Non-financial Data Report 2020

GROSVENOR

Contents

In addition to the information contained in this 2020 Non-Financial Data Report, you can download our 2020 Annual Review and the 2020 Financial Statements to find out more about our progress during the year.

Introduction

The Grosvenor Estate's purpose is to deliver lasting commercial and social benefit. As the largest part of the Estate, the Grosvenor Group contributes significantly to this. We believe we can make a material, positive difference in three ways:

- Improving land, property and places
- Respecting the environment and efficiently use natural resources
- Making a positive impact on communities

These three objectives are the central pillars of the Group's Social Benefit Framework, which this year we aligned with the UN SDGs to better assess the impact of our business activities on our communities and the environment.

Throughout our 2020 Annual Review we have highlighted activity undertaken across our business to deliver social benefit in the communities in which we operate, and provided insights into our increasing efforts to minimise our environmental footprint. This document provides more detail on the metrics used and the methodology that sits behind them.

> "In an effort to take our reporting to the next level, we are introducing some new Group-wide goals. We know we can't achieve these goals on our own – we continue to work in close partnership to achieve them."
>
> **Peter Vernon**
> Group Executive Director

Improving land, property and places

We aim to future-proof our properties and places through innovative solutions to ensure longevity and to mitigate environmental risks.

We measure and report on the spend and improvements made to our public realm in the year, along with the amount of green space we protect. The public realm is a critical part of any city's social infrastructure. It's often where people connect and participate in civic life. In light of Covid-19 and the restrictions associated with its containment over the past year, green space especially has been proven as vital to our health and wellbeing, and so we are proud of our investment into its protection and upkeep.

People's choices around modes of transportation can have a significant impact on air quality and the environment more generally. All our properties are within a 15-minute walk to public transport. Furthermore, we are working hard to install more electric vehicle charging points and bike racks to encourage and facilitate greener travel options. Currently, we have 123 charging points and 223 bike racks installed across the Group.

Providing high-quality housing has always been a central tenet of Grosvenor's work. Every year, we maintain, develop and deliver a large number of residential properties, including many affordable and social homes.

- Working with partners, the Group received planning permission or delivered over 500 low cost and affordable homes in 2020.
- Grosvenor Britain & Ireland owns 837 affordable and low cost homes, 577 of which are leased to Housing Associations (including Peabody) as social housing. These are located in Westminster, London, ensuring that people of all income levels can live in central London.
- Indirect Investment has invested $50m into the Bridge Investment Group which provides and improves low-income and affordable housing in the US.

Respecting the environment and efficiently using natural resources

We aim to respect, protect and restore the environment by reducing our carbon impact, waste generation and water consumption. We seek to protect and improve biodiversity, acknowledging its role in carbon sequestration.

In 2019, the Grosvenor Group signed up to the World Green Building Council's (WGBC) Net Zero Carbon (NZC) commitment. We pledged to achieve net zero carbon in operational emissions from all of our directly managed buildings by 2030, and to work towards all directly and indirectly managed buildings being embodied and operationally 'net zero' by 2050.

We have made great progress this year, with Grosvenor Britain & Ireland and Grosvenor Europe, which account for 40% of our total carbon emissions and over 60% of our portfolio, publishing their NZC pathways, and Grosvenor Asia Pacific developing a bespoke NZC strategy. Grosvenor Americas has developed their draft NZC pathway and is on track to finalise this in 2021. We have provided more information about these pathways on pages 9 to 12.

Once all four Operating Companies' pathways/strategies are complete, we will be better able to track and report our progress towards our 2030 NZC target at a Group level.

This year, the Group engaged Willis Towers Watson to complete an environmental scenario analysis to better understand the physical and transition risks the climate crisis poses to our portfolio. We modelled the risk of a 2 degree Celsius increase and 4 degree Celsius increase across a 2030 and 2100 timeframe. This exercise was very informative and we are looking to embed the findings into our risk management and strategic planning processes.

Introduction (continued)

For over a decade, we have disclosed our scope 1 and 2 emissions consumption, as well as the emissions related to our business travel. We continue to report our electricity, gas and water consumption, as well as our operational and construction waste data. This is to ensure transparency and accountability as we strive to meet our NZC targets. This environmental data has, once again, been independently assured by Deloitte LLP (see page 20).

It is no great surprise that the impact of Covid-19 has helped to dramatically reduce our emissions, however we were still able to clearly see where our interventions and reduction strategies have made a difference. This is a positive step forward, and we hope to continue to make strides in this direction.

Making a positive impact on communities

We want to make a positive, long-lasting impact on our stakeholders. Our business activities affect many groups, including our people, residents and tenants, visitors to our buildings and locations, our supply chain, and investment and development partners, all of whom we see as part of our community.

Supply Chain Principles

Our values of integrity, respect and trust are central to the way we do business. We take our responsibilities to the environment and our communities seriously and ensure that our business practices are ethically sound. We recognise the need to uphold these values both within our organisation, and across our supply chain.

This year, we will establish our Group Supply Chain Principles, which set a minimum standard of business practices expected from suppliers engaging with the Grosvenor Group.

We aim to have 75% of direct supplier spend committed to our Supply Chain Principles by 2030.

