

grit

we find *the* way...

SUSTAINABILITY
REPORT

2023



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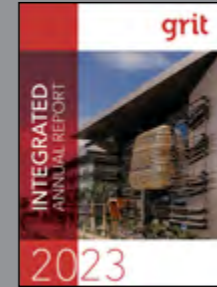
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#Beyondbuildings

#WomenwithGrit

#SustainableBuilding

#BestPlacetoWork



ABOUT THIS REPORT

At Grit Real Estate Income Group Limited ("Grit", the "Group", "we", "us", "our"), we are deeply committed to provide a report that reflects our steadfast commitment to responsible business practices across our operations and our performance.

Scope, boundary and reporting cycle

This report encompasses the activities and initiatives undertaken by Grit and its subsidiaries, for the financial year ended 30 June 2023. The boundaries for each Key Performance Indicator (KPI) disclosed have been defined, where applicable.

This report should be read in conjunction with the 2023 Integrated Annual Report ("IAR 2023").

Frameworks and Standards

Similar to the previous, we have aligned this year's report to the following standards and frameworks for our report:

- Global Reporting Initiative (GRI);
- Sustainability Accounting Standards Board (SASB); and
- EPRA sustainability principles

Target audience

All stakeholders of Grit.



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OVERVIEW OF GRIT

Grit is a leading, London-listed pan-African impact real estate investor and solutions provider. We invest in, develop and create smart solutions in resilient property sectors across the continent for our multinational clients, tenants and investors.

We leverage our deep African real estate insights and in-country expertise to offer unique real estate solutions in property development, asset, and property management as well as selected co-investment opportunities for qualifying counterparties.

Grit generates impact through:

157
Employees

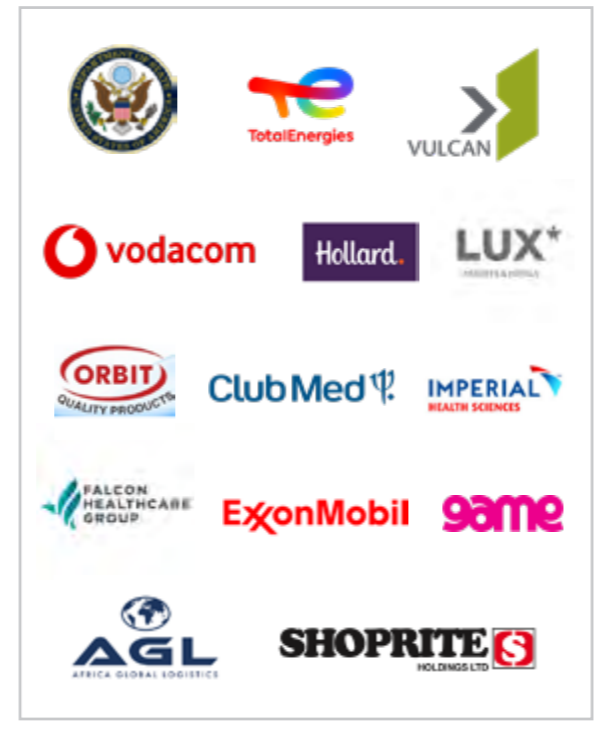
33
Properties
(including land)

7
Sectors
(industrial, office, retail, medical, data centres, hospitality, and corporate accommodation)

11
Jurisdictions

OUR TENANTS

Our prime tenants



Portfolio Exposure

As part of our business risk management strategy, the Company targets a diversified and balanced exposure to sectors and jurisdictions, which provides a cushion in times of volatility. The Board reviews this strategy annually and objectives are set with regards to acquisitions and disposals, based on the business assessments that the Company would have performed.

Sectoral split¹ as at 30 June 2023 (%)



Geographical split as at 30 June 2023 (%)



1. Split by asset value; Grit economic interest.



Geographic & sectoral diversification

#	Country	Property*
1	Morocco	AnfaPlace Mall
2	Senegal	Club Med Cap Skirring Resort
3	Mauritius	Tamassa Resort The Precinct Curepipe Artemis Hospital
4	Ghana	Capital Place 5th Avenue Corporate Offices CADS 2 Building Adumuah Place
5	Nigeria	Africa Data Centres
6	Ethiopia	Elevation Diplomatic Residence
7	Uganda	Metroplex Shopping Centre
8	Kenya	Buffalo Mall Imperial Distribution Centre Orbit Complex Rosslyn Grove Eneo at Tatu Central
9	Zambia	Kafubu Mall Mukuba Mall Cosmopolitan Mall
10	Mozambique	Commodity House Phase 1 KPMG/Hollard Building Vodacom Building Zimpeto Square VDE Housing Compound Mall de Tete Bollore Warehouse Commodity House Phase 2 Acacia Estate Tulip Stations
11	Mali	DH4 Bamako GUL** TIP**

* Includes lands
** Land


DELIVERING AGAINST OUR STRATEGY


IMPACT REAL ESTATE


beyond buildings

Our impact pillars

We aim to contribute positively to the well-being of communities, individuals, and the environment, through:

Economic growth 


Improved livelihoods 

Environmental stewardship 

Our strategy

We focus on attracting high-quality and resilient multinational tenants, engaging directly to grow and maintain income and capital values through active management, and delivering sustainable real estate solutions that create positive IMPACT to the community and the environment.

Strategic objectives

Strong Stakeholder Relationships 

Scalable Real Estate Value Chain in Africa 

Sustainable Superior Returns 

Refer to page 13 of the IAR 2023 for more details on our strategy.

The value we create

By successfully implementing our strategy, we create value for all our stakeholders:



Our Tenants

In line with our purpose, we work closely with our tenants to develop, the space they need to operate on the African continent and help them own and manage such space.



Our Shareholders/ Investors

Grit is a specialist real estate platform dedicated to investing in and developing high-quality impact assets and providing smart business solutions on the African continent (excluding South Africa). We offer investors a sustainable blend of long-term growing hard currency income and capital growth.



Our Local Communities

We continuously engage various NGOs and local communities and authorities with the objective of delivering real and measurable impact. Our social initiatives empower people to make a real and lasting difference in their own lives and the communities around them.

Refer to pages 34 to 37 for the value we create (Impact) in our local communities through our various CSR projects.

Our ESG strategy

Our sustainability framework and strategy are built on the foundations of the United Nations' Sustainable Development Goals (SDGs) Our sustainability policy encompasses our sustainability objectives and targets, which are monitored and reported quarterly, by our Sustainability / ESG Committee to the Company's Responsible Business Committee as well as to the Board of Directors. We have defined six major pillars and focus areas when it comes to sustainability that provide a clear focus on how Grit sets out to conduct a sustainable and responsible business.

Pillars	1	2	3	4	5	6
	Managing our assets responsibly	Designing and delivering environmentally conscious and safe, healthy, and efficient spaces	Uplifting communities	Developing our employees	Setting the highest standards of health & safety	Protecting human rights
Core UNSDGs	 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	 8 DECENT WORK AND ECONOMIC GROWTH	 4 QUALITY EDUCATION	 3 GOOD HEALTH AND WELL-BEING	 10 REDUCED INEQUALITIES

Refer to pages 16 to 17 for more details on our ESG strategy and sustainability framework.

HOW WE PERFORMED
2023

ESG Highlights

Achievement across all jurisdictions

84%

employee satisfaction

847

hours of leadership programs

Achievements

5-star Green Rating
Certification



EcoDistricts
Certified



EDGE
Certified



ISO 450001
Certified



EPRA sBPR and BPR
Awards



EPRA sBPR and BPR
Most Improved



Achievements FY2022/2023

7%

reduction

Carbon emissions

25% Reduction by 2025¹
On track



10%

improvement

Building efficiency²

25% Reduction by 2025¹
On track



43%

Exceeded target

Gender Equality

>40% women in leadership positions



81%

Exceeded target

Local Representative

>65% local employees



1. Using FY2019 as a base year, including air travel and portfolio building carbon emissions for the following properties (Ghana: 5th Avenue, Capital Place) (Kenya: Buffalo Mall) (Morocco: AnfaPlace Mall) (Mozambique: Acacia Estate, Hollard Building, Vodacom Building, Commodity Phase 1, Commodity Phase 2, Vale Housing Estate, Mall de Tete, Zimpeto Square) (Zambia: Cosmopolitan Mall, Kafubu Mall, Mukuba Mall).

2. Building efficiency is an internal target and is a factor of electricity consumption and water consumption reductions that allow us to monitor effectiveness of initiatives implemented.

MESSAGE FROM HEAD OF ESG

At Grit, our unwavering commitment to effecting positive change in both society and the environment is integral to our corporate ethos. This commitment is not merely a responsibility; it is a fundamental aspect of our business philosophy.

In my capacity as the Head of Environmental, Social, and Governance (ESG), I am pleased to announce the ongoing development of a comprehensive impact policy and framework. This initiative is driven by a recognition of the unprecedented challenges facing the world, wherein businesses such as ours play a pivotal role in addressing these issues.

By formalizing our dedication to sustainability, diversity, and ethical governance, we aim to align our operations with broader societal and environmental well-being, fostering a culture of purpose-driven decision-making.

We firmly believe that this strategic approach not only enhances our corporate reputation but also generates long-term value for our stakeholders and contributes positively to the planet.

A tangible manifestation of our commitment to giving back to society is the GRIT Foundation, established last year. This foundation stands as a cornerstone of our community engagement efforts, supporting impactful initiatives that significantly improve people's lives. Whether through sponsoring animal welfare programs, funding sports prodigies, or championing women's empowerment, our foundation serves as a testament to our steadfast commitment to being a responsible corporate citizen.

We are of the firm belief that our success should translate into meaningful contributions to the communities that have steadfastly supported us over the years.

As we continue to evolve our impact policy and framework, we are excited about elevating our commitment to the next level, ensuring that our actions consistently mirror our values and contribute positively to society at large.

Together, we have the power to construct a better, more sustainable future.

Impactfully yours,



Shevira Bissessor
Head - ESG

MESSAGE FROM HEAD OF RESPONSIBLE BUSINESS

Our commitment to fostering a positive and enduring Impact within the communities where we operate, and among all those associated with our investments, remains unwavering. This dedicated approach to Impact is deeply ingrained in Grit's core values of responsibility, sustainability, and excellence, which are integral to our mission as a pre-eminent pan-African real estate investor and solutions provider.

We envision a future where our real estate investments transcend financial returns and become catalysts for societal advancement and environmental stewardship across the African continent. Grit aspires to lead the way in responsible and sustainable real estate development, setting global benchmarks in African real estate and instigating constructive and collaborative transformation.

Our principal goal is to deliver robust and sustainable income and Impact returns for our stakeholders whilst growing income and value. In pursuit of this, we aspire to be a leading Impact investor and owner,

actively managing a diversified portfolio carefully selected, sustainable real estate assets in various African countries.

Our transition to "Grit 2.0" is principally about moving from an exclusive focus on income to a broader commitment to Impact. We have spent the past year distilling what this transformation looks like, and this journey is now articulated in our Impact Policy and Theory of Change.

