

CHAIRMAN'S MESSAGE



Our strategy continues to bring about successful outcomes, underpinned by the Freight Services focus to provide customer solutions for efficient and cost-effective cargo flow.

Grindrod achieved a strong recovery during 2021, with headline earnings from core operations, inclusive of joint ventures, of R886 million, up 166 percent from 2020 (2020: R333 million). Cash generated from operations reached R1 billion (2020: 0.9 billion). This performance was accomplished under difficult circumstances which challenged logistics supply chains and included extreme weather conditions in Maputo, unrest in KwaZulu-Natal and Gauteng, port congestion, the fire at the Richards Bay port terminal and security concerns in northern Mozambique.

By enabling supply chains, opening up new routes to markets and partnering with our stakeholders to provide efficient, innovative and cost-effective solutions, Grindrod continues to play an important role in our customers' success and South Africa's economic advancement.

Grindrod supported its efforts in combatting the effects of COVID-19 by arranging numerous successful on-site vaccination drives for staff and their families in partnership with the Department of Health, and continues to provide vaccination support programmes. Following the unprecedented unrest experienced in July, we provided food parcels and logistics support to our employees and our communities in response to the dire shortages experienced, and ongoing counselling support for our staff and their families.

Health and safety is of paramount importance to us. We ensure a safe and healthy workplace for all, maintaining occupational health and safety management systems in accordance with international standards and hold our people accountable for complying with our policies and requirements. We are gratified to be able to report nil fatalities during the year, and a reduction in injuries.

STRENGTHENING OUR BOARD

Grindrod has a long-held reputation as a well-governed, ethically sound and responsible Group. Our commitment to good governance goes beyond mere regulatory compliance, recognising that a strong governance foundation is integral to sustainable business. Each Board member brings specific skills and insights that combine to deliver invaluable support to the executive and management of the Group's businesses.

In the year under review, the Board was strengthened by the appointment of two exceptional new members. Cheryl Carolus was appointed as an independent non-executive director on 1 October 2021 and will step in as Chair of the Board when I retire at our June 2022 AGM. Cheryl is an immensely experienced director and an inspirational leader who has played a critical role in driving South Africa's transformation.

As my term as chairman draws to a close, I take this opportunity to express my gratitude to the Grindrod team for the partnership and support that they have provided. This is an exceptional business, driven by dedicated, focused and determined people who have all been a great inspiration.

Thank you to my fellow Board members for your valued support and insight, not just in 2021, but throughout my tenure as chairman. I wish the entire Grindrod 'family' every success going forward.

Deepak Malik was appointed as an independent non-executive director and member of the Audit committee with effect from 1 December 2021. Deepak brings with him vast experience in investing and operating in Africa following his previous roles at Arise, the Development Bank of Zambia and in the African mining industry. Grindrod looks forward to benefitting from the experience and the diverse skills and insights of these two highly regarded individuals.

BEYOND COMMERCIAL OBJECTIVES

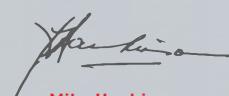
We recognise that the success of our business depends significantly on our ability to contribute to a more sustainable society and environment, and the interdependent nature of this relationship. We are always mindful of the impact we have on our environment and the communities in which we operate and we are committed to contribute positively to social and economic development.

From a social sustainability perspective, Grindrod is actively involved in various projects and initiatives such as our long-standing relationship with the Adopt-A-School Foundation and the Cyril Ramaphosa Education Trust.

Our commitment to transformation has created a diverse and inclusive workforce. We prioritise indigenisation in the countries in which we operate and place a strong emphasis on skills development, investing significantly in training and upskilling programmes to support our transformation and business goals and ensure the professional and personal advancement of our people. Grindrod successfully launched the YES (Youth Employment Services) initiative and our Internship Programme continues to focus on providing essential skills and training to candidates from previously disadvantaged backgrounds.

Our core values underpin Grindrod's zero-tolerance for bribery, fraud, extortion and all other forms of corruption. Our Anti-corruption policy lays down the behavioural standards required to comply with anti-corruption laws and covers the aspects of conflict of interest, gifts and whistleblowing. Our ethics policies have a wide application in order to strengthen our efforts to comply with international best practises.

Grindrod is also committed to ensuring that personal information is used appropriately, transparently and securely, in line with the Protection of Personal Information Act, which came into effect in July 2021.



Mike Hankinson
Chairman
8 April 2022