The principles will be applicable to suppliers across all four Operating Companies, the Holding Company and our Indirect Investment business, and set a base level expectation, which we encourage suppliers to meet and exceed.

Our Supply Chain Principles expect our suppliers to:

- Conduct business in an ethical manner
- Treat all workers fairly, with trust, respect, and integrity
- Support their communities
- Respect the environment and efficiently use natural resources

We will finalise the detail of each principle and supporting documentation in 2021, and start to track our progress towards our 2030 goal.

Recognising that we operate across multiple markets and regions, we encourage our Operating Companies to build on these Group-wide principles, to develop charters relevant to their specific businesses and regions. For example, Grosvenor Britain & Ireland has its own Supply Chain Charter which expects more from suppliers than the Group-wide principles, referencing specific UK legislation such as the gender pay gap, and encouraging suppliers to go beyond the regulatory requirements where appropriate. For example, the Charter encourages suppliers to actively combat unconscious bias with recruitment policies, training for staff and support for minority groups.

Diversity & Inclusion

We are committed to building an inclusive and diverse workforce which better reflects the communities in which we operate. Diversity in our thinking and inclusivity in our behaviour both contribute to ensuring the long-term success of our business.

Over the past year, we have worked to advance gender balance, engage proactively with minority communities and improve inclusivity – also by working with organisations that share our values.

For more information about our D&I ambitions and activities, please refer to the Annual Review and our website.

Reporting our results on social benefit

Reporting our results on social benefit

Overview

We have continued to evolve our non-financial reporting with metrics highlighted throughout our 2020 Annual Review. In addition to qualitative statements, we aim to incorporate quantitative evidence which fits the following criteria:

- It is material to our business activity in 2020;
- It is of relevance and interest to our stakeholders (surveys are used to inform us on this point);
- It demonstrates our 'Living Cities' approach in practice;
- It is a significant aspect of our societal contribution;
- The data collection is viable for this and subsequent Annual Reviews; and
- It is in alignment with our strategy.

Metrics

This document provides information on the data published in Grosvenor's 2020 Annual Review. The report is split into two parts. The first, on pages 5-14, provides the results for the environmental metrics that we have been reporting on for over 10 years. The second section, on pages 15 to 19, sets out the methodologies for the environmental metrics reported in Part 1, as well as the social metrics reported in our Annual Review which were first introduced in our 2015 report.

We have a consistent governance approach that oversees the collection and validation of all our environmental data. Each Operating Company has a Sustainability Leader responsible for tracking and improving the results. They work closely with the asset and property managers, the retrofit and finance teams throughout the year to budget and implement measures to better the environmental performance of the portfolio. An Executive Sponsor for each Operating Company signs off these annual results.

The data relating to communities is currently gathered by each Operating Company from a number of different sources. We are looking at ways to improve the current process.

We have once again published our adjusted carbon footprint in line with the 'Scope 2 dual reporting requirements'. This follows the Greenhouse Gas Protocol guidelines, the global standard for corporate carbon emissions, as certified by the International Standards Organisation.

The adjusted carbon footprint takes into account our energy procurement rather than just the average national grid conversion factors, when measuring the energy consumption in carbon tonnes.

This year, we have also disclosed data under the new UK Streamlined Energy and Carbon Reporting (SECR) regulations, in the Grosvenor Group Limited Financial Statements and Grosvenor Limited Financial Statements.

Many properties, particularly in the Grosvenor Britain & Ireland portfolio, are let out on long-term or full repairing and insuring leases, which allows for limited visibility of consumption data and limited operational control. We are working on engaging with our tenants and residents in order to increase and improve our scope 3 reporting.

Appendix A provides our results in the standardised environmental reporting format of the European Public Real Estate Association (EPRA).

Future development

We regularly review the parameters of our reporting, seeking each year to disclose more accurate, relevant and in depth data where possible. In 2021, Grosvenor Americas' net zero carbon pathway will be finalised, allowing us to create a single Group pathway. We plan to report against this pathway to ensure that we stay on track to meet our ambitious targets. Furthermore, we aim to work with our suppliers to expand our environmental reporting to include more scope 3 data where possible.

Having launched our Supply Chain Principles, we aim to work with our most material suppliers in 2021 to secure their commitment to these principles, and make progress towards our 2030 Supply Chain target. Furthermore, in 2021 we plan to develop a third Group level target to sit alongside our net zero carbon and supply chain targets, focused on the impact our assets have on the health and wellbeing of the people who interact with them.

As such, we anticipate that the metrics reported in subsequent Annual Reviews and Non-Financial Data Reports will continue to change, as our social benefit strategy develops and grows.

We aim to align closely with the principles of the International Integrated Reporting Framework, and the Global Reporting Initiative, although we are not seeking to comply with every aspect of these standards, as not all requirements are relevant to our Operating Companies' specific circumstances. The detailed methodology ensures robustness in our published metrics as we continue along this reporting journey.