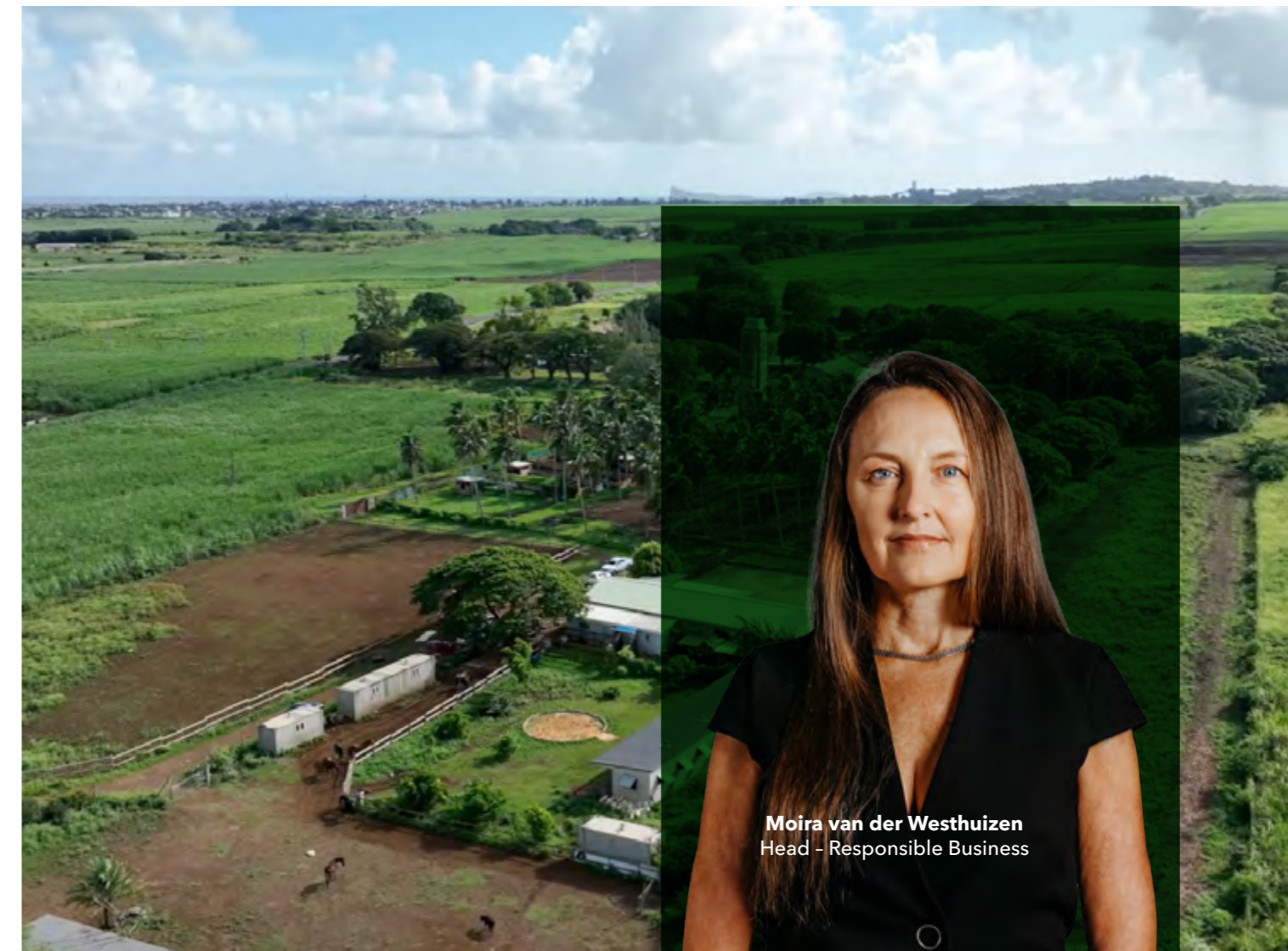
Our focus areas for Impact are:

- Economic growth
- Improved livelihoods
- Environmental stewardship

Through these Impact pillars, we aim to contribute positively to the well-being of communities, individuals, and the environment, all whilst striving to achieve our financial objectives.

Our inaugural Impact Report, launched later in 2023, will serve to document and benchmark our contributions in these Impact areas as we progress on this exciting journey.

Responsibly yours,



Moira van der Westhuizen
Head - Responsible Business

SNAPSHOT OF OUR SUSTAINABILITY PERFORMANCE

	Target / Objectives	FY2022-2023	Status
Environmental Stewardship	25% reduction in Group Carbon emissions by 2025.	7%	On track to meet 2025 target
	25% improvement in building-efficiency by 2025 through reductions in electricity & water consumption.	10%	On track to meet 2025 target
	25% reduction in electricity consumption	7%	On track to meet 2025 target
	25% reduction in water consumption	12%	On track to meet 2025 target
Improved Livelihoods	At least 40% of leadership positions within Grit Group held by women.	43%	Target achieved
	At least 65% local employee representation.	81%	Target achieved
Economic Growth	Gender equality	100% women development managers (managing our property developments under construction)	N/A
	Job Creation	58 new recruits	
	Money spent on wage bill	USD 6.62 million	

Memberships and Affiliations

United Nations Global Compact (UNGC) - Since February 2020, we have been engaged as a participant to the UNGC, adhering to its 10 principles. Our operations and business practices are closely aligned with the Sustainable Development Goals (SDGs).

Global Compact Network Mauritius and Indian Ocean Region ("local network") - Grit is also a council member on the board of the local network, whose main aim is to facilitate dialogue, knowledge sharing and collaborative initiatives to advance the UN 2030 Agenda for Sustainable Development between businesses, civil society, governments, and other stakeholders within the region.

Target Gender Equality - We have onboarded the program "Target Gender Equality" since July 2023, which is a blended learning journey focused on the application of gender lens to corporate policies and practices, as well as the setting of ambitious targets and the designing of holistic action plans for gender equality.



OUR SUSTAINABILITY FRAMEWORK AND STRATEGY

Our Sustainability Framework

Our sustainability framework, implemented in 2020, is a core part of our sustainability strategy. Our sustainability policy encompasses our sustainability objectives and targets, which are reviewed quarterly by the ESG Exco, our Responsible Business Committee as well as our Board of Directors. We have defined six major pillars and focus areas for sustainability that provide a clear focus on how we set out to conduct ourselves as a responsible and sustainable business.

Our six sustainability pillars

	Core SDGs	Ancillary SDGs
<p>1 Managing our assets responsibly</p> <p>At Grit, we constantly find ways to drive efficiency and improve our business, through the close monitoring of our assets, and further developing and delivering innovative solutions that maximize utility for the tenant, returns for our shareholders and positive change and value for all our stakeholders.</p>		
<p>2 Designing and delivering environmentally conscious and safe, healthy and efficient spaces</p> <p>Grit provides spaces which are energy efficient, reduce water usage, promote prudent waste management, and consider the environment, while also reducing operating costs for the benefit of both our tenants and shareholders.</p>		
<p>3 Uplifting communities</p> <p>Grit provides support and resources to the communities in which we operate to ensure that our on-the-ground presence, and not just our assets, add value, and provide access and opportunities to the surrounding communities.</p>		
<p>4 Developing our employees</p> <p>The Company realises that it is important to build people, who in turn, build businesses, by creating opportunities for individuals and teams to grow, innovate, debate, problem solve and realise their full potential.</p>		
<p>5 Setting the highest standards of health & safety</p> <p>Grit creates and provides a safe and healthy work and living environment for our stakeholders by implementing the ISO45001 health and safety standards.</p>		
<p>6 Protecting human rights</p> <p>Human rights are basic rights that belong to everybody. They embody key values in their society such as fairness, dignity, equality and respect. They are an important means of protection for us all, especially those who may face potential abuse and neglect. At Grit, the protection of human rights and fundamental freedoms are managed from both an internal and external perspectives.</p>		

Our 3-year ESG plan (FY2022 - 2024)

Materiality Assessment

An update on the status of our materiality assessment timeline as indicated in 2022 Integrated Annual Report ("IAR 2022") is shown below:

Year 1	Year 2	Year 3
Development of survey and scoring methodology specific to Grit. Data gathering for materiality assessment (surveys, workshop). <i>RESULTS FINALISED</i> Report in progress and projected to be completed in December 2023	N/A	Materiality Assessment repeated.

Carbon Footprint

An update on the status of our carbon footprint timeline as indicated in IAR 2022 is shown below:

Year 1	Year 2	Year 3
Identify and report on scope 1 and scope 2 emission sources. On-going and projected to be completed in FY2024.	Repeat Carbon footprint exercise and include all scope 3 emission sources.	Repeat Carbon footprint exercise (scope 1, scope 2 and scope 3) with verification from external third party.

ESG Strategy

An update on the revision of our ESG targets and enhancement of our ESG strategy is shown below:

Year 1	Year 2	Year 3
Set targets and strategy on scope 1 and scope 2 reductions. Use results of materiality assessment to review Grit's current ESG Strategy (high priority areas). On-going and projected to be completed in FY2024.	Report on progress against latest target set. Implement corrective actions, if needed. Further develop strategy to address medium priority areas as identified in the materiality assessment.	Report on targets set (monitoring). Implement corrective actions, if needed. Realign strategy, if need be, based on results from materiality assessment.

TCFD Report

We have addressed some of the gaps identified in our TCFD disclosure and have reported on how we align to the TCFD recommendations as well as the status of the action points identified in IAR 2022 (refer to pages 78 to 93 for our full TCFD report of the IAR 2023)

Year 1	Year 2	Year 3
Develop Action plan to address gaps in TCFD Report. <i>COMPLETED</i>	Report on progress against action plans and re-evaluate. On-going and projected to be completed in FY2024	Continue to report against action plans and enhancements for future reporting in alignment with TCFD recommendations. On-going and projected to be completed in FY2025

ESG Report

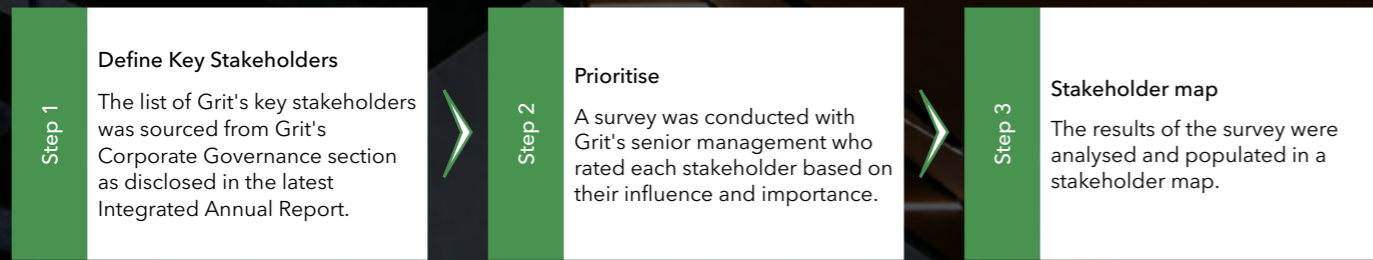
As articulated in our FY2022 Integrated Annual Report, we have diligently aligned our ESG reporting with the Global Reporting Initiative ("GRI"). This strategic alignment underscores our steadfast commitment to maintaining transparency and accountability as foundational tenets in our communication to stakeholders concerning our ESG strategy and initiatives.

Year 1	Year 2	Year 3
Alignment with GRI Indicators. <i>COMPLETED</i>	Alignment with GRI Indicators.	Verification of non-financial KPIs by external auditors.

