

# ABOUT THIS REPORT

## REPORTING SCOPE AND BOUNDARY

The report, together with the audited Annual Financial Statements and other supplementary information available on the Grindrod website, provides a complete and fair review of Grindrod's economic, social and environmental performance, inclusive of the information on subsidiaries, joint ventures and associates, within the context of its strategy, risks and opportunities for the financial year ended 31 December 2022. Disclosure is guided by the material factors our directors believe will substantially impact Grindrod's ability to create and preserve value for stakeholders while preventing value erosion.

### WHO WE ARE AND OUR CORE SERVICES

#### PORT TERMINALS LOGISTICS

Refer to page 51 to 55

### MATERIAL MATTERS IN OUR EXTERNAL ENVIRONMENT

- Environmental factors (page 33)
- Stakeholder relationships (page 42)
- Risks and opportunities (page 16)

#### OUR STRATEGIC ESG OBJECTIVES AND HOW WE CREATE VALUE

Our daily efforts are underpinned by an emphasis on ESG matters to create and preserve sustainable value. Grindrod's newly adopted **ESG transformation framework** (page 26) is driven by our four strategic objectives of prosperity for all, regenerative environment, socially inclusive development and good governance, underpinned by nine business imperatives. We **create value** through the performance of our business divisions, including subsidiaries, joint ventures and associates, in terms of our four overarching ESG objectives.

#### Prosperity for all

 **RESOURCES**  
(page 28)  **ASSETS**  
(page 50)

#### Regenerative environment

 **ENVIRONMENT**  
(page 33)

#### Socially inclusive development

 **PEOPLE**  
(page 38)  **SKILLS**  
(page 39)  **RELATIONSHIPS**  
(page 42)

#### Good governance

 **Good governance**  
(page 58)

The Grindrod Limited (Grindrod or the Company) integrated annual report aims to provide stakeholders with a balanced assessment of Grindrod's ability to create and sustain value.

## ASSURANCE

Grindrod adheres to a combined assurance model as outlined by King IV:

Annual Financial Statements	Grindrod's external auditor, Deloitte & Touche
Selected sustainability performance indicator disclosures	Grindrod's internal audit function
Carbon footprint and other sustainability data	Promethium Carbon Proprietary Limited
Compliance with B-BBEE <sup>1</sup> regulations	1st Verification Network Proprietary Limited

## PROCESS DISCLOSURES

Content gathering for the 2022 integrated annual report included executive and Board discussions, interviews, and reviews of internal and external reporting information. A cross-functional team, led by the Chief Executive Officer (CEO) and representing various operations and subject-matter experts across the Group, contributed towards the integrated annual report, with oversight from the executive and the Board. Following collective assessment, the Audit committee, responsible for oversight of the integrated annual reporting process, recommended approval of the report to the Board. The Board then provided final approval of the report.

## REPORT APPROVAL

Grindrod's Board of Directors acknowledges responsibility for ensuring the integrity of the integrated annual report. In the Board's opinion, the integrated annual report provides a fair and balanced representation of the integrated performance of Grindrod within the context of its identified material aspects. The Board approved the 2022 integrated annual report on 5 April 2023 for release to shareholders and other stakeholders. The Board confirms that Grindrod is in compliance with the provisions of the Companies Act relating to its incorporation and that it is operating in conformity with its Memorandum of Incorporation.

## BOARD APPROVAL



**Cheryl Carolus**  
Independent  
non-executive chair



**Nkululeko Sowazi**  
Lead independent  
non-executive director



**Grant Gelink**  
Independent  
non-executive director



**Walter Grindrod**  
Non-executive  
director



**Ben Magara**  
Independent  
non-executive director



**Deepak Malik**  
Independent  
non-executive director



**Zimkhitha Zatu Moloi**  
Independent  
non-executive director



**Xolani Mbambo**  
Executive director and  
CEO



**Fathima Ally**  
Executive director and  
CFO

Note: Following the sale of Grindrod Limited's interest in Grindrod Bank Limited and Grindrod Financial Holdings to African Bank Limited, which was successfully finalised on 1 November 2022, reference to these entities within this report is limited in scope, in keeping with the forward looking nature of an integrated annual report.