Energy consumption

Energy consumption

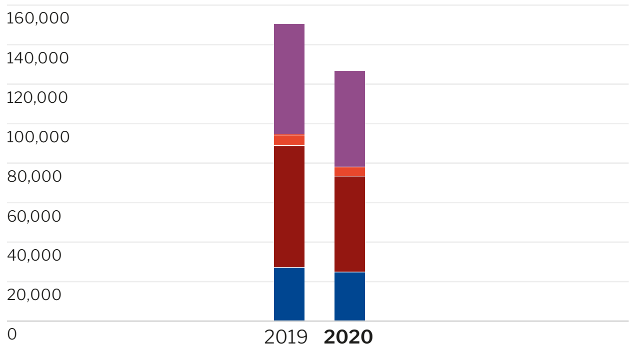
–18%

In 2020, our like-for-like energy consumption decreased by 18%

Performance in focus

	Absolute energy consumption					Like-for-like energy consumption			
	2019 MWh	2019 properties	**2020 MWh**	**2020 properties**	Change %	2019 MWh	**2020 MWh**	**2020 properties**	Change %
Grosvenor Britain & Ireland	27,260	418	**24,931**	**384**	-9%	20,925	**17,160**	**251**	-18%
Grosvenor Americas	61,828	49	**48,451**	**46**	-22%	48,647	**41,365**	**41**	-15%
Grosvenor Asia Pacific	5,334	4	**4,629**	**4**	-13%	5,334	**4,629**	**4**	-13%
Grosvenor Europe	56,046	11	**48,567**	**12**	-13%	53,353	**42,615**	**8**	-20%
Grosvenor Group total	150,468	482	**126,578**	**446**	-16%	128,259	**105,769**	**304**	-18%

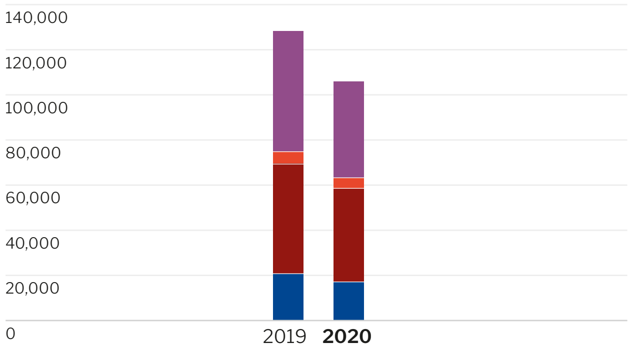
Absolute MWh



Absolute energy use

- Grosvenor Europe
- Grosvenor Americas
- Grosvenor Asia Pacific
- Grosvenor Britain & Ireland

Like-for-like portfolio MWh



Like-for-like energy consumption

- Grosvenor Europe
- Grosvenor Americas
- Grosvenor Asia Pacific
- Grosvenor Britain & Ireland

Commentary

Grosvenor Group

This year, the Group's energy consumption has decreased by 16% on an absolute basis, and 18% on a like-for-like basis. The Covid-19 pandemic caused lower occupancy rates at most non-residential assets across the Group which in turn significantly reduced our energy consumption.

The scale of asset-level energy reduction varied across the portfolio depending on the nature of the Covid-19 response in different countries. Whilst lower occupancy rates contributed somewhat to our energy savings, it was down to our site teams to adjust the asset's heating, ventilation and air conditioning (HVAC) and lighting systems accordingly and to make sure the buildings were running as efficiently as possible. This ensured that energy was not wasted whilst occupancy levels fluctuated.

Though the pandemic significantly affected our ways of working, we managed to continue to progress towards our net zero carbon target, with the majority of our asset efficiency projects going ahead as planned. We therefore saw meaningful savings at key high-consuming assets such as Grosvenor Europe's Belgrave House in London, Grosvenor Americas' 1500K Street in Washington D.C. and Grosvenor Britain & Ireland's 70/72 Grosvenor Street in London.

The disposal of several large assets such as F1RST Residences in Washington, D.C., Sagemark Apartments in San Jose, California and Rey Francisco 9 in Madrid, Spain at the end of 2019 also contributed to our absolute energy reduction in 2020.

Energy consumption (continued)

Commentary

Grosvenor Britain & Ireland

We achieved a 18% decrease in like-for-like energy consumption in our Grosvenor Britain & Ireland portfolio. Despite the disruption caused by Covid-19, important projects such as our retrofitting works and our smart meter rollout across the London portfolio continued as scheduled. We also announced a new £90m retrofit programme as part of our net zero carbon pathway, paving the way for further improvements to our historic portfolio as we work towards a 52% reduction in our overall emission, resulting in net zero by 2030. The 18% decrease was also driven by lower occupancy rates at non-residential assets as a result of Covid-19. For example, large energy reductions were achieved at our offices such as 70/72 Grosvenor Street, 8/10 Grosvenor Gardens and the Bermondsey Campus, all located in London.

Grosvenor Americas

A 15% reduction in like-for-like energy consumption was achieved in our Grosvenor Americas portfolio. As seen across the Group, this decrease was largely due to Covid-19 and a result of lower occupancy at non-residential assets and the shelter-in-place orders issued by the US and Canadian governments. Energy reductions at large offices such as 1500K Street in Washington, D.C., 4664 Lougheed Highway in Burnaby, Canada, 333 John Carlyle in Virginia, Parklands Northcreek in Washington, 560 South Winchester Blvd in San Jose, California and 1701 Pennsylvania Avenue in Washington, D.C. significantly contributed to the overall decrease seen across the portfolio.