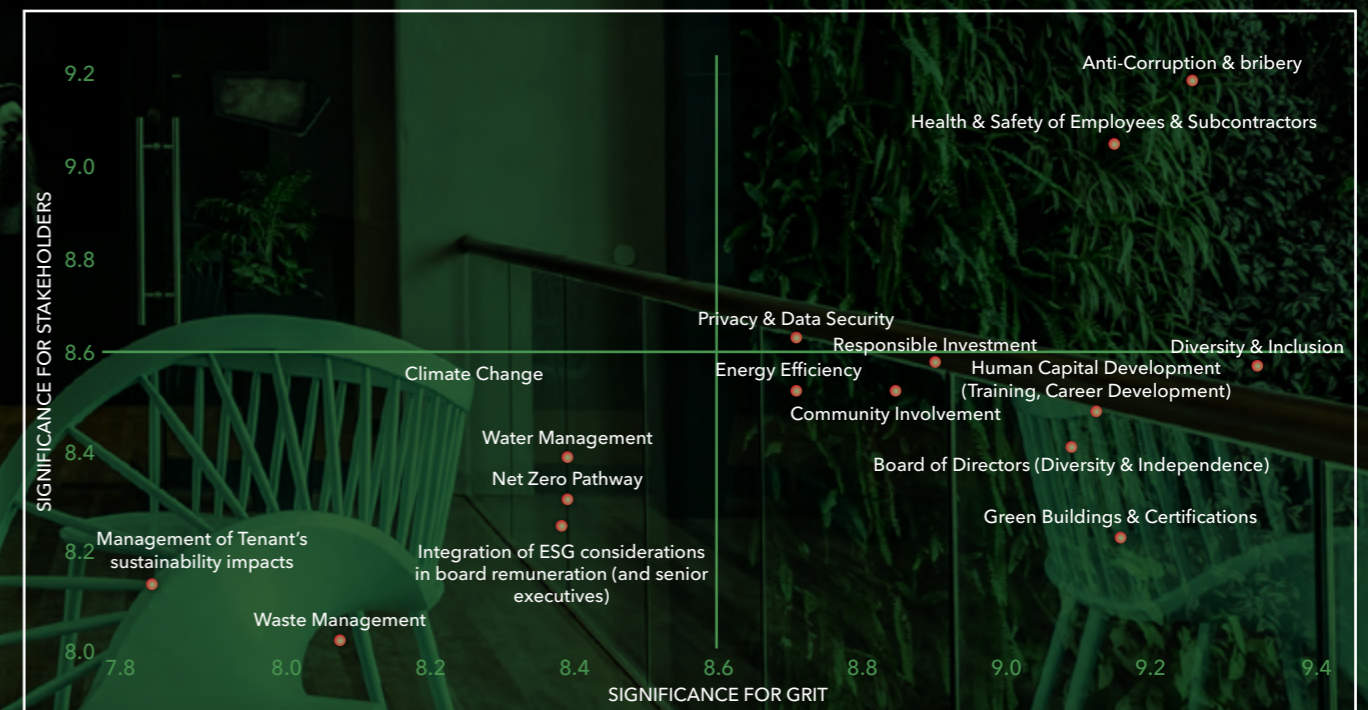
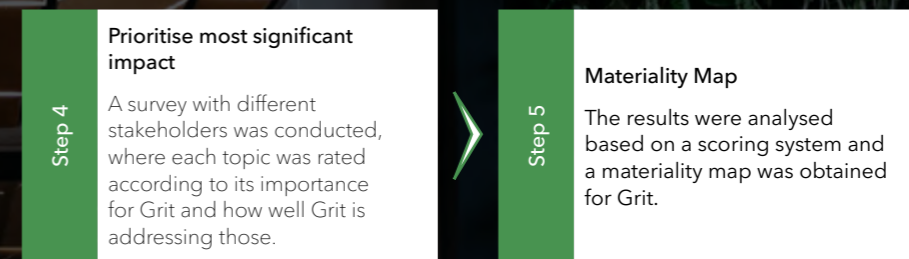
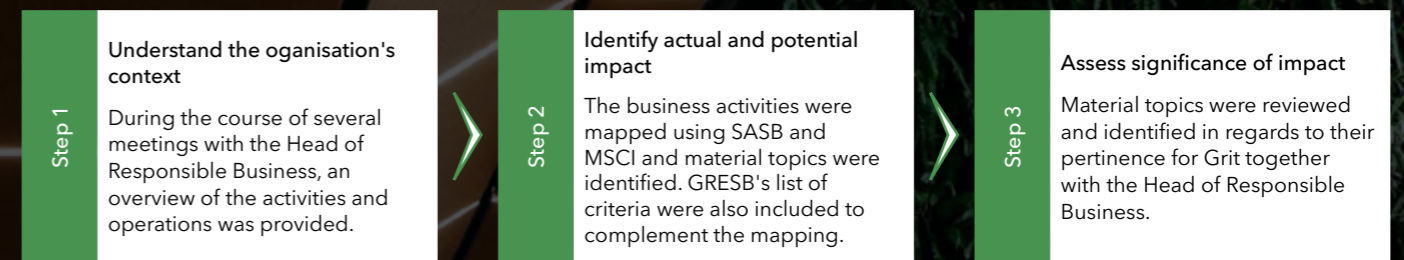
MATERIALITY ASSESSMENT

This year, we conducted a materiality assessment to identify and prioritise our most critical ESG issues as well as engage with stakeholders. This process will allow us to realign our sustainability strategy accordingly. The exercise was subdivided into two parts:

PART 1: Stakeholder mapping



PART 2: Materiality survey



Through this exercise, we have identified the most important issues for Grit especially from our stakeholders' perspective. The next step is to review the different material topics and develop a comprehensive action plan regarding same.



ENVIRONMENT

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CLIMATE CHANGE

In the real estate sector, the significance of addressing climate change and implementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) cannot be overstated. The industry is uniquely vulnerable to climate-related risks, including extreme weather events, rising sea levels, and regulatory shifts. These risks directly impact property values, insurance costs, and maintenance expenses, while also affecting investor confidence and stakeholder relations. By embracing TCFD guidelines and proactively addressing climate risks, real estate companies can enhance their resilience, make informed decisions, attract sustainable investments, and contribute to a more secure and sustainable future for both their businesses and the communities they serve.

This second TCFD report (available in our IAR 2023) serves to demonstrate our achievement as per the timeline communicated to our stakeholders in the previous report and to provide disclosure on the four core pillars of Governance, Strategy, Risk Management and Metrics.

Proposed action items	Status
Year 1 (Short term)	
Board training	Circulated presentation on climate change and related risks via Dilitrust to Board members.
Identification of climate-related risks and opportunities (short, medium, long terms)	We have a report on Climate risk, which looks at all areas where our assets are located.
Integration of climate-related risks in Board agenda	Climate Risk is a recurrent agenda item for the Risk Committee.
Assessment of potential impact of different scenarios by external consultant	We have engaged with an external consultant and are currently awaiting the approval of the Risk Committee for the approval of the tool.
Year 2 (Medium Term)	
Assessment of impact of identified climate-related risks and opportunities	Science-based tests are integrated in our risk management frameworks and processes
Integration of processes for identifying, assessing and managing climate-related risks	
Review of targets to reduce GHG emissions	In progress under our Carbon Footprint project
Review of targets used to manage climate-related risks and opportunities	

Environmental, Social and Governance Management System

In 2022/23 Grit developed and commenced with the implementation of our ESG Management System (ESGMS) to effectively address ESG-related challenges. This system highlights our commitment to responsible business practices and sustainable development. It is designed to guide decision-making, enhance transparency, and promote positive social and environmental impacts across our portfolio.

The implementation of our ESGMS incorporates policies, procedures, annexures, forms, and checklists to ensure alignment with ESG legislation, IFC requirements, and best practice.



Responsible Investment

ESG factors are considered as screening criteria and form a core component of our Investment Policy. Our Responsible Investment team is accountable for the implementation of this policy. As part of our investment process and deal origination, funds are allocated to enhance impact objectives.

Impact Framework Development

We have onboarded an external consultant, IBIS Consulting, who is currently developing our Impact Development Framework, which will be deployed across Grit.

Introduction to Impact Policy

In 2023, Grit took the important step of adopting an Impact Policy and Theory of Change ("Impact Policy") to articulate its commitment to Impact and outline the way in which the organisation seeks to maximise the Impact it creates through the business it carries out.

Grit's commitment is to create a lasting Impact that extends beyond the boundaries of its real estate investments. We believe in being a force for positive change in the communities we touch and the environment we operate in. Our Impact Policy outlines our dedication to three core focus areas:

At Grit, our commitment to creating a lasting Impact extends beyond the boundaries of our real estate investments. We believe in being a force for positive change in the communities we touch and the environment we operate in. Our Impact Policy outlines our dedication to three core focus areas:

Economic growth

Grit remains steadfast in its commitment to fostering positive contributions to the economies of the countries within its operational ambit. Our role extends beyond that of a real estate developer and landlord, to being a catalyst for economic vitality. This commitment is manifest in our proactive efforts to stimulate economic activity, both through the initiation of new projects and the sustained support of existing ones. Our overarching objective is to support economic resilience and foster growth within the regions where we operate, ensuring that our presence engenders lasting benefits for the local economy.

Improved livelihoods

Enhancing the livelihoods of our stakeholders is at the core of our endeavours. This encompasses a broad spectrum of individuals, including our employees, community members, and those who directly or indirectly engage with our projects and utilize the products and services by our tenants. We strongly emphasise creating and sustaining meaningful job opportunities, equal remuneration for work of equal value, ensuring access to life-improving goods and services, and promoting economic prospects, particularly for marginalized groups, such as women. Grit actively engages with and supports host communities, while also prioritizing local employment and suppliers to foster economic empowerment.

Environmental stewardship

We recognize our responsibility to minimize the environmental impact associated with our infrastructure development and building management efforts. Grit is committed to the responsible consumption of resources and the integration of environmental considerations throughout the lifecycle of its buildings. This commitment spans from the initial stages of development to ongoing maintenance and management. We actively work to reduce our environmental footprint, aligning our operations with sustainable practices to safeguard the planet for current and future generations.

Grit's Impact Policy is not just a statement of intent; it is a guiding framework that shapes our actions and decisions, ensuring that considerations around Impact are incorporated into each step of our decision-making and management processes.

In order to support the rollout of our Policy, we are in the process of designing an Impact Measurement Framework which will facilitate the systematic gathering and consolidation of data against KPIs which are aligned to our Impact focus areas, allowing us to track and communicate our performance over time.

ENERGY AND CARBON

Environmental Stewardship	Target / Objectives	FY2022-2023	Status
	25% ¹ reduction in Group Carbon emissions by 2025.	7%	On track to meet 2025 target
	25% ² improvement in building-efficiency by 2025 through reductions in electricity & water consumption.	10%	On track to meet 2025 target
	25% reduction in electricity consumption	7%	On track to meet 2025 target
	25% reduction in water consumption	12%	On track to meet 2025 target

Environmental sustainability is of paramount importance to Grit. Not only are we incorporating environmental considerations in our investment decisions, but we have taken the commitment to reduce our environmental impact across our operations through the monitoring of specific goals.

Our medium term strategic focus areas in this regards are as follows:

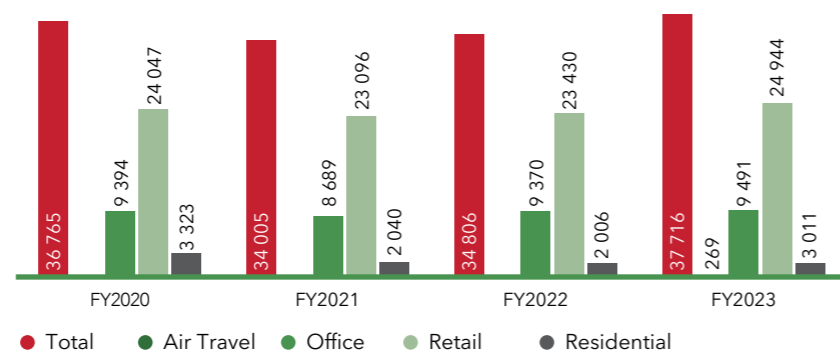
Employee engagement and education	Continue with sustainability training programs for employees to raise awareness and foster a culture of environmental responsibility.
Continuous data monitoring and analysis	Implement advanced data analytics and monitoring systems to track resource consumption, energy efficiency, and environmental impact. Use data-driven insights to make informed decisions and fine-tune strategies for maximum effectiveness.
Innovation and research	Continue to allocate resources to research of innovative technologies and solutions that align with Grit's sustainability goals.

