



RISK COMMITTEE CHARTER

1. CONSTITUTION

1.1 In line with the requirements of the National Code of Corporate Governance for Mauritius 2016 ("NCCGM") and the 2018 UK Corporate Governance Code ("UKCGC"), the Board of directors ("the Board") of Grit Real Estate Income Group Limited (the "Company") resolved to establish a Committee of the Board to be known as the Risk Committee ("the Committee").

1.2 The Board is responsible to establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the company is willing to take in order to achieve its long-term strategic objectives. This is in turn delegated to the Committee.

1.3 The duties and responsibilities of the members of the Committee are in addition to those as members of the Board. The deliberations of the Committee do not reduce the individual and collective responsibilities of Board members in regard to their fiduciary duties and responsibilities, and they must continue to exercise due care and judgement in accordance with their statutory obligations.

1.4 Any reference in this Committee Charter ("the Charter") to the Group is to be interpreted to include any Company or companies within the Group and not necessarily to refer only to the Group as a whole. Accordingly, this Committee Charter shall be applicable to Grit, and also to any company or companies within the Grit group of Companies, as the Committee may deem appropriate.

2. PURPOSE OF THE CHARTER

The purpose of these terms of reference is to set out the Committee's role and responsibilities as well as the requirements for its composition and meeting procedures.

The Committee provides support to the Board on the risk appetite and risk management of the Group and identify the risk areas of the Company's operations to be covered in the scope of the internal and external audits.

In fulfilling its function, the Committee should specifically have oversight of all enterprise risks including financial reporting risks, internal financial controls, fraud risks and IT risks.

3. ROLE OF THE COMMITTEE

The Committee will have an independent role, operating as an overseer and make recommendations to the Board for its consideration and final approval. The Committee will not assume the functions of management, which remain the responsibility of the executive directors, officers, and other members of senior management.

The role of the Committee is to assist the Board to ensure that:

- i. The Company has implemented an effective risk management that will enhance the Company's ability to achieve its strategic objectives a
- ii. The disclosure regarding risk is comprehensive, timely, and relevant.

4. DUTIES AND RESPONSIBILITIES

4.1 Duties

The Committee will perform all the functions as is necessary to fulfil its role as stated afore and including the following:

- i. Oversee the development and annual review of a risk management policy and plan to recommend for approval to the Board;
- ii. Monitor implementation of the risk management policy and plan by means of risk management systems and processes;
- iii. Make recommendations to the Board concerning the levels of tolerance and appetite and monitoring that, risks are managed within the levels of tolerance and appetite as approved by the Board;
- iv. Oversee that the risk management plan is widely disseminated throughout the Company and integrated in the day-to-day activities of the Company;
- v. Carry out a robust assessment of the company's emerging and principal risks;
- vi. Confirm in the annual report that it has completed this assessment, including a description of its principal risks, what procedures are in place to identify emerging risks, and an explanation of how these are being managed or mitigated.
- vii. Ensure that risk assessments are performed on an ongoing basis;
- viii. Ensure that frameworks and methodologies are implemented to increase the possibility of anticipating unpredictable risks;
- ix. Ensure that management considers and implements appropriate risk responses;
- x. Ensure that the Company's risk management and internal control systems are continuously monitored, and, at least annually, carry out a review of their effectiveness and report on that review in the annual report. The monitoring and review should cover all material controls, including financial, operational and compliance controls.
- xi. Ensure that continuous risk monitoring by management takes place;
- xii. Liaise closely with the Audit Committee to exchange information relevant to risk, including assisting the Audit Committee and Board to explain in the annual report how it has assessed the prospects of the Company by taking into account the Company's current position and principal risks;
- xiii. Assist the Remuneration Committee to determine executive director remuneration policy and practices, by communicating reputational and other risks from excessive rewards and behavioural risks that can arise from target-based incentive plans;
- xiv. Express the Committee's formal opinion to the Board on the effectiveness of the system and process of risk management; and
- xv. Review reporting concerning risk management that is to be included in the integrated report to ensure timeliness, accuracy and relevance.

4.2 Risk Management

- i. Oversee the identification, prioritisation and management of financial reporting risk, internal financial controls, market risk, credit risk, liquidity risk, operational risk and commercial risk, fraud risk and IT related risk insofar as it relates to financial reporting;
- ii. Directing the facilitation of risk management and measurement to determine the material risks to which the Group may be exposed and to evaluate the strategy, skills and actions required for managing those risks;
- iii. Review the processes implemented to monitor the on-going management of risks;
- iv. Submit an annual report to the Board on the total risk management and assessment

process and outcomes for purposes of the integrated report;

- v. Review the adequacy of insurance coverage;
- vi. Review the adequacy of the Disaster Recovery and Business Resumption plans;
- vii. Monitor procedures to deal with and review disclosure of information to third parties in so far as these disclosures could pose a risk to the Group;
- viii. Evaluating whether the roles and responsibilities of the Committee as they pertain to risk management and especially the integration of risk management into decision-making and other organisational processes, as stated in the Risk Management Policy, are effectively achieved;
- ix. Review the Company's compliance with legal and regulatory provisions, its Constitution and the rules established by the Board, if any, and any significant breaches thereof;
- x. Review the adequacy of the sustainability model;
- xi. Ensure that the information technology risks insofar as they relate to financial reporting and the going concern status of the Company are adequately managed;
- xii. Oversee integrated reporting, having regard to all risks that may impact on the integrity of the integrated report, and recommending the integrated report to the Board for approval;
- xiii. Ensure that the Committee and the Responsible Business Committee always have a common member who will report discussions held at the Committee meeting to the Responsible Business Committee in relation to enterprise risk management matters or any other agenda items common to both committees; and
- xiv. To supplement, support, advise and provide guidance on the effectiveness or otherwise of management's efforts in respect of the protection of company assets.