However, lower occupancy rates did not lead to the reductions on their own. Our site teams worked hard to ensure that assets' systems were adjusted to account for the lower occupancy.

At 1500K Street in particular, the optimisation programme with Aquicore, a smart building platform that gave us greater visibility over our data in real time, allowed us to more closely monitor and reduce our building operations to match occupancy rates throughout the year.

Other significant efforts to reduce energy consumption included optimisation of the building temperature system at The Rise in Vancouver, which led to a 30% decrease in natural gas consumption at this mixed residential/retail asset.

Grosvenor Asia Pacific

Grosvenor Asia Pacific has achieved a 13% reduction in like-for-like energy consumption. This was driven by reduced occupancy at PCCW Tower and lower footfall at Namikikan Ginza throughout 2020 both due to the pandemic.

Grosvenor Europe

Like-for-like energy consumption decreased by 20% across Grosvenor Europe. The UK portfolio in particular was impacted by lower occupancy rates, as well as optimisation programmes initiated and completed by site teams. At Belgrave House, London, and Liverpool ONE, in Liverpool on-site optimisation programmes ensured that building operations matched the reduced demands.

In Sweden, a lack of lockdown measures meant that sites operated at close to their normal capacity. Despite this, significant energy consumption reductions were achieved across the Swedish portfolio. Skärholmen Centrum achieved the largest energy savings of 9%, 29% and 24% of electricity, district heating and district cooling respectively, due to the constant monitoring and adjustment of the lighting schedules, ventilation schedules and temperature settings by the site team, especially for district heating and cooling.

Carbon emissions

Carbon emissions

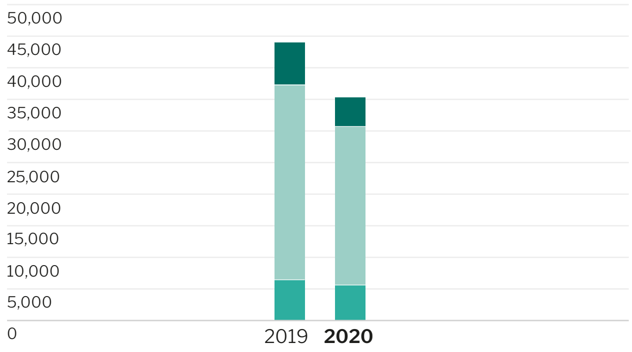
-20%

In 2020, we reduced our like-for-like carbon emissions for the tenth consecutive year, this time by 20%

Performance in focus

	Absolute carbon emissions					Like-for-like carbon emissions			
	2019 tCO_2e	2019 properties	**2020 tCO_2e**	**2020 properties**	Change %	2019 tCO_2e	**2020 tCO_2e**	**2020 properties**	Change %
Grosvenor Britain & Ireland	8,388	418	**6,636**	**384**	-21%	6,445	**4,568**	**251**	-29%
Grosvenor Americas	22,954	49	**17,580**	**46**	-23%	19,138	**16,288**	**41**	-15%
Grosvenor Asia Pacific	3,579	4	**2,973**	**4**	-17%	3,579	**2,973**	**4**	-17%
Grosvenor Europe	9,066	11	**8,075**	**12**	-11%	8,303	**6,314**	**8**	-24%
Grosvenor Group total*	43,987	482	**35,264**	**446**	-20%	37,465	**30,143**	**304**	-20%

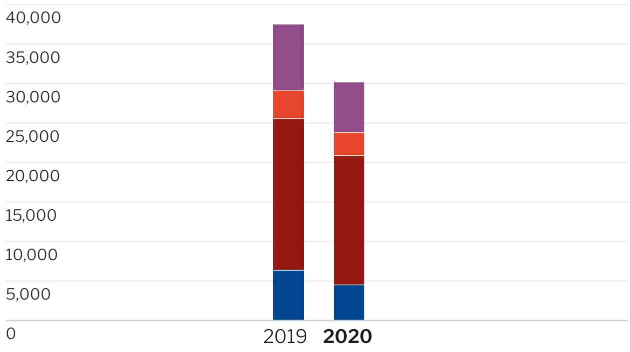
Absolute (tCO_2e)



Absolute carbon emissions by scope in accordance with the Greenhouse Gas Protocol

	2019 tCO_2e	**2020 tCO_2e**
Scope 3	6,631	**4,582**
Scope 2	30,903	**25,052**
Scope 1	6,453	**5,630**

Like-for-like portfolio (tCO_2e)



Like-for-like carbon emissions

- Grosvenor Europe
- Grosvenor Americas
- Grosvenor Asia Pacific
- Grosvenor Britain & Ireland

Commentary

Our carbon emissions are calculated using location-based emission factors. Each geographic region in which we operate has an emission factor that represents the carbon intensity of the local grid. Our energy consumption is multiplied by this factor to calculate our carbon emissions. In addition, we also calculate our market-based emission factors, to demonstrate the impact that our energy procurement decisions have on our carbon emissions.

Our reduction in both like-for-like and absolute carbon emissions reflects both reduced energy consumption across our portfolios as well as the decarbonisation of national grids in which we operate. The UK grid emissions factor in particular, has reduced by 9% compared with 2019 as a result of using less coal to produce electricity.