7%
reduction

Group Carbon emissions
25% Reduction by 2025
On track

Breakdown of portfolio and air travel emissions

Emissions of portfolio (electricity consumption) (kg CO₂e'000)



1. Using 2019 as a base year, including air travel and portfolio building carbon emissions for the following properties - Ghana: 5th Avenue, Capital Place) (Kenya: Buffalo Mall) (Morocco: AnfaPlace Mall) (Mozambique: Acacia Estate, Hollard / KPMG Building, Vodacom Building, Commodity Phase 1, Commodity Phase 2, Vale Housing Estate, Mall de Tete, Zimpeto Square) (Zambia: Cosmopolitan Mall, Kafubu Mall, Mukuba Mall)

2. Using 2019 as a base year. Building efficiency is an internal target and is a factor of electricity consumption and water consumption reductions that allow us to monitor effectiveness of initiatives implemented. Data on electricity consumption for the following properties - Ghana: 5th Avenue, Capital Place) (Kenya: Buffalo Mall) (Morocco: AnfaPlace Mall) (Mozambique: Acacia Estate, Hollard / KPMG Building, Vodacom Building, Commodity Phase 1, Commodity Phase 2, Vale Housing Estate, Mall de Tete, Zimpeto Square) (Zambia: Cosmopolitan Mall, Kafubu Mall, Mukuba Mall) and data for water consumption from the following properties - (Ghana: 5th Avenue, Capital Place) (Morocco: AnfaPlace Mall) (Mozambique: Acacia Estate, Hollard / KPMG Building, Vodacom Building, Commodity Phase 1, Commodity Phase 2, Vale Housing Estate, Mall de Tete, Zimpeto Square) (Zambia: Cosmopolitan Mall, Kafubu Mall).

Trends

Emissions in FY 2023 are slightly higher than those in FY 2022, owing mostly to an increase in our occupancy rates and through resumption of normal activities post the Covid-19 pandemic.

Various initiatives and projects were planned during this financial year to aid towards the reduction of our carbon footprint:

LED lighting	One of our main projects is the phased transition to energy-efficient LED lighting across our facilities. LED lighting not only significantly reduces energy consumption but also extends the lifespan of lighting systems, thereby minimizing waste.
Motion sensors and timers	Motion sensors and timers were strategically installed at various assets. By automatically adjusting lighting and electrical equipment based on occupancy, these sensors ensure that resources are used only when necessary, which results in reduced energy wastage.
Air conditioning replacements	We initiated a phased replacement of outdated and energy-intensive air conditioning units with new energy-efficient models. This proactive transition not only reduced the environmental impact but also resulted in enhanced cooling performance and reduced energy consumption.
Thermal insulation	By replacing and upgrading the thermal insulation of our air conditioning chiller pipes, we aim to minimize heat loss during the cooling process. This improvement not only optimizes the efficiency of our air conditioning systems but will also contribute to energy savings.

Future outlook

To further enhance our efforts to reduce our carbon footprint, we have identified three focus areas:

Renewable Energy and Lighting	Grit will focus on further reducing its energy demand and carbon footprint by integrating renewable energy sources such as solar PV systems. Additionally, Grit will continue its efforts by incorporating LED lighting, motion sensors, and other intelligent building technologies.
Sustainable Mobility Solutions	Promote sustainable commuting options for employees. Install electric vehicle charging infrastructure to encourage the adoption of electric vehicles among employees and visitors.
Transition to low carbon economy	Use Science-Based target initiative (SBTi) to review our targets and work towards the transition to a low carbon economy.

Diesel consumption

This year, we collected diesel consumption data from additional properties namely: Capital Place, 5th Avenue, Anfa Place, Mukuba Mall, Kafubu Mall and Cosmopolitan. The total diesel consumption in Litres was 35,0496 Litres, 29,441 Kg CO₂e.

In the next financial year, we shall be reporting on our full scope 1 emissions for all assets under our operational control.

Carbon Footprint report

This year, we have conducted our first carbon footprint exercise as per the Greenhouse Gas Protocol. This will provide us with an overview of our greenhouse gas emissions directly and indirectly produced by assets under our operational control. By understanding and managing our carbon footprint, we aim to contribute to the global effort to minimize GHG emissions, underscoring our commitment to transition towards a low carbon economy.

Scope Definition

Identifying the assessment boundaries and activities to be included. Adoption of the operational control approach to focus on emissions from the company's own operations and activities.

Data Collection

Gathering data on energy consumption, fuel usage, employee commuting, and other relevant activities.

Emission Factor Determination

Determining suitable emission factors to convert collected data into CO₂e units.

Carbon Footprint Calculation

Aggregating CO₂e emissions from all sources and expressing them as CO₂e emissions per square meter (m²).

Results Analysis

Analyzing the calculated carbon footprint results to identify areas for emission reduction and developing a plan for carbon reduction initiatives.

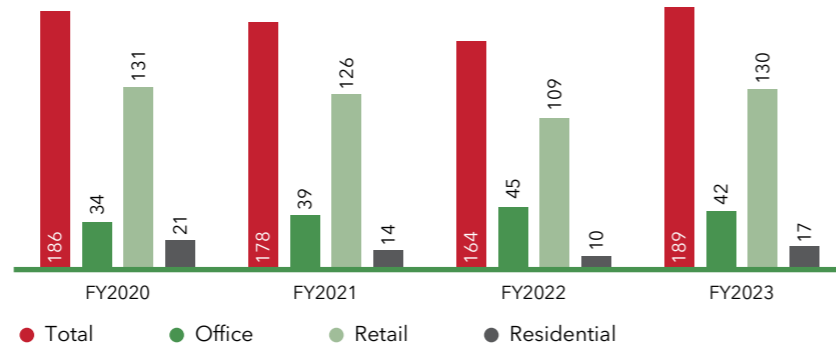
WATER

12% improvement

Group Water consumption
25% Reduction by 2025
On track

Water is one of the key resources that we monitor closely. Our target currently considers 13 properties and we have implemented several strategies to reduce our water consumption.

Water consumption ('000 KL)



Trends

We have noted an overall year-on-year increase in water consumption in FY 2023, owing mostly to an increase in occupancy rates.

Various initiatives were implemented to reduce our water consumption this year including:

Tap aerators and sensor taps	Tap aerators and sensor taps are being installed in common area/public washrooms to reduce water flow rates while maintaining adequate functionality. This initiative will decrease water wastage without compromising user experience.
Irrigation timing optimisation	Recognising the importance of responsible water management, we undertook an assessment of our irrigation practices. Through the implementation of optimized irrigation schedules, we were able to minimize water usage for landscaping while preserving the health and beauty of our outdoor spaces.
Water conservation	We expanded on our water conservation efforts by implementing additional water-saving equipment, smart technologies and systems.

Future outlook

We will further expand our water conservation efforts by implementing additional water-saving equipment, smart technologies and systems.



GREEN BUILDINGS

New Buildings

Target: Through its development arm (GREA), the Group aims to secure IFC EDGE Certification for all new developments.

The Precinct - Case Study

An office development comprising three buildings, situated at the entrance of Grand Baie, Mauritius, has earned the distinction of becoming the first commercial development in Africa to attain EcoDistricts status. Within the current development, Unity Building stands as a pioneering office complex – the first 5-Star Green Star rated building in Mauritius - designed to enhance employee well-being and promote work-life balance. Beyond Unity Building, there are plans to develop two more buildings.

The EcoDistrict's protocol represents a sustainable urban development framework that exemplifies a strong commitment to fostering people-centric, economically vibrant neighbourhoods, and district-scale sustainability. This forward-thinking approach underscores a steadfast dedication to environmental stewardship and close collaboration with tenants.

For GREA, an EcoDistricts certification is an integral component of our pursuit of responsible real estate development and in the transition to a low carbon economy. This certification complements the 5-Star Green Star Certified Rating previously attained by Unity Building, reinforcing our commitment to sustainability. While the 5-Star Green Star rating focuses on certifying individual buildings, the EcoDistricts certification takes a broader, progressive approach, encompassing the sustainable development of an entire district rather than a single structure.

The EcoDistricts certification is rooted in three imperatives: equity, resilience, and climate protection. Additionally, evaluators assess six priority areas, including peace, prosperity, health and wellness, connectivity, living infrastructure, and resource generation during the certification process.

A significant aspect of the EcoDistricts certification centres on guiding the path towards a zero-carbon footprint in the future. To maintain this certification, progress against established goals and targets will be monitored every two years.

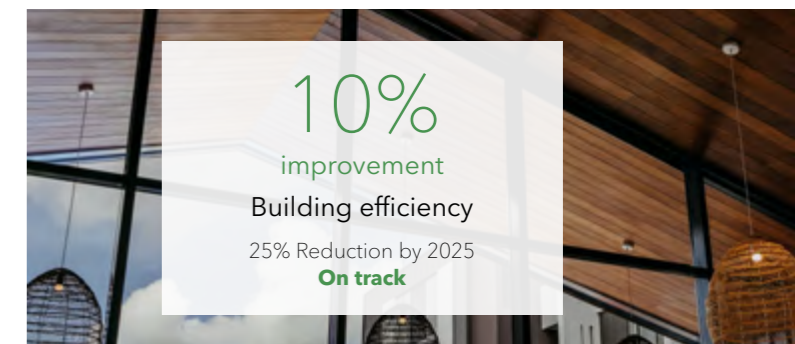
The achievement of EcoDistricts was made possible through collaboration. While Grit and GREA's development team spearheaded the technical support and implementation, the active involvement and commitment of tenants like Dentons and Workshop 17, along with non-governmental organizations and other partners, played a pivotal role in this achievement.

Existing Buildings

We are exploring strategies to achieve IFC Edge ratings on our existing assets. To this end, we will conduct comprehensive energy audits to identify efficiency enhancements and consider retrofitting strategies.

Building Efficiency

Over and above our commitments in respect to green building certifications, we have designed an internal target that allows us to monitor building efficiency through reductions in electricity and water consumption. This target is a key metric of our sustainability policy.



10% improvement

Building efficiency
25% Reduction by 2025
On track

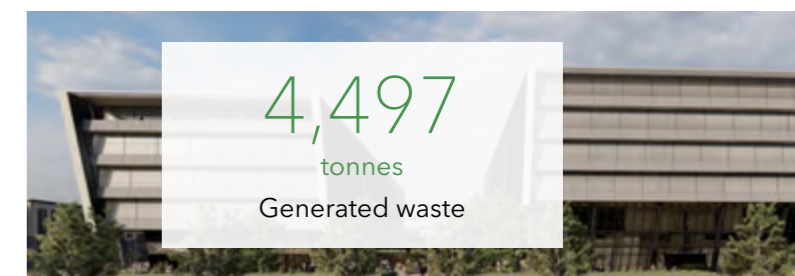
Biodiversity

Through our Environment and Social Management System, we have implemented biodiversity-related policies and processes, which caters helps assess and mitigate biodiversity-related risks for our projects.

