

# Sustainability Policy

POLICY	ISSUE DATE	VERSION	DEPARTMENT	APPROVED BY
P-ESG_Sustainability	October 2020	No. 1	COO	Social & Ethics Committee & Board

## SUSTAINABILITY POLICY

Revision History		
Revision reference	Date	Description of changes
Not applicable	Not applicable	Not applicable

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## 1. PURPOSE

The purpose of this Sustainability Policy (“Policy”) is to define the sustainability framework of Grit Real Estate Income Group Limited (“Grit” or “Company”) and its subsidiaries (collectively the “Grit Group”).

Our progress in ensuring that we remain a Sustainable corporation is measured against a set of sustainability objectives and targets, which are reviewed quarterly, by Grit’s Sustainability Committee and the Social and Ethics (“S & E”) Committee, in addition to the Board of Directors (“the Board”).

This Policy forms the foundation of this core component of our business. It is the Company’s intention to develop a wider collection of frameworks, objectives and targets in support of this policy over time.

## 2. SCOPE OF APPLICATION

The Policy applies to the whole Grit Group in relation to its sustainable objectives.

## 3. INTRODUCTION

Grit’s primary objective is to deliver strong and sustainable income for shareholders, with the potential for income and capital growth. In so doing, the Company strives to ignite the furnace of growth in Africa, by pioneering and collaborating to construct bridges that unlock opportunities, across inaccessible African territories, to generate sustainable returns for generations to come, for all stakeholders including the people of Africa.

In our quest to deliver this primary objective, we must be aware that our business activities ultimately have various environmental, social and economic effects across our countries of operation. It is our duty, as a prominent corporate citizen across multiple territories, to ensure we manage our business in such a way that is responsible and sustainable, and strives to deliver maximum impact and benefit to all stakeholders affected by our business.

### 3.1 FOUR MAJOR PILLARS

To provide a clear focus on how we set out to conduct ourselves as a responsible and sustainable business, we have defined four major pillars and focus areas when it comes to Sustainability.

These are:

1. **Managing our assets responsibly** – constantly finding ways to drive efficiency, through the close monitoring of our assets, and the provision of innovative solutions that maximize utility for the tenant and returns for our shareholders.
2. **Uplifting communities** – providing support and resources to the communities in which we

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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.

3. **Developing our employees** – realizing 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.

4. **Designing and delivering environmentally-conscious and efficient spaces** – providing 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.

## 3.2 KEY HIGH LEVEL KPIS

Further to the above core pillars, we have identified 4 high-level KPI's that we have set to achieve and maintain over the next 5 years. These are as follows:

1. 25%\* reduction in Group carbon emissions by 2025
2. 25%\*\* improvement in building-efficiency by 2025 through reductions in electricity & water consumption
3. At least 40% of leadership positions within Grit Group held by women
4. At least 65% local employee representation

*\* using 2019 as a base year, measured on a per employee basis, in air travel and portfolio building carbon emissions respectively*

*\*\* measured on a per square metre basis on Group portfolio, using 2019 and a baseline year, in accordance with Grit's Environmental Sustainability Reporting Policy*

## 3.3 HOW TO OPERATE AS A SUSTAINABLE BUSINESS

Over and above these key high-level KPI's, the company intends to continue to operate as a Sustainable business in the following ways:

- Ensuring alignment of our Sustainability strategy to the United Nation's Sustainable Development Goals (SDGs) and the United Nations Global Compact.
- Adherence to Grit's Environmental Sustainability Reporting Policy
- Placing Sustainability as a key strategic imperative across our entire value chain and all our operations.

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- Providing spaces and environments which impact positively on the lives of our employees and occupiers.
- Providing guidance to enable our various business teams to include key sustainability considerations in their decision making and business activities.
- Continuously seeking to improve our sustainability performance and promote higher levels of responsibility across our operations.
- Ensuring complete compliance with the various legal and corporate governance requirements which form part of operating in the Listed Real Estate Sector.
- Regular engagement with our key stakeholders, addressing any key concerns swiftly and transparently.

## 4. REVISION OF THE POLICY

The S & E Committee shall be responsible for the review and management of this Policy and accordingly the S & E Committee shall review the Policy annually, which will include an assessment of the KPIs and the framework. The S & E Committee will also discuss any revisions with the Board that may be required and recommend any such revisions to the Board for approval.

## 5. STRUCTURE, MONITORING AND REPORTING

The Board is ultimately responsible for the Sustainability Policy of the Grit Group. In assisting the Board to discharge such responsibilities, a delegated authority has been given to the Chief Operating Officer (“COO”) to monitor the adherence to this Policy.

Adherence to the Policy and the KPIs will be reported to the Board by the COO at regular and appropriate intervals, including, but not limited to Quarterly Social & Ethics Committee Meetings. With approval of this document, the COO and the Heads of each department, will have responsibility of day-to-day implementation of the Policy.