Notes:

— Scope 1: Direct emissions from sources owned or controlled by Grosvenor. This includes gas boilers and Grosvenor-owned vehicles.

— Scope 2: Indirect emissions from electricity and district heating we purchased. These emissions are considered indirect because the emissions physically occur at the point of energy production. The above emissions from purchased electricity were calculated using the location-based method only.

— Scope 3: Other indirect emissions. This includes: emissions from energy that are exclusively sub-metered to tenants; electricity and district heat and steam transmission; emissions from the supply and treatment of water; and distribution losses and emissions from other Company activities within the organisational boundary, such as from business travel.

* The Group totals for absolute carbon emissions include business travel of 213 tCO_2e in 2020, and 2,037 tCO_2e in 2019. These results were calculated for the calendar year.

Carbon emissions (continued)

Aligned to the Greenhouse Gas Protocol guidance on reporting scope 2 emissions, we have reported two different values to reflect the 'location-based' and 'market-based' emissions resulting from our purchased electricity.

The location-based method uses an average emissions factor for the entire national grid on which electricity consumption occurs. If a nation reduces its reliance on coal-fired power stations, for example, in favour of cleaner energy generation methods, this emissions factor improves.

The market-based method uses an emissions factor that is specific to the electricity which has been purchased. It therefore takes into account renewable energy we have purchased or generated on-site and is a more accurate reflection of our carbon emissions.

In 2020, we have continued to report carbon emissions from electricity using both methods. For UK properties held by Grosvenor Britain & Ireland and Grosvenor Europe where we have 100% renewable electricity contracts in place, we were able to report market-based emissions from the emission factor specific to our contracts. Where supplier-specific factors were not available, national or regional 'residual mix' factors were applied. In the absence of either supplier or residual-mix factors for Grosvenor Asia Pacific, location-based factors were used.

-20%

In 2020, our renewable electricity consumption reduced our 'Scope 2' carbon emissions by 20%

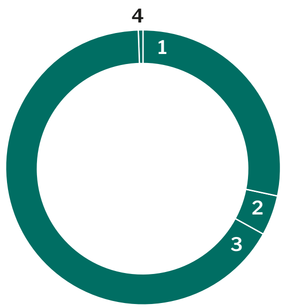
Scope 2: Impact of our renewable electricity consumption on our carbon emissions

Performance in focus

Scope 2 GHG emissions from purchased electricity

	Location-based method emissions (tCO_2e) 2020	Market-based method emissions (tCO_2e) 2020
Grosvenor Britain & Ireland	2,582	–
Grosvenor Americas	13,152	13,394
Grosvenor Asia Pacific	2,923	2,899
Grosvenor Europe	3,104	1,066
Grosvenor Group total	**21,761**	**17,359**
Impact of our renewable energy		-20%

Grosvenor Group total electricity use by source (%)



	2020
1 100% Renewable tariff	28.6%
2 Supplier-specific tariff	4.5%
3 Residual mix	66.6%
4 On-site renewable	0.3%

Commentary

How we purchase and generate our energy materially affects our environmental footprint. Furthermore, the purchase of renewable energy increases demand for this energy source, which in turn should increase supply, reduce prices and increase accessibility, enabling others to purchase this greener energy source.

Grosvenor Britain & Ireland procures 100% renewable electricity for all properties under its direct control.

In Grosvenor Europe, renewable electricity is purchased for our shopping centres in Sweden, Liverpool ONE, in Liverpool and Belgrave House in London.

In Grosvenor Americas, the Courtyard by Marriott Hotel, Maryland, and 1500K Street in Washington, D.C. procure renewable energy.

Our on-site solar photovoltaic (PV) cells installed on assets in Grosvenor Britain & Ireland, and in Grosvenor Europe's Belgrave House and Liverpool ONE continue to generate renewable energy. This year, 271 MWh of renewable energy was generated on-site.

Notes:

- 100% Renewable Tariff: electricity purchased through energy suppliers via a 100% renewable tariff contract.
- Supplier Specific Tariff: electricity purchased through energy suppliers via a contractual energy mix.
- Residual Mix: Supplier energy mix is unknown, national grid average used.
- On-site Renewable: electricity generated on site through our solar panel installations.

Our Net Zero Carbon Pathways

Our Net Zero Carbon Pathways

In 2019, Grosvenor Group signed up to the World Green Building Council Net Zero Carbon commitment. We pledged that all directly managed buildings would be net zero in operations by 2030, and that by 2050, our whole portfolio of directly and indirectly managed buildings would be fully net zero. In the following pages we have set out the Operating Companies' progress.

Grosvenor Britain & Ireland has published a pathway to 2030.