Waste

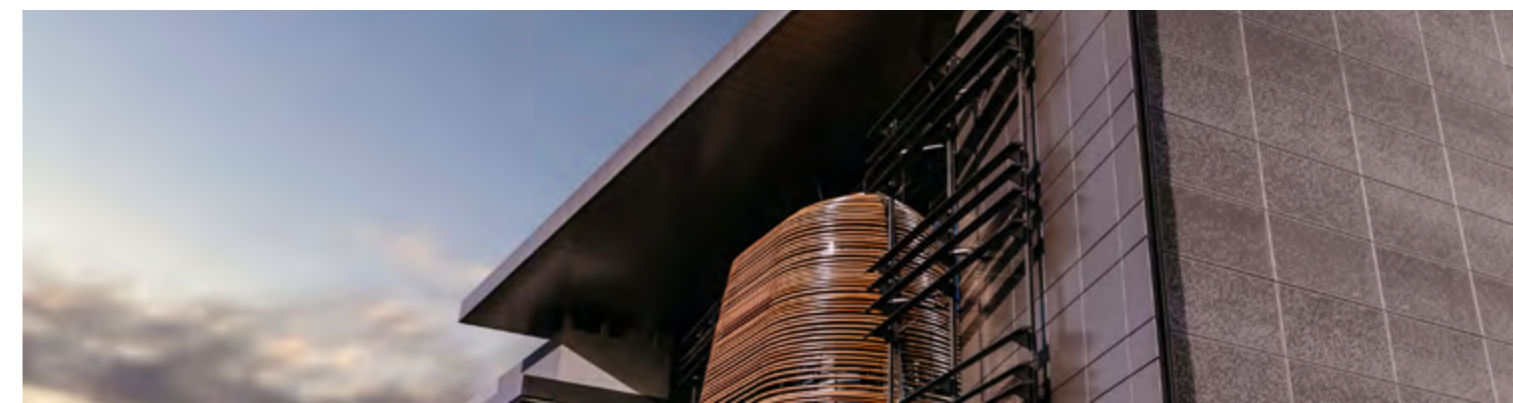
We are currently developing a waste framework to minimize waste generation and promote recycling and upcycling within Grit's operations, this also includes collaboration with suppliers and partners to source materials with a lower environmental impact and encourage product longevity.

A monitoring system has been put in place at the following properties: Capital Place, 5th Avenue, Anfa Place, Mukuba Mall, Kafubu Mall, Cosmopolitan.



4,497 tonnes

Generated waste





SOCIAL

Our people, our promise
Giving back to the community

OUR PEOPLE, OUR PROMISE

Our people, our promise

Target / Objectives	FY2022-2023	Status
At least 40% of leadership positions ¹ within Grit Group held by women.	43%	Target achieved
At least 65% local employee representation.	81%	Target achieved
Gender equality	100% women development managers (managing our property developments under construction)	N/A

Improved Livelihoods

Staff Profile

Total number of employees: **157**

	Under 30 years old	30 to 50 years old	Above 50 years old	Total
Male	12	63	7	82
Female	22	47	6	75
Total	34	110	13	157

FY 2023 Key Highlights

- We successfully completed the Job Levelling project in collaboration with Korn Ferry, enhancing our organisational structure and talent management strategies.
- Our enhanced social media presence as part of our Employer Branding efforts has significantly amplified our company's online visibility, further strengthening our talent attraction and engagement strategies.
- We proudly introduced the Grit Sporty 2.0 initiative to boost employee health and wellness, featuring exciting additions such as a volleyball club, foot 5 team, and an upcoming running club, reinforcing our commitment to fostering a healthy and vibrant workplace culture.

2,244
hours of training

58
new recruits
(28% referral rate)

Employee engagement score:
84%
(74% last year)

657
peer reviews

Attracting and optimising talent

Our enhanced recruitment process implemented last year with the integration an aptitude assessment has allowed us to select the best candidates for the relevant roles and continues to provide with valuable insights into the onboarding process.

We recruited 58 new staff members this year as compared to 28 last year.

	FY 2021	FY 2022	FY 2023
Male	40%	50%	50%
Female	60%	50%	50%

1. Managerial positions and above (inclusive of board)

Employee turnover

	FY 2021	FY 2022	FY 2023
Turnover rate	9.5%	19%	19.1%

	FY 2021	FY 2022	FY 2023
Male	40%	50%	52%
Female	60%	50%	48%

We observed a steady 19% employee turnover rate, similar to the prior financial year, with a notable finding that 60% of those who left were considered non-regrettable departures, indicating potential room for improvement in retention strategies.

Diversity

We operate a non-discrimination policy which covers, amongst others, disability, gender equity, sexual orientation, race, religious beliefs and age. Local representation and gender equality are important indicators for our Diversity strategy at Grit.

Nationalities

Nationalities	No.	%
Cameroonian	1	1%
French	1	1%
Zimbabwean	0	0%
Botswana	2	1%
Portuguese	1	1%
Pakistani	0	0%
New Zealander	1	1%
Austrian	1	1%
British	1	1%
Kenyan	15	10%
Moroccan	8	5%
Ghanaian	7	4%
Mozambican	14	9%
South African	36	23%
Mauritian	69	44%
Total	157	100%

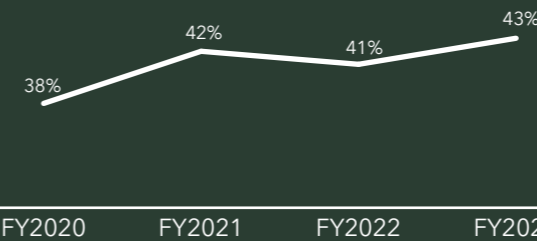
Board Nationalities

British	2
New Zealand	1
Ghana	1
Botswana	1
South Africa	3
Mauritian	1

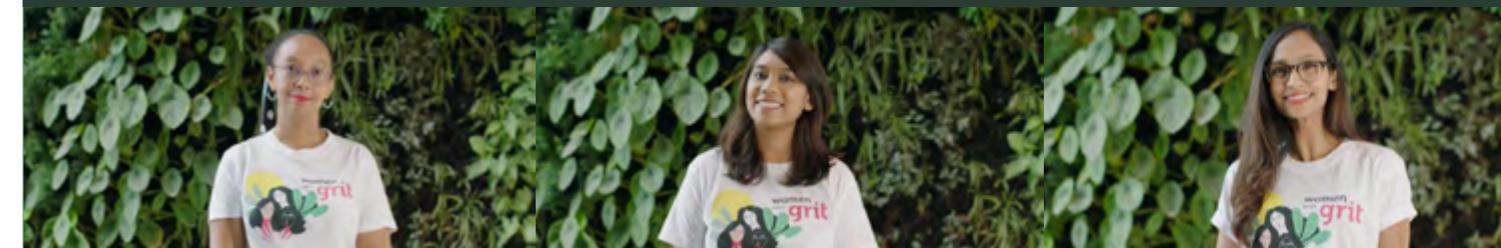
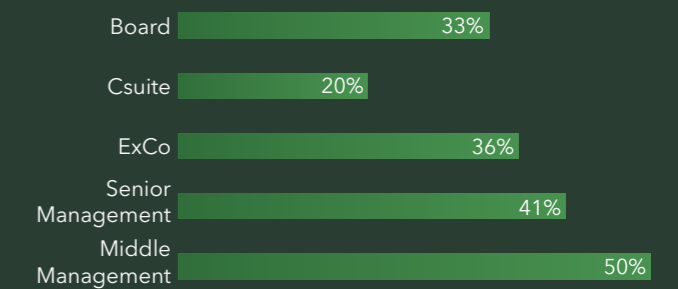
43%
Exceeded target

Gender Equality
>40% women in leadership positions

Women in leadership positions (%)



Women in Leadership position at Grit (%)



OUR PEOPLE, OUR PROMISE (CONTINUED)

Employee well-being and satisfaction

Our employee engagement score increased from 74% to 84% with a participation rate of 96%, reflecting our commitment to fostering a culture of feedback to drive collaboration, growth and excellence at Grit. We believe the improvement of our engagement score can be attributed to the initiatives implemented last year including:

- “Go Getter” Recognition Program
- Enhanced internal communication strategies, including: Monthly Newsletter, Monthly “Let’s Talk Session”, Monthly “Happy Hour” and staff newflash, Whatsapp and emails.

Our survey also highlighted that:

- 91% of staff know what they need to do to be successful in their role
- 88% of staff are proud to work for Grit

We continue to offer the following benefits to our staff:

- Easy Friday
- Work from Home
- Company Doctor

Training and Development

	FY 2022	FY 2023
Hours of training	1,119	2,244
Average training hours per employee	9.1	14.29
Average training hours per male employee	8.58	14.31
Average training hours per female employee	9.71	19.386

100% of employees received performance appraisal reviews.

Udemy for Business was implemented as the main learning platform for staff and provides learning opportunities in local languages and is accessible from anywhere at any time by employees, empowering them to take ownership of their learning path and development.

Future Outlook

Our focus for the next financial year will be:

Employee Retention	We intend to design an Employee Experience Framework, in view of achieving long-term commitment and success.
Talent Upcycling	We aim to unlock the full potential of our workforce, especially focusing on Talent Upcycling whenever there is a departure to help nurture internal talent to fuel growth and organisational excellence.
Management Development Programm	This programme is tailored for middle management to equip them with the skills and insights needed to lead, innovate, and drive our organisation’s success.
Succession planning	This will be developed to ensure business continuity

Occupational Health & Safety

Our primary aim is the prevention of accidents, injuries and loss or damage, ultimately creating and providing a safe and healthy environment for our employees, clients, customers, contractors, sub-contractors, and the community.

ISO 45001

We have developed a comprehensive Health & Safety Management System, whose main purpose is to provide a structured approach to managing health & safety practices across our property portfolio. The framework ensures the proactive identification of potential hazards, assessment of associated risks, and prompt mitigation actions. It also ensures compliance with pertinent health and safety laws and other relevant regulations within our investment jurisdictions.

An external consultant was enlisted to conduct a gap analysis to identify missing policies and procedures necessary for ISO 45001 compliance.

Achievement

In April of 2023, Grit successfully completed the ISO 45001 Accreditation audit process, which was officially granted in June 2023. The certification was issued to properties under our operational and management control including our Head Office in Mauritius, two assets in Ghana, three assets in Zambia, one asset in Kenya and seven assets in Mozambique. This remarkable milestone highlights Grit’s unwavering commitment to the highest standards of occupational health and safety.

Future outlook

Moving forward, our commitment to maintaining this standard remains resolute. We pledge to continuously enhance our occupational health and safety practices through ongoing employee training initiatives, regular safety audits, and close collaboration with industry experts. By doing so, we strive to remain at the forefront of best practices in the field, setting new benchmarks for safety and well-being within our organization.

	FY 2022	FY 2023
Number of work-related incidents	0	0
Number of Health & Safety Assessments	24 (100%)	24(100%)
Number of major incidents noted through Health & Safety Assessments	0	0

Privacy and Data Security

Information security is a key consideration in our daily operations, and as part of our periodic knowledge sessions, all Grit staff are made fully aware of the significance of our Information Security and Data Protection Policy and the consequences of non-compliance for the Group (refer to <https://grit.group/about-us/#corporate-governance>). Our information security and acceptable use policy is reviewed annually (or when required) by the Responsible Business department and is approved by the Risk Committee. The purpose of this policy is to outline the acceptable use of computer equipment and information assets at the Company and is applicable to Grit and all employees/contractors.

The Board is ultimately responsible for the Information Technology Governance (“ITG”) of the Company, which is built around several policies and procedures. The duty of ensuring that the IT risks pertaining to financial obligations are adequately addressed, has been delegated to the Risk Committee, together with the satisfactory management of the going concern status of the Company.

A live monitoring system is utilized to generate system health check reports that are presented to the Risk Committee at Risk Committee meetings. Likewise, monthly performance monitoring reports are submitted to the Responsible Business department and the CFO, for specific process implementation verifications and improvements where required.

The Group’s IT Governance Framework comprises several IT-related policies, which are maintained and reviewed by the IT service provider and the Risk Committee. For security reasons, our detailed IT policies have not been shared on our website, but a synopsis is available on Grit’s website.



GIVING BACK TO THE COMMUNITY

GR1T Foundation

In 2022, Grit and its development associate, GREA, registered GR1T Foundation (or “the Foundation”) to formalise and house its social initiatives that empower people across Africa with knowledge and skills that go beyond buildings.

The creation of the Foundation is testimony to Grit’s commitment to the United Nations Sustainable Development Goals and ESG, which are key strategic priorities.