<sup>1</sup> Broad-based black economic empowerment (B-BBEE).

<sup>2</sup> Copyright and trademarks are owned by the Institute of Directors in South Africa NPC, and all of its rights are reserved.

## REPORTING FRAMEWORKS

In compiling its integrated annual report and supplementary information, Grindrod has applied the principles contained in the King Report on Corporate Governance™ for South Africa, 2016 (King IV)<sup>2</sup>, the Johannesburg Stock Exchange Limited (JSE) Listings Requirements, International Financial Reporting Standards (IFRS) and the South Africa Companies Act, No. 71 of 2008, as amended (Companies Act). The integrated annual report is also compiled in accordance with the concepts, guiding principles and content elements contained in the Integrated Reporting Framework (2021), including disclosures based on the six identified capitals. In addition, sustainability reporting is guided by the Global Reporting Initiative (GRI) Universal Standards, as updated in 2021.

The relevant frameworks used to guide business decision-making include:

**The Sustainable Development Goals (SDGs)** give substance to a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. The goals underpin the United Nations 2030 Agenda for Sustainable Development. Grindrod adopted eight goals that are most relevant to its business and the communities in the areas it operates in to guide business strategy and implementation.

**The SDG Compass** is a tool that facilitates sustainability as an outcome of core business strategy.

**The UN Global Compact's 10 Principles** comprise a value system for corporate responsibility concerning human rights, labour, the environment and anti-corruption.

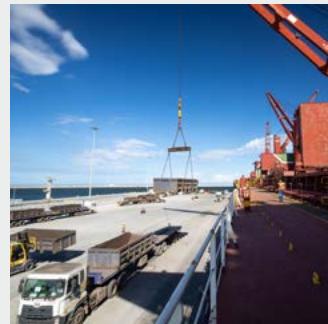
**The Universal Declaration of Human Rights** and the **International Labour Organisation's Declaration on Fundamental Principles and Rights at Work**.

**The Rio Declaration on Environment and Development**.

**The Organisation for Economic Co-operation and Development (OECD) Anti-Bribery Convention**.

**The Task Force on Climate-Related Financial Disclosures (TCFD)** presents recommendations on climate-related financial-risk disclosures.

# KEY HIGHLIGHTS



## SOCIAL PERFORMANCE

### LTIFR (PORT AND TERMINALS AND LOGISTICS)

**0.38\*** target <0.5  
(2021: 0.47)

### FATALITIES

**0**  
(2021: 0)

### SOCIAL RESPONSIBILITY SPEND

**R6.7 million** 15.2%  
(2021: R7.9 million)

### TRAINING PROVIDED

**1 322 employees** 5.1%  
(2021: 1 258)

### B-BBEE

**Level 3**

(2021: Level 2)  
Grindrod Limited

**Level 1**

(2021: Level 2)  
Grindrod South Africa Proprietary Limited

## ECONOMIC PERFORMANCE

### REVENUE

**R24 360 million** 38.8%  
(2021\*\*: R17 549 million)

### TRADING PROFIT

**R1 917 million** 25.8%  
(2021\*\*: R1 524 million)

### HEADLINE EARNINGS PER SHARE: CONTINUING OPERATIONS

**112 cents** 49.3%  
(2021\*\*: 75 cents)

### CASH GENERATED FROM OPERATIONS

**R1 688 million** 62.5%  
(2021: R1 039 million)  
Controlled entities only

### NET ASSET VALUE PER SHARE

**1 211 cents** 3.0%  
(2021: 1 176 cents)

2022



\* Following audit, the LTIFR reported on 2 March 2023 changed from 0.34 to 0.38.

\*\* Re-represented for the impact of IFRS 5: Non-current assets held for sale and discontinued operations.

Note: All the reported numbers in the integrated annual report include Joint Ventures unless otherwise specified.