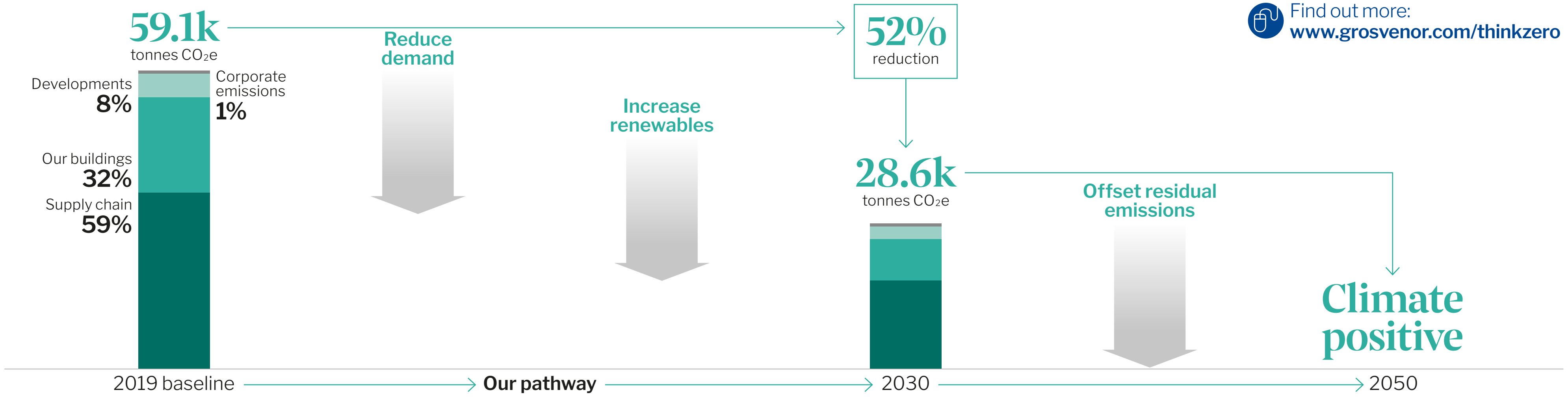
Grosvenor Americas has developed a draft pathway to 2030, and is on track to finalise this in 2021.

Grosvenor Asia Pacific has developed a Net Zero Carbon strategy.

Grosvenor Europe has published a pathway to 2030.

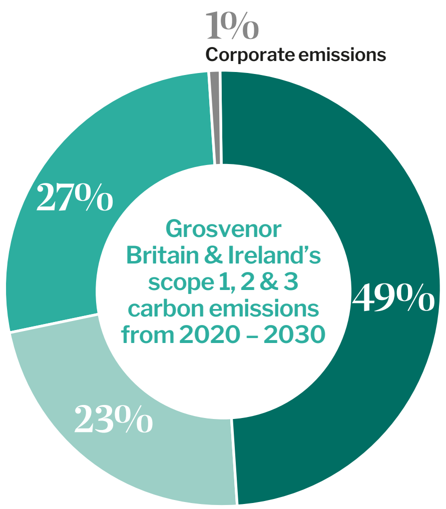
Grosvenor Britain & Ireland's Net Zero Carbon Pathway

Find out more:
www.grosvenor.com/thinkzero



How will we get there?

		Supply chain	Developments	Our buildings
Reduce demand	Target:	40% of suppliers by emissions to set a Science Based Target by 2030.	All developments must be low embodied carbon (less than 500kgCO_2e/m² from 2025), achieve Net Zero Carbon Pathway compliant EUI targets and be all-electric.	Achieve Net Zero Carbon Pathway compliant EUI targets by 2030 for all property types.
	Tools:	Using: Supply Chain Charter	Using: Sustainable Development Brief and whole life carbon assessments	Using: £90m Retrofit Programme & occupier engagement
Increase renewables	Target:	40% of suppliers by emissions to procure their energy from renewable sources by 2030.	Maximise renewable energy generation and ensure all developments powered from renewable sources, prioritising those highest in the renewables' hierarchy.	75% of occupiers by floorspace to use energy sourced from renewables by 2030.
	Tools:	Using: Supply Chain Charter	Using: Sustainable Development Brief and Green Leases	Using: Green Leases
Offset residual emissions	Target:	Develop a transparent offsetting strategy in 2021. We will offset our emissions only once we have maximised our energy reduction and renewable energy generation.		
	Tools:	Using: Verified offset schemes		