The additional governance oversight of the Foundation leverages the Group’s Family of Partnerships to greater effect, enabling it to collaborate with likeminded organisations and amplifying its outreach considerably.

The main purpose of the GR1T Foundation is the protection of the planet and human development. These objectives are delivered through the creation and support of initiatives focused on environmental conservation and measurable social impact initiatives across Africa that empower people to make a tangible and lasting difference in their own lives and the communities around them.

As a result of its real estate development mandate, GREA plays a significant role in delivering on the Foundation’s objectives.

Grit applies its in-house methodology to quantify projects based on their impact on the Group’s elected SDGs. The scoring methodology considers the materiality, beneficiaries, significance of outcomes, contribution as well as level of achievement for each project.



All Life Matters Animal Sanctuary

We are proud supporters of All Life Matters Animal Sanctuary (ALM). This Mauritian animal welfare NGO runs a successful low-cost veterinary clinic with a big focus on sterilising dogs and cats as the solution to managing the overpopulation of these animals. ALM provides essential veterinary services, helping the less fortunate communities, and working very closely with other animal welfare organisations. ALM further operates an animal rescue sanctuary that provides a happy home to many types of rescued animals such as retired racehorses, pigs, monkeys, cows and many more.

ALM not only serves as a platform to educate people on responsible pet ownership and the importance of sterilisation but contributes to the local economy by providing employment to 16 passionate local staff.



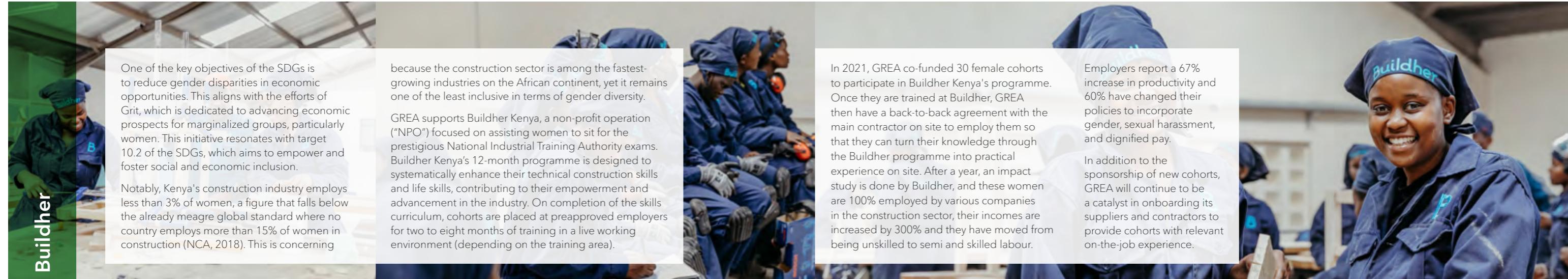
Shamas Rugby Foundation

The Shamas Rugby Foundation (“SRF”) is a development organization that uses rugby to promote the holistic development of underprivileged children and youth in Kenya. SRF supports the attainment of child rights and the UN Sustainable Development Goals.

The support given by the GR1T Foundation has enabled SRF to continue achieving its mission of using rugby to promote life skills, education and employability and in so doing building community engagement among boys and girls living in urban slums and rural areas in Kenya and beyond.



GIVING BACK TO THE COMMUNITY (CONTINUED)



Buildher

One of the key objectives of the SDGs is to reduce gender disparities in economic opportunities. This aligns with the efforts of Grit, which is dedicated to advancing economic prospects for marginalized groups, particularly women. This initiative resonates with target 10.2 of the SDGs, which aims to empower and foster social and economic inclusion.

Notably, Kenya's construction industry employs less than 3% of women, a figure that falls below the already meagre global standard where no country employs more than 15% of women in construction (NCA, 2018). This is concerning

because the construction sector is among the fastest-growing industries on the African continent, yet it remains one of the least inclusive in terms of gender diversity.

GREA supports Buildher Kenya, a non-profit operation ("NPO") focused on assisting women to sit for the prestigious National Industrial Training Authority exams. Buildher Kenya's 12-month programme is designed to systematically enhance their technical construction skills and life skills, contributing to their empowerment and advancement in the industry. On completion of the skills curriculum, cohorts are placed at preapproved employers for two to eight months of training in a live working environment (depending on the training area).

In 2021, GREA co-funded 30 female cohorts to participate in Buildher Kenya's programme. Once they are trained at Buildher, GREA then have a back-to-back agreement with the main contractor on site to employ them so that they can turn their knowledge through the Buildher programme into practical experience on site. After a year, an impact study is done by Buildher, and these women are 100% employed by various companies in the construction sector, their incomes are increased by 300% and they have moved from being unskilled to semi skilled labour.

Employers report a 67% increase in productivity and 60% have changed their policies to incorporate gender, sexual harassment, and dignified pay.

In addition to the sponsorship of new cohorts, GREA will continue to be a catalyst in onboarding its suppliers and contractors to provide cohorts with relevant on-the-job experience.



Mauritius Women Barbarian Rugby Team

The Foundation provides ongoing support for the Mauritius Women Barbarian Rugby Team, including facilitating the team's participation in the Dubai Sevens International Rugby Tournament. The objective of this support is to promote diversity, breaking down stereotypes of women, to anchor and showcase the place of women within Mauritian sport and to proudly represent Mauritius internationally.



Sports Ambassadors

GRIT Foundation also supports young talent who have the potential but not the funding required to pursue their dreams. Our involvement is not just limited to financial support but also includes mentorship in collaboration with surf legend Seth Hulley and classes to hone our beneficiaries' skills and allow them to compete on world stage.

Refer to our website at <https://grit.group/responsible-business/grit-foundation/> under "Nurturing Talents" for a list of Grit Ambassadors.



GOVERNANCE

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GOVERNANCE

Strong corporate governance helps us to generate value for our stakeholders and underpins our success, through transparency and accountability.

84%
Employee Engagement

33%
Female representation on our board

A responsible business

The oversight of ESG matters is critical. It not only allows the Board to appreciate more holistically the impact of its decisions on key stakeholders and the environment, but also ensures it is kept aware of any significant changes in the market. This includes the identification of emerging trends and risks, which in turn can be factored into its strategic discussions.

ESG is overseen principally by the Board, Responsible Business Committee and Sustainability Committee (refer to page 102 of our IAR 2023 for details on our ESG Governance Framework). Our Head - ESG, Shevira Bissessor and our Head - Responsible Business, Moira van der Westhuizen, are the designated members of the Executive team with overall accountability for ESG matters.

Our well-established structured framework comprising of the Board and its committees, enables the Company and our directors to work effectively as described below:

Board of Directors

Board Committees

Leadership Team

Operational Committees

The Board Charter, duly approved by the Board and reassessed on an annual basis, is available on the Company's website.

Biographies are available on our website at <https://grit.group/about-us/> under "Our People".

Roles and Responsibilities is available on the Company's website.

The Board

Responsible for the overall leadership of the Group, the Board defines our purpose, values, and strategy and aligns them with our culture. Considering the views of our key stakeholders, the Board promotes the Group's long-term sustainable success and its contribution to wider society. It is also responsible for the Group's performance and governance oversight, whilst remaining flexible and allowing for fast decision.

The Board maintains a formal schedule of matters which are reserved solely for its approval, whilst operational matters are approved by a sub-committee of the Board - the local committee ("Local Committee"). These non-operational matters include decisions relating to the Group's strategy, capital structure, financing, any major property acquisition or disposal, the risk appetite of the Group and the authorisation of capital expenditure above the delegated authority limits. As and when required, the Board also approves the set-up of sub-committees to take certain decisions.



GOVERNANCE (CONTINUED)

Board Committees

The Board delegates certain matters to its six principal Committees comprised only of members of the Board.

Nomination Committee	Manages the composition of the Board and succession planning.
Audit Committee	Oversees all our financial reporting, audit and risk.
Risk Committee	Identifies, Assesses, Manages and Monitors risks.
Remuneration Committee	Ensures rewards are linked to our wider strategy.
Investment Committee	Consider and approves all investment opportunities for the Group.
Responsible Business Committee	Oversees delivery of our Responsible Business activities, providing collective advice and assurance.

The company's Articles of Association, terms of reference of each of the Board Committees (under the Charters) and details on the Roles and Responsibilities of the Board are available on the Company's website. The Charters are reviewed and duly approved by the Board on an annual basis.

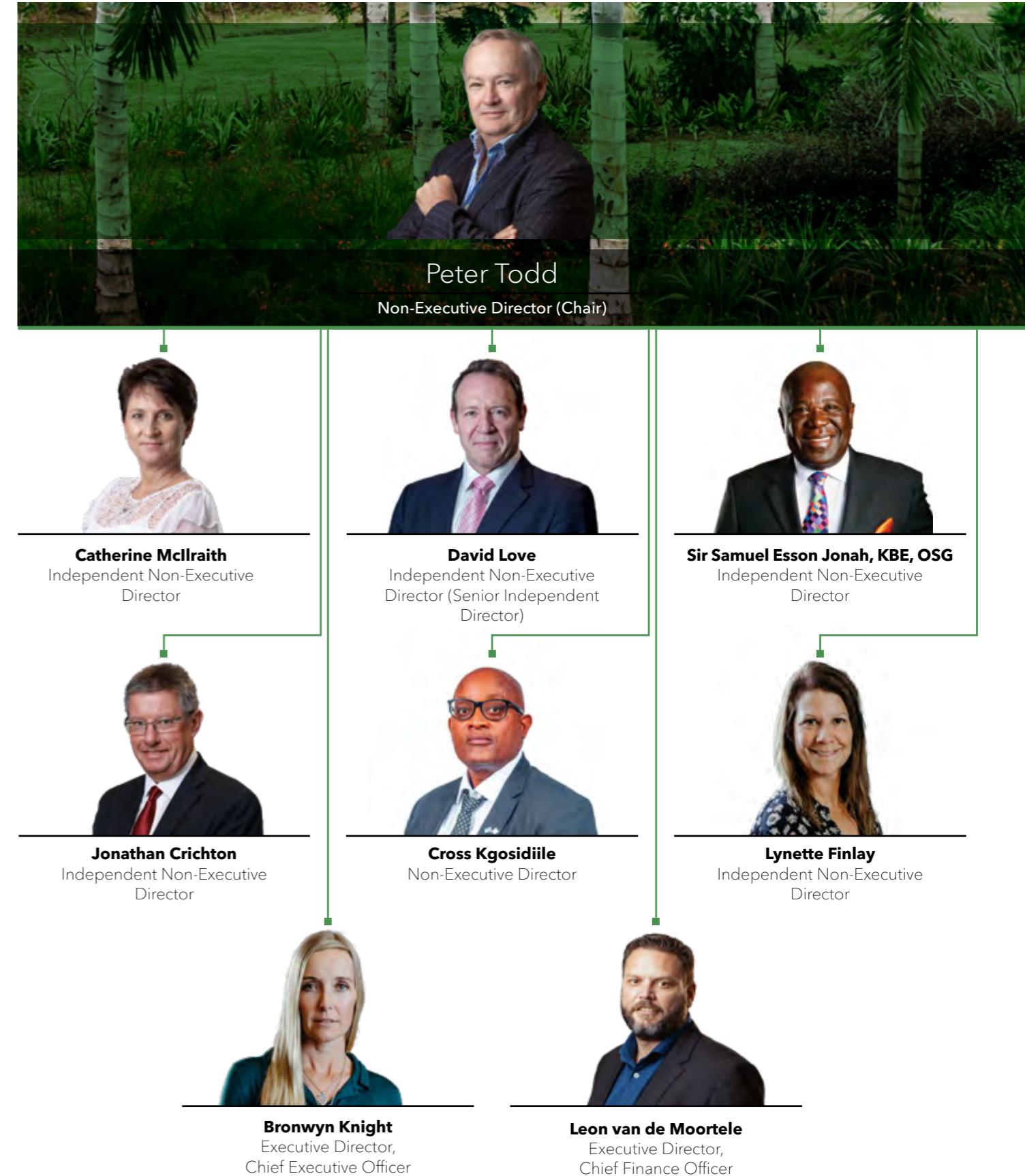
Leadership team

The Leadership team comprises of the C-Suite (of which the Executive Directors are members) and the Exco and Senior Management, to whom the Board has delegated the execution and implementation of the Group's strategy and the management of the Group's day-to-day operations. The Board should complement, enhance and support the Leadership team.

