments, loans, entertainment, or other items of value from suppliers, customers or others dealing with or seeking to deal with GRIT. (Note that, in most cases, this would violate the Code of Ethics and Business Conduct Policy and the Gifts and Hospitality Policy, which outline the process of accepting gifts or entertainment from business associates.)

5.5 Outside employment

An employee holding a position outside the Company that adversely affects the employee's ability to perform their position duties properly. This situation would include holding any position with a competitor.

5.6 Opportunities resulting from employment

An employee making a personal acquisition of real estate, inventions, securities, or any other property which GRIT owns or may reasonably be expected to have an interest in acquiring or using the Company assets, human resources, information technology or influence for personal benefit or gain. Employees owe a duty to GRIT to advance its legitimate interests when the opportunity to do so arises. Moreover, an employee should not accept additional compensation for services performed for GRIT outside of his or her regular job.

For purposes of the above examples, references to the “employee” should be deemed to include family members, which should be broadly interpreted if there are any potential questions. Family members who depend on the employee for financial support or otherwise have a direct interest in the employee’s financial condition can give rise to particularly troublesome conflict issues, but these family members are not necessarily the sole area of potential concern.

6. DISCLOSURE

a) At least once annually, the Human Capital (“HC”) department of GRIT will distribute a Personal Disclosure Conflict of Interest forms to employees at all levels. The Personal Disclosure Form provides the opportunity for Employees to disclose information concerning conflicts of interest, including information regarding any relationships with any customer or supplier of GRIT and any outside consulting activities. If the employee has any doubt as to whether or not a conflict exists, the situation must be disclosed.



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- b) If an employee becomes aware of an actual or apparent conflict of interest at any time, the employee should not wait for the next scheduled distribution of the Personal Disclosure - Conflict of Interest forms but should immediately bring it to the attention of the employee's supervisor and the HC Department.
- c) Conflicts of interest may not always be clear cut, so if an employee has a question, the employee should consult with the most Senior Executive assigned to the employee's business unit or function or with Compliance and/or HC Department.

7. SERVICE ON BOARDS AND OTHER OFFICIAL POSITIONS

GRIT encourages employees to be of service to their respective communities and to be involved in civic and community affairs. However, service on school, hospital or other charitable boards, governmental bodies or business or professional associations may occasionally result in a conflict of interest. Such service could create a "reverse" conflict, where the outside organization feels that the employee is not able to act in the best interest of that outside organization because of employment by GRIT. This type of conflict of interest is of concern to the Company since it may have an adverse effect on our reputation and our goodwill in the communities in which we operate.

The Company has established the following guidelines with respect to service on Board of Directors or a similar governing body or as an officer or other official of any for- profit or non-profit entity ("official position"):

- a) Employees must receive prior approval from their reporting line, Compliance and HR Department before accepting an official position of any for-profit entity other than an entity that is more than 50% owned by GRIT. In the case of the direct reports to the Chairman and Chief Executive Officer, approval to accept an official position of any for-profit entity (other than an entity more than 50% owned by GRIT) should be obtained from the Chairman. In the case of the Chairman, approval for any applicable for-profit entity should be obtained from the Board of Directors.
- b) Employees who have accepted an "official position" with a non-profit organization should promptly notify the employee's reporting line, Compliance and HR Department.
- c) The bylaws/internal rules, regulations or policies of GRIT may provide for indemnification for liabilities incurred by an employee who is serving in an official position of another entity if the employee is serving "at GRIT's request" and also provide that it shall be conclusively presumed that any employee of GRIT serving as a director, officer, partner, trustee, member of any governing or decision- making committee, employee or agent of an affiliate of GRIT shall be so serving at the request of Grit Real Estate Income Group. Any employee who requests a determination that their service is at the request of GRIT (or that a particular entity is an affiliated for purposes of the bylaws/internal rules, regulations, or policies of GRIT) should submit a request for review to the HR Department assigned to the employee's business or function. The Risk Committee and/or the Board of Directors will oversee Grit's determination of whether the relevant entity is an affiliate or whether the employee will be treated as serving at the request of GRIT for indemnification purposes. Except for those employees serving affiliated organisations, as indicated above, no employee shall be deemed to be serving at the request of GRIT



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unless this approval has been obtained and written confirmation from Compliance and HR Department has been provided to the employee.