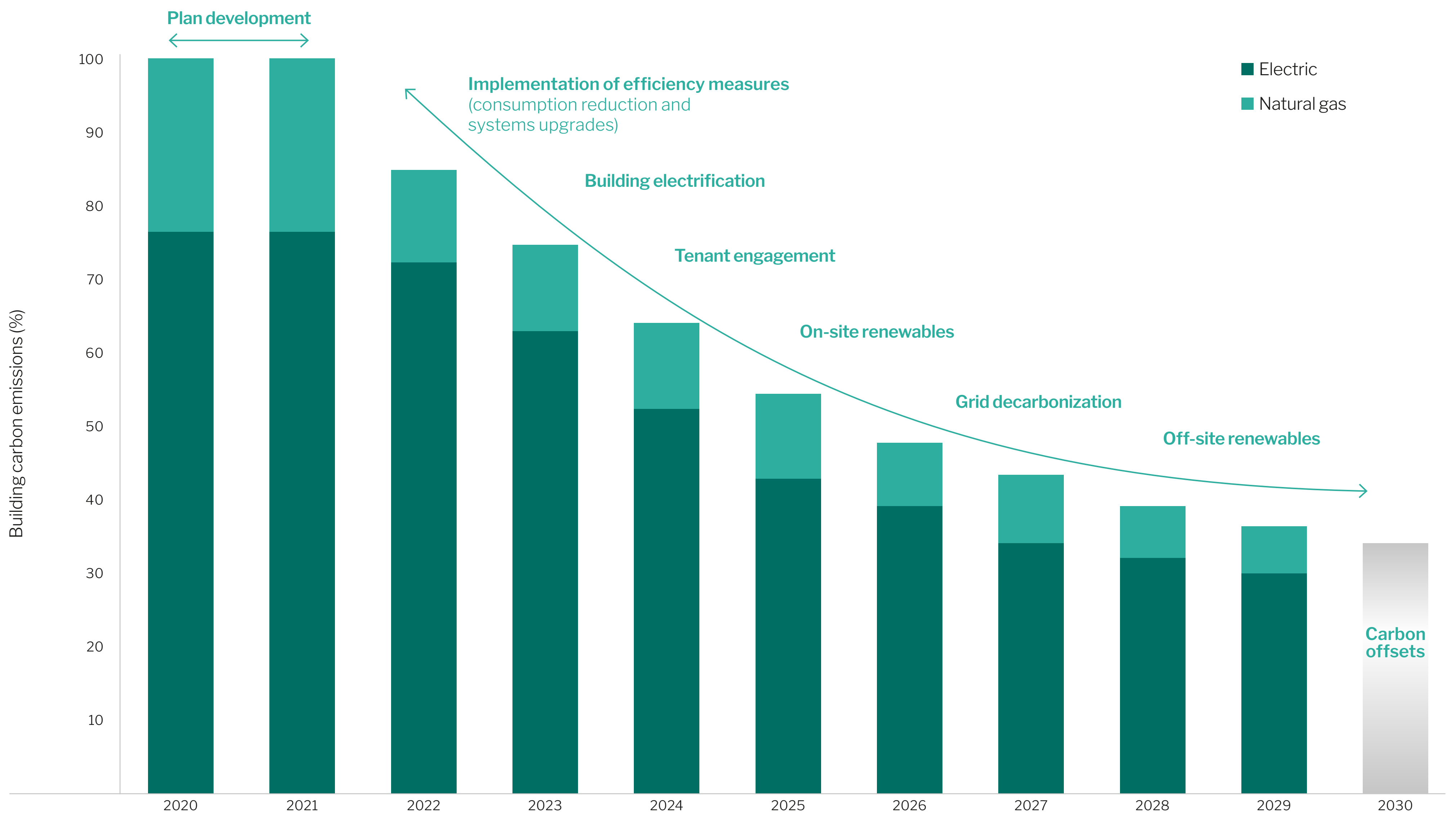
Our Net Zero Carbon Pathways (continued)

Grosvenor Americas' Net Zero Carbon pathway will focus on reducing carbon emissions from our standing assets through a process of disclosing baseline operational emissions; outlining a portfolio-level plan to reduce consumption and improve efficiency across all assets; and prioritizing capital-intensive upgrades on priority assets.

On our new development projects, we will reduce carbon emissions through conducting embodied carbon assessments and designing highly-efficient buildings. Furthermore, carbon emission considerations will be included in our investment and development acquisition and disposition processes.

The 10-year plan disclosed here is our most recent draft, demonstrating how we intend to meet the 2030 net zero carbon commitment. The reductions shown from 2022 are estimates that will be defined in more detail as we advance our work. Our pathway will be finalised in 2021.

Grosvenor Americas' Draft Net Zero Carbon Pathway



Our Net Zero Carbon Pathways (continued)

Grosvenor Asia Pacific's Net Zero Carbon Strategy

Grosvenor Asia Pacific's reduction strategy is a model of divestment and investment which facilitates carbon reduction. We plan to invest more carefully in low carbon assets, and to design and develop more carbon conscious assets in order to reduce our emissions.

Fully integrate net zero considerations into investment process.	Integrate specific carbon reduction plans in asset management plans and budgets.	Incorporate best practice into development projects	Continuous development of expertise and know-how to support actions outlined in this Carbon Roadmap	Integration of net zero goals into roles and responsibilities across the organisation	Collaboration with emerging net zero solution providers in a low friction and agile manner
Investment Management Carbon Actions	Asset Management Carbon Actions	Development Management Carbon Actions	Net Zero know-how Development	Organisational Development Plan	SAPD (Strategic Adjacencies, Proptech and Digital) & GreenTech Lab