Operational committees

Grit has the following operational committees that support the Leadership team:

GRIT BOARD ORGANOGRAM



ORGANISATIONAL STRUCTURE

C-Suite



Bronwyn Knight
Chief Executive Officer



Greg Pearson
Chief Executive Officer - APDM



Krishnen Kistnen
Chief Financial Officer - APDM




Leon van de Moortele
Chief Financial Officer




Oteng Keabetswe
Chief Investment Officer - Strategic Investments


Exco
Corporate Services




Moira van der Westhuizen
Head - Responsible Business



Aurelie Mallac
Head - Human Capital



Shevira Bissessor
Head - ESG



Leigh Varrie
Head - Marketing



Hugo Jordaan
Finance Director



Andre Janari
Head - Strategic Investment



Darren Veenhuis
Head - Investor Relations and Corporate Finance

Business Development and Operations



Andries Smit
Head - GMS



Craig Clutz
Head - APDM



Donald Borthwick
Head - Industrial

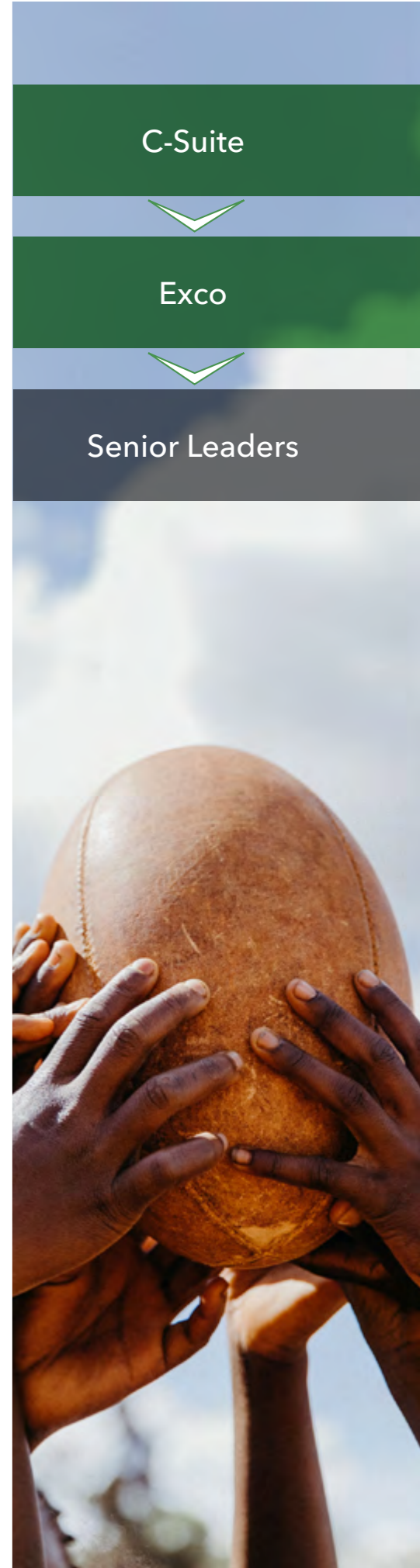
Senior Leaders

Corporate Services

Ojong Nso Head - Integration	Anouchka Chummun Group Compliance Manager	Natacha Clarisse Group Company Secretary	Alex Mugambi Head - Legal
Jacques Hattingh Head - Group Finance	Thomas Humphrey Corporate Finance Manager (Treasury)	Evangelos Karnavos Senior Business Analyst	Luc Tseung-Sum-Foi Investment Principal
Kai Marini Senior Strategic Manager to the CEO	David Borthwick Corporate Finance Manager	Louis Broutin Investment Principal	

Business Development and Operations

Craig Leach Head - Asset Manager	Debra Kippen Head - Leasing Manager	Marieke Pieterse Head - Operations Manager	Rui Moca Head of Facilities Manager
Beth Titan Senior Development Manager	Pumi Lukhele Head of Construction and Development - East Africa	Jessica Ha Shun Group Finance Manager	



C-Suite

Exco

Senior Leaders



GOVERNANCE CULTURE

Role of the Responsible Business Committee

The Responsible Business Committee ("Committee") supports the Board with the oversight and reporting on organizational ethics, responsible corporate citizenship, sustainable development, climate change and stakeholder relationships.

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 roles and responsibilities are set out in the Responsible Business Committee Charter, which has been approved by the Board and is reviewed annually by the Committee. The full Charter is available on the Company's website.

Sustainability Committee

The Sustainability / ESG Committee has been delegated by the Responsible Business Committee to supervise the implementation of Grit's Sustainability Policy and execution of Board ESG strategies. During the year under review, this committee performed its duty of overseeing and steering Grit's approach to climate-related risks and opportunities, ensuring ongoing Board level discussion and involvement.



Assessment and monitoring

Grit's Board assesses and monitors the Culture of the Group via:

- Dedicated time at Board meetings, supported by the Group HR Manager, to hold discussions on culture and employee/workforce matters;
- Monitoring the levels and nature of whistleblowing reports and grievance and disciplinary hearings;
- Monitoring absenteeism and employee turnover;
- Audit Committee receiving internal audit reports on fraud and compliance breaches;
- Review of induction and training policies and practices;
- Engaging with employees directly through physical or virtual means;
- Overseeing management's plans to respond to matters raised by the workforce; and
- Reviewing the Group's key policies and HR initiatives.

The Company has an approved Code of Ethics and Business Conduct policy, which is reviewed annually by the Responsible Business Committee ("RBC") and the Board, which also regularly monitors and evaluates compliance with this policy.

At Grit, we have a wide range of policies in place that complies with regulatory requirements and that supports the business to operate responsibly.

The policies can be viewed on the Company's website at <https://grit.group/about-us/#corporate-governance>. No breach of any of Grit's policies has been reported for the financial year ended 30 June 2023.

Code of Ethics and Business Conduct

Grit promotes the highest standards of ethical behavior among all persons involved in the Group's operations in line with its adopted Code of Ethics and Business Conduct Policy for the Company, which can be found on the Company's website. This policy is reviewed annually by the Responsible Business Committee ("RBC") and the Board, which also regularly monitors and evaluates compliance with this policy.

Cyber Security

As ransomware continues to be a threat to businesses across the Globe, our IT service provider - TripleTech performs live monitoring of our entire IT infrastructure, using CrowdStrike to perform IT health checks as part of internal control.

The Group's disaster recovery process as well as business continuity plan and cyber security controls were reviewed and enhanced during the reporting period, to cater for any new cyber security threats that could affect the business. We adopt a layered approach to cyber security through policies and procedures around various IT securities - physical, perimeter, internal, host, as well as application and data security, which provides various opportunities for threats to be promptly identified and addressed, before any impact could be felt by the Group.



GOVERNANCE CULTURE (CONTINUED)

Information Security

As part of our periodic awareness sessions, all Grit staff have been made fully aware of the significance of our Information Security and Data Protection Policy and the consequences of non-compliance on the Group. Our information security and acceptable use policy is reviewed annually (or when required) by the Responsible Business department and is approved by the Risk Committee. The purpose of this policy is to outline the acceptable use of computer equipment and information assets at the Company and is applicable to GRIT and all employees/contractors. The risks surrounding inappropriate use of information to the Group cannot be overemphasized, and all staff have been made fully aware of the severity thereon.

The Board is ultimately responsible for the Information Technology Governance ("ITG") of the Company, which is built around several policies and procedures. The duty of ensuring that the IT risks pertaining to financial obligations, has been delegated to the Risk Committee, together with the satisfactory management of the going concern status of the Company.

A live monitoring system is utilized to generate system health check reports that are presented to the Committee at quarterly Risk Committee meetings. Likewise, monthly performance monitoring reports are pulled from the IT system and submitted to the Responsible Business department and the CFO, for specific process implementation verifications and improvements where required.

The Group's IT Governance Framework is composed of several IT-related policies, which are maintained and reviewed by the IT service provider and the Committee. For security reasons, our detailed IT policies have not been shared on our website, but a synopsis is available on Grit's website.

Data Protection

In order to ensure that all personal data collected is protected in compliance with the Mauritius Data Protection Act 2017 (the "DPA"), the Data Protection (Bailiwick of Guernsey) Law, 2017 ("Guernsey DPL") and the European Union's General Data Protection Regulation 2016/679 (the "GDPR"), the Company has maintained an updated Data Protection Policy on Grit's website.

Through our operational company, Grit Services Limited, Grit is also registered as a Data Controller under the DPA, and we ensure that all contracts in which personal information is shared, have data protection clauses under which the recipient of the data undertakes to protect such personal data in case of collecting, procuring, retaining, processing, transferring or disclosing it.



Whistleblowing Policy

The Company's Whistleblowing policy has been implemented since 2018 (a copy of this policy is available at https://grit.group/wp-content/uploads/2023/09/2023_GRIT-Whistleblowing-policy.pdf, which sets out the whistleblowing rules and procedures. The scope of this policy was amended to be extended to all stakeholders. Contact details are available at <https://grit.group/contact-us/>

The purpose of this policy is to ensure that no stakeholder should feel at a disadvantage in raising legitimate concerns, as Grit believes that a culture of openness and accountability is essential in order to prevent such situations occurring and to address them when they do occur.

The policy sets out:

- i. Information on what to report.
- ii. Information on how to report (including channels to report, including corruption).
- iii. Safeguards and confidentiality of the whistleblower (the whistleblower can opt to remain anonymous)
- iv. An estimate of the time period it will take for the complaints to be investigated and a report on actual performance.

The Board has appointed Catherine McIlraith, the Chairman of the Audit Committee, to act as an Independent point of contact in the Group's whistleblowing procedure, to handle the concerns, decide how these would be investigated and recorded.

Through feedback from the Responsible Business Committee, the Board is routinely updated on any reporting done through the Whistleblowing Channels, if any. For the FY ending 30 June 2023, no matter was reported and the Responsible Business Committee and the Board are satisfied of the arrangements for raising concerns in confidence.

Anti-bribery and Corruption

At Grit, we remain committed to the highest standards of ethical conduct and integrity, which forms part of our business ethos. We continue to adopt a zero-tolerance approach to bribery and corruption and withheld this practice throughout the period under review.

Refer to the table below for a summary of the Company's policies relating to anti-bribery and corruption.