- d) If an employee becomes aware of any of the following facts during the employee's tenure with such other business or organization, prompt disclosure to the Compliance and HR Department is necessary:
- a proposed or actual change occurs in the employee's responsibilities to such business or other organization;
 - contrary to its previous intentions, such business or other organization seeks to do business with GRIT, or the employee has reason to believe it may seek to do business with the Company;
 - there is any material change in the business purpose or operation of the entity; and
 - any other circumstance arises that the employee reasonably believes may give rise to an actual or potential conflict of interest.
- e) In connection with the employee's official position, an employee should not represent that the employee is acting as the Company's representative or spokesman.
- f) An employee should not take advantage of his or her position with Grit Real Estate Income Group in order to place undue pressure on co-workers to make donations or contributions to organizations with which the employee is associated or otherwise supports.
- g) GRIT may request that an employee resign from an official position at any time if the Company believes that continued service creates an actual or potential conflict of interest.

8. REMEDIAL PROCEDURES

If it is determined that a conflict of interest exists, the matter will be resolved in a manner that is satisfactory to the Company, including without limitation by:

- a) Requiring that the employee stop the conflicting outside activity or involvement;
- b) Requiring that the employee be excused from performing GRIT duty which causes the conflict on those occasions where the conflict exists;
- c) Transferring the employee to a position in which there is no conflict;
- d) Permitting the conflict to continue if the Company decides that it does not significantly affect the best interest of GRIT; or
- e) Appropriate disciplinary action.

The failure to disclose promptly a conflict of interest may also result in disciplinary action.

If an employee believes in good faith that a conflict of interest exists between Grit Real Estate Income Group and another employee, the employee should report this information to the HR Department assigned to his or her business unit or function. The employee may report such information in confidence and without fear of retaliation. Unless the situation requires that the employee's identity be disclosed, anonymity will be protected. Grit Real Estate Income Group prohibits retaliation of any kind against employees for good faith reports of actual or potential violations of this policy.



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9. BREACH OF POLICY

The owners of this Policy are the Head of HC (“HOHC”) and the Head of Responsible Business (“HORB”). Upon occurrence of a breach and as soon as it is known, the COO shall immediately inform the Chief Executive Officer (CEO) of Grit and shall propose the action to rectify the breach.

The Risk Committee and/or Board shall be kept informed of such breaches and remedial actions on a quarterly basis. Decisions taken by the CEO and/or management shall be ratified at each Board meeting. A register of breaches will be maintained by the Compliance and HC Department for the purpose of this policy.

10. CONSEQUENCES FOR BREACH OF THE POLICY

All employees are responsible for ensuring they comply with this policy. Any breach of policy will be dealt with within accordance of the Company’s disciplinary processes measures.

Any violation of this Policy may lead to disciplinary sanctions up to and including termination of employment.

11. STRUCTURE, MONITORING AND REPORTING

The Board of Grit is ultimately responsible of the risk management of the GRIT Group. In assisting the Board to discharge such responsibilities, a delegated authority has been given to the HOHC and HORB to monitor the adherence to this Policy.

The Compliance and HC Departments shall be responsible for the day-to-day operations of this policy. The Compliance and HC Departments will report to the HOHC and HORB on compliance with this policy and any breach that may have aroused. The reporting will be carried out in such manner as deemed appropriate.

Adherence to the Policy’s principles will be reported to the Risk Committee and/or Board by the COO at regular and appropriate intervals, as set out under paragraph 9 of this policy.



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ANNEXUR A – DECLARATION OF INTERESTS

I, _____, declare as follows:

I understand and agree that I shall devote all such reasonable hours as may be necessary for the efficient performance of my duties, including weekends and public holidays as required, to the business of the Company in terms of my employment contract. I shall not engage in any activities, which will conflict with or prejudice the duties that I am required to perform in terms of my employment contract.

As at the commencement date, my immediate family members and I have the interests disclosed in the table below. I commit to disclose to the Company, immediately as they may arise, any interests I, and those of any immediate family member of mine, may have in any other businesses, companies, close corporations, partnerships, or associations of which I, or any immediate family member, maybe a director or member or in which I, or any immediate family member, have a financial interest. For purposes of this declaration, an immediate family member means my spouse/life partner, parent, child, or sibling.

I accept that, should the Company determine that my (or any immediate family members) interest in any outside entity detracts or may detract from the proper performance my duties and responsibilities, the Company shall be entitled to require me (or the immediate family member concerned) to immediately cease such involvement or engagement or to address the matter in such other manner as the Company may deem fit.



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DECLARATION OF INTERESTS

Name of business	Name of individual holding interest	Type of business	% of equity	Nature of interest if not equity

NAME OF EMPLOYEE

APPROVING MANAGER – NAME

START DATE

JOB TITLE

DATE SIGNED

DATE SIGNED

APPROVED BY HR DEPARTMENT

APPROVED BY COMPLIANCE

NAME

JOB TITLE

DATE SIGNED

DATE SIGNED