5. POWER AND AUTHORITY

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

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

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

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

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

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

6. MEMBERSHIP

6.1 Composition

- i. The Committee will comprise a minimum of three directors and the majority of members shall be independent non-executive directors, and shall at all times be compliant with the

Mauritius Code and the UK Code;

- ii. One member of the Risk Committee shall be a member of the Audit Committee.
- iii. The Chief Financial Officer ("CFO") or any other officer of the Company may attend by invitation;
- iv. Members of this Committee and its Chair will be nominated by the Nomination Committee and approved by the Board;
- v. The members of the Committee as a whole must have sufficient qualifications and experience to fulfil their duties;
- vi. A quorum shall be a majority of members present in person or via telecommunication facilities; and
- vii. The Chief Executive Officer ("CEO") should not be a member of the Committee.

6.2 Appointment

- i. The Board shall appoint the members of the Risk Committee and fill any vacancy as and when required upon consultation with the Committee and as recommended by the Nomination Committee; and
- ii. Unless the Board appoints a Chair (who shall not be the Chair of the Board), the members of the Committee may appoint a Chair by majority vote on the full Committee membership. In the absence of the Committee Chair, the remaining members present shall elect one of themselves to chair the meeting, who would qualify under this Charter to be appointed to that position by the Board.
- iii. The Chair of the Risk Committee may be required to attend the Company's Annual General Meeting ("AGM") to answer relevant questions posed by Shareholders.

6.3 Duration

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

6.4 Termination

The Board may terminate membership of any person serving on the Committee on recommendation of the Committee or on recommendation of the Nomination Committee or the Board.

7. MEETINGS

7.1 Frequency

The Committee should hold sufficient scheduled meetings to discharge all its duties as set out in these terms of reference but subject to a minimum of three meetings per year.

Meetings in addition to those scheduled may, with approval of the Chair, be held at the request of the CEO or other members of EXCO/senior management or at the instance of the Board.

The Chair of the Committee may meet with the CEO, and/or other member(s) of EXCO/senior management and/or the Company Secretary/Group Company Secretary prior to a Committee meeting to discuss important issues and agree on the agenda.

7.2 Attendance

- i. A senior representative of the Company's external auditor, the CEO, the CFO, and any other senior management member may be invited to attend Committee meetings.
- ii. The members may if they deem fit, confer by telephone, closed circuit television or video conferencing.
- iii. The provisions of the Charter relating to the proceedings of members apply so far as they are capable of application of mutatis mutandis to such conference.
- iv. The Committee may invite any other relevant person to attend the Committee meetings, but by invitation only. Such persons may not vote on any matters.
- v. The Company Secretary or the Group Corporate Secretary of the Company will be the secretary to this Committee ("Secretary").
- vi. Committee members will attend all scheduled meetings of the Committee, including meetings called on an ad-hoc basis for special matters, unless prior apology, with reasons, has been submitted with the Chair or Company Secretary.
- vii. If the nominated Chair of the Committee is absent from a meeting, the members present shall elect one of the members present to act as Chair.

7.3 Agenda

- i. The Company Secretary or the Group Corporate Secretary of the Company, in consultation and agreement with the Chair of the Committee, shall draft the agenda, which shall be circulated with supporting documentation, preferably 5 business days prior to each meeting to the members of the Committee, and where applicable to the external auditors, the CEO and CFO.
- ii. The Committee may establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual work plan must ensure proper coverage of the matters laid out in this Charter.
- iii. Committee members must be fully prepared for Committee meetings, to provide appropriate and constructive input on matters discussed.

7.4 Minutes, written resolutions and reporting procedure

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

iv. The Company Secretary or the Group Corporate Secretary of the Company shall incorporate the approved minutes of the meeting of the Committee in the meeting files prepared for meetings of the Board for noting purposes, as applicable.

v. In addition to the above, the Chair of the Committee will provide verbal and/or written feedback at the meetings of the Board of directors on the Committee's recent activities and shall also recommend matters to be approved by the Board, as may be required.

vi. A resolution in writing signed by a majority of the members of the Committee at the time when such resolution is released for signature, shall be as valid and effectual as if it has been passed at a duly constituted meetings of the Committee, provided that each member of the Committee shall have been afforded a reasonable opportunity to express an opinion on the matter to which such resolution relates.

7.5 *Quorum*

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

7.6 *Attendees*

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

8. MEMBER SKILLS AND TRAINING

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

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

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

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

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

9. REMUNERATION

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

10. EVALUATION

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

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

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

11. REVIEW OF CHARTER

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

12. GENERAL

The Committee in carrying out its tasks under these terms of reference, may obtain outside or other independent professional advice as it considers necessary, to carry out its duties.

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

All Company related information that becomes known to directors in their performance of their duties must at all times be kept confidential.

This Charter is approved by the Board of directors on 22 February 2024 and signed on their behalf by:

Signed by Peter Todd



Chair - Board

Signed by Jonathan Crichton

Chair - Risk Committee