Principle	How Grit Manage it	Applicable Policy
Corporate hospitality	Hospitality must be reasonable in value, appropriate to the occasion and provided openly and transparently. It must not compromise, nor appear to compromise, the Group nor the business judgement of our staff.	Grit Group Gifts and Hospitality Policy
Business gifts	Generally, gifts should not be accepted unless valued less than US\$75, are not cash or a cash equivalent (e.g. gift certificate), are appropriate to the circumstances and are not given with the intention of compromising or influencing the party to whom it is being given.	Grit Group Gifts and Hospitality Policy
Hospitality and Gift Returns	All staff are required to complete quarterly Hospitality and Gift Returns which document all instances of third-party hospitality or gifts (given or received) if the value is in excess of US\$75 for hospitality and for gifts. The Hospitality and Gift Returns are subject to review by the Risk Committee.	Grit Group Gifts and Hospitality Policy
Political donations	The Company strictly prohibits any political donations being made on its behalf.	Grit Group Gifts and Hospitality Policy/ Corporate Fraud, Anti-Bribery & Corruption Policy
Charitable donations	Charitable donations are handled by the ESG Exco, under the supervision of the Responsible Business Committee. 'Know your client' procedures are applied to charitable organisations to ensure we are dealing with a valid body acting in good faith and with charitable objectives.	Sustainability Policy
Purchase cycle process flow	Contains the minimum KYC we expect from our suppliers	Group Accounting Manual/Corporate Fraud, Anti-Bribery & Corruption Policy
Payments	All payments made must be warranted, transparent and proper. All payments must be accurately recorded through the normal accounting and financial procedures without any deception or disguise as to the recipient's identity or the purpose of the payment in question. No one approves their own expense claim. For all approvals linked to expense claims, there is a capturer and approver process/actioner and controller process.	Group Accounting Manual/Corporate Fraud, Anti-Bribery & Corruption Policy
Facilitation payments	Facilitation payments are bribes and are strictly prohibited.	Corporate Fraud, Anti-Bribery & Corruption Policy/Group Accounting Manual
Conflicts of interest	All conflicts of interest or potential conflicts of interest must be notified to the Company Secretary/Group Corporate Secretary and a register of such notifications is maintained. The Corporate governance statement on page 99 explains our process for managing potential conflicts.	Corporate Fraud, Anti-Bribery & Corruption Policy/Grit Conflict of interest Policy
Training	We provide our employees with guidance notes and regular training on anti-bribery, corruption, ethical standards and the prevention of the facilitation of tax evasion.	
Whistleblowing procedures	A confidential reporting helpline is available for staff to raise concerns anonymously (see page 48).	Whistleblowing Policy
Record Keeping / Retention	Grit is currently reviewing its Record Keeping Policy to comply with applicable laws and legislations, given its geographical presence.	Record Keeping Policy

Conflict of interest

As a Non-Executive Director's independence could be impacted where a Director has a conflict of interest, the Board operates a policy that restricts a Director from voting on any matter in which they might have a personal interest unless the Board unanimously decides otherwise.

Prior to all major Board decisions, the Chairman requires the Directors to confirm that they do not have a potential personal conflict with the matter being discussed. If a conflict does arise, the Director is excluded from discussions.

The interests register is regularly reviewed by the Board to ensure it remains up-to-date. The Board is satisfied that potential conflicts have been effectively managed throughout the period. The Company Secretary or the Group Corporate Secretary maintains the register of interests and a copy is available to the shareholder upon written request to the Company Secretary.

Other than set out in the registers maintained by the Company (Register of declared transaction interest of directors, Register of Directors' interest in the Shares of the Company and Declaration of Directors' Interest) and as set out under Note 36b of the AFS on Related Parties, the directors do not have a relationship with the Company or with the majority shareholder.

A copy of the Company's Conflict of Interest Policy is available on Grit's website, in which the definition of "conflict of interest" is provided as per the applicable listing rules and laws.



EPRA SUSTAINABILITY PERFORMANCE MEASURES



Environmental indicators
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ENVIRONMENTAL INDICATORS

ANNEX 1 EPRA Sustainability Index

EPRA Code	Metrics	FY 2022	FY 2023	Like-For-Like performance (Lfl) FY2023 vs FY2022	Coverage	Trend	Additional Information
Elect-Abs Total electricity consumption	annual kWh	37,426,798	40,304,606	8%	15 assets out of 24	Increasing	This increase in electricity consumption is mostly attributed to an increase in our occupancy rates and a resumption of normal activities post Covid-19 pandemic.
		10,075,931	10,206,172	1%	6 assets - Office	Increasing	
Elect-Lfl Like for Like total electricity consumption	annual kWh	25,193,624	26,821,582	6%	7 assets - Retail	Increasing	Initiatives implemented: LED Lighting, Motion sensors and timers, Air Conditioning Replacements and thermal insulations. Strategies and initiatives have been planned to achieve reductions in the coming years. This will focus on Renewable energy and lighting as well as our plan to move towards a low carbon economy..
		2,157,243	3,276,852	52%	2 assets - Residential	Increasing	
DH&C-Abs Total district heating and cooling consumption	annual kWh	Not applicable - All our assets under monitoring consumes electricity from the grid of their respective countries with generators as backups for power outages.					
DH&C-Lfl Like for Like district heating and cooling consumption	annual kWh	Not applicable - All our assets under monitoring consumes electricity from the grid of their respective countries with generators as backups for power outages.					
Fuel-Abs Total fuel consumption	annual Litres		35,049	Data not comparable	6 assets - 5th Avenue, Capital Place, AnfaPlace, Mukuba Mall, Kafubu Mall, Cosmopolitan	Data not comparable as we reported only for 3 assets in the previous year.	We are putting in place measures to allow us to monitor diesel consumption at an increasing number of properties.
Fuel-Lfl Like-for-Like total fuel consumption		Historic data not available for comparison					
Energy-Int Building energy intensity	kWh/m ² /year	186	200	8%	15 assets out of 24	Increasing	Similar to above and confirms our analysis of the increasing trend.
		273	276	1%	6 assets - Office	Increasing	
		209	223	6%	7 assets - Retail	Increasing	
			75	52%	2 assets - Residential	Increasing	

EPRA Code	Metrics	FY 2022	FY 2023	Like-For-Like performance (Lfl) FY2023 vs FY2022	Coverage	Trend	Additional Information
GHG-Dir-Abs Total direct greenhouse gas (GHG) emissions	Kg CO ₂ e	-	29,441	Data not comparable	6 assets - 5th Avenue, Capital Place, AnfaPlace, Mukuba Mall, Kafubu Mall, Cosmopolitan	Data not comparable as we reported only for 3 assets in the previous year.	Conversion factor used: 0.84 kg CO ₂ per L (https://ghgprotocol.org/sites/default/files/Emission_Factors_from_Cross_Sector_Tools_March_2017.xlsx) We are currently in the process of conducting our full carbon footprint accounting, during which we will be able to disclose our full scope 1 emissions across the relevant assets for FY2023.
GHG-Indir-Abs Total indirect greenhouse gas (GHG) emissions	kg CO ₂ e	34,806,922	37,483,284	8%	15 assets out of 24	Increasing	Conversion factor used: 0.93 kg CO ₂ e per kWh of electricity generated as indicated in the ESKOM 2019 sustainability report.
		9,370,616	9,491,740	1%	6 assets - Office	Increasing	
		23,430,070	24,944,071	6%	7 assets - Retail	Increasing	
GHG-Int Greenhouse gas (GHG) emissions intensity from building energy consumption	kg CO ₂ e/m ² /year	2,006,236	3,047,472	52%	2 assets - Residential	Increasing	
		173	186	8%	15 assets out of 24	Increasing	
		254	257	1%	6 assets - Office	Increasing	
Water-Abs Total water consumption	KL	164,061	189,316	15%	13 assets out of 24	Increasing	Increase in water consumption is attributed mostly to an increase in occupancy rates. Initiatives implemented: Tap Aerators and Sensor Taps, Irrigation Timing Optimisation, Water conservation measures. Strategies and initiatives have been planned to achieve reductions in the coming years. This will focus on implementation of water-saving equipment, smart technologies and systems.
		44,827	41,793	-7%	6 assets - Office	Increasing	
Water-Lfl Like-for-like total water consumption	KL	109,388	130,450	19%	7 assets - Retail	Increasing	
		9,846	17,073	73%	2 assets - Residential	Increasing	
		0.964	1.113	15%	13 assets out of 24	Increasing	
Water-Int Building water intensity	KL / m ² / Year	1.214	1.132	-7%	6 assets - Office	Increasing	
		0.953	1.136	19%	7 assets - Retail	Increasing	
		0.535	0.928	73%	2 assets - Residential	Increasing	

SOCIAL INDICATORS

ANNEX 1 EPRA Sustainability Index

EPRA Code	Metrics	FY 2022	FY 2023	Like-For-Like performance (Lfl) FY2023 vs FY2022	Coverage	Trend	Additional Information
Waste-Abs	Total weight of waste by disposal route		4,497	Data not comparable	6 assets - 5th Avenue, Capital Place, AnfaPlace, Mukuba Mall, Kafubu Mall, Cosmopolitan	Data not comparable as we reported only for 3 assets in the previous year.	Historic data is not available for waste. We are looking into waste management strategies across all our assets.
Waste-Lfl	Like-for-like total weight of waste by disposal route	Historic data not available for comparison					
Cert-Tot	Type and number of sustainably certified assets	2	2		Precinct Building - EcoDistrict Certification Unity Building, Phase 1 of the Precinct Building - 5-Star Green Star Certified Rating		

EPRA code	Metrics	FY2022		FY2023		Trend	Employee Categories	Additional Information (if any)
		Men	Women	Men	Women			
Diversity-Emp	Employee gender diversity	67%	33%	67%	33%	No change	Board	No double counting of employees who are both in board and in managerial roles
		54%	46%	52%	48%	Increasing	Total Employees	
		59%	41%	58%	42%	Increasing	Leadership positions	
Diversity-Pay	Gender pay ratio	We have successfully completed the Job Levelling project in collaboration with an external third party: Korn Ferry, which will allow us to look into Gender Pay Ratio. However, our remuneration policy is strictly based on merit and experience.						
Emp-Training	Average number of hours	9.71	9.71	15.09	17.75	Increasing	All employees	Average training hours per employee: 14.11 (Total of 2,216 hrs)
Emp-Dev	Employee performance appraisals	100%		100%		No change	Confirmed employees	
Emp-Turnover	Total number of new employee hires	14	14	29	29	Increasing	Not applicable	
	Rate of new employee hires	50%	50%	50%	50%	Not applicable	Not applicable	
	Rate of employee turnover	19.0%		19.1%		Slight increase	Not applicable	

		FY 2022	FY 2023	Trend (if applicable)	
H&S-Emp	Employee health and safety	Injury rate, lost day rate, absentee rate and work-related fatalities	0 days	0 days	N/A
H&S-Asset	Asset health and safety assessments	Percentage of assets	33%	100%	8 assets last year 24 assets under operational control
H&S-Comp	Asset health and safety compliance	Number of incidents	No incidents noted	No incidents noted	N/A
Comty-Eng	Community engagement, impact assessments and development programmes	N/A	Incorporation of GR1T Foundation in 2022	GR1T Foundation fully operational	See section on GR1T Foundation in our Sustainability Report



GOVERNANCE INDICATORS

ANNEX 1 EPRA Sustainability Index

EPRA CODE	Performance Measure	Types of Disclosures	Metrics	Refer to Integrated Annual Report FY2022	IAR 2023
Gov-Board	Composition of the highest governance body	Corporate-level performance measure	Total numbers	Pages 80 to 83	Pages to 100
Gov-Select	Process for nominating and selecting the highest governance body	Corporate-level performance measure	Narrative Description	Page 101 to 105	Page 119 to 127
Gov-Col	Process for managing conflicts of interest	Corporate-level performance measure	Narrative Description	Page 99	Page 116



FORWARD LOOKING STATEMENTS



This Report contains forward-looking statements, which involve unknown risks, uncertainties and other factors, which may cause the actual results, financial conditions, operations and performance or achievement of the Company, or industry results, to be materially different from future results, financial condition, performance or achievements expressed or implied by such forward-looking statements.

These forward-looking statements are based on the judgement and future expectations/assumptions of the Leadership team and the Directors. Factors that could cause actual results to differ materially from those in forward-looking statements include, but are not limited to, global and local market and economic conditions, industry factors, as well as regulatory factors.

The Company is not under any obligation to (and expressly disclaim any such obligation to) update or alter its forward-looking statements, whether as a result of new information, future events or otherwise. We therefore, advise readers to be careful in interpreting any forward-looking statements in this Report.