Key pillars

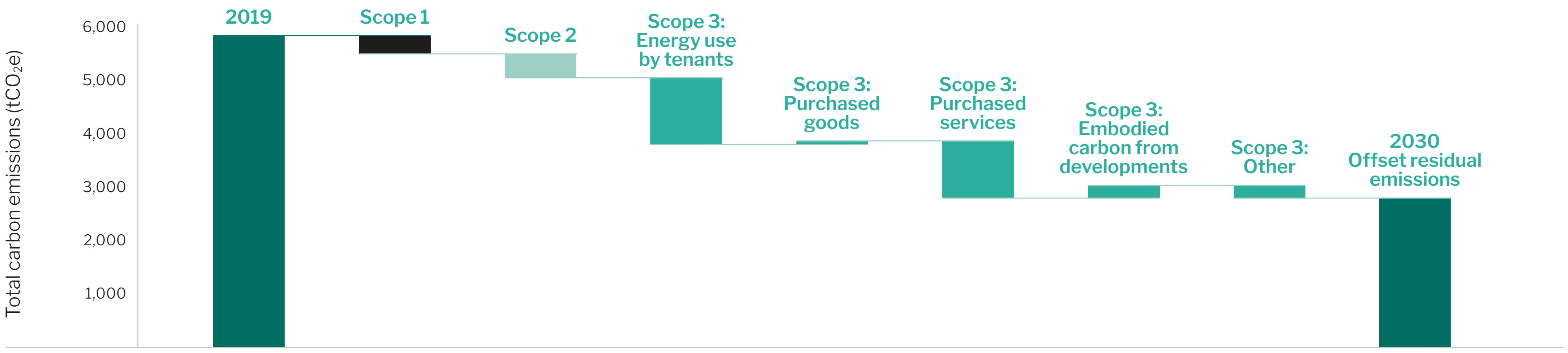
Starting our net zero journey

In April 2020, we acquired our first proprietary development site in Tokyo, Japan. When completed, the mixed-use project will be Grosvenor Asia Pacific's first 'net zero ready' building, meaning it will incorporate a number of features that will deliver a material reduction in carbon footprint, both in terms of embodied and operational carbon. The development is located in the dynamic Higashi-Ginza neighbourhood. We believe that our net zero ready building will contribute to the community's sustainability and will help to reduce our collective carbon footprint.

The building will look to decrease energy use and create renewable energy on site, a process which can be continuously upgraded as technology advances. As a result of design enhancements, we expect the building to achieve an overall 44% reduction in landlord energy use, including 12% of energy generation through on-site renewables. The expected improvement in on-site renewable energy generation, coupled with renewable energy procurement, will enable the building to achieve its net zero carbon status by 2030.

Our Net Zero Carbon Pathways (continued)

Grosvenor Europe's Net Zero Carbon Pathway



Find out more:
www.grosvenor.com/our-businesses/grosvenor-europe/how-do-we-deliver-social-benefit

How will we get there?

To reduce our total emissions by 50%, we will focus on three core areas: cutting energy use in buildings by a third; cutting the embodied carbon intensity of our developments by 50%; and cutting the carbon intensity of purchased goods and services by at least 60%.

Our buildings

We will reduce energy consumption by 1/3 to align with industry-leading net zero carbon building performance definitions

Supply chain

We will reduce our carbon emissions per unit of spend by 60% through decarbonisation of our suppliers and low carbon refurbishments

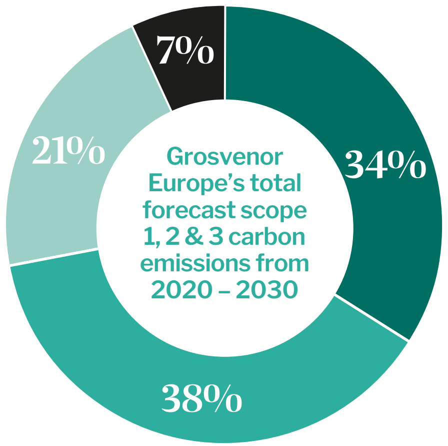
Developments

We will aim to reduce embodied carbon per square metre in our developments by 50% compared with typical benchmarks and practice today.

We will build to highly energy-efficient performance standards consistent with net zero carbon benchmarks

Other emissions

Covering areas such as business travel, employee commuting, water and waste, we will include these emissions within our overall 50% reduction target



Water consumption

Water consumption

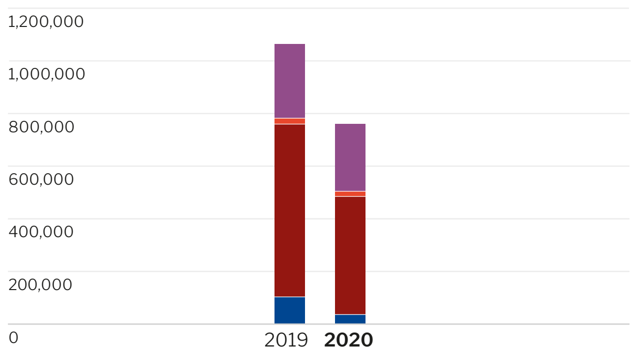
-11%

In 2020, our like-for-like water consumption decreased by 11%

Performance in focus

	Absolute water consumption					Like-for-like water consumption			
	2019 m³	2020 properties	**2020 m³**	**2020 properties**	Change %	2019 m³	**2020 m³**	**2020 properties**	Change %
Grosvenor Britain & Ireland	104,378	159	**36,919**	**129**	-65%	57,833	**23,012**	**40**	-60%
Grosvenor Americas	656,962	58	**449,913**	**56**	-32%	468,590	**427,229**	**46**	-9%
Grosvenor Asia Pacific	19,254	4	**17,210**	**4**	-11%	19,254	**17,210**	**4**	-11%
Grosvenor Europe	282,984	11	**256,110**	**12**	-9%	190,544	**186,587**	**7**	-2%
Grosvenor Group total	1,063,578	232	**760,152**	**201**	-29%	736,221	**654,038**	**97**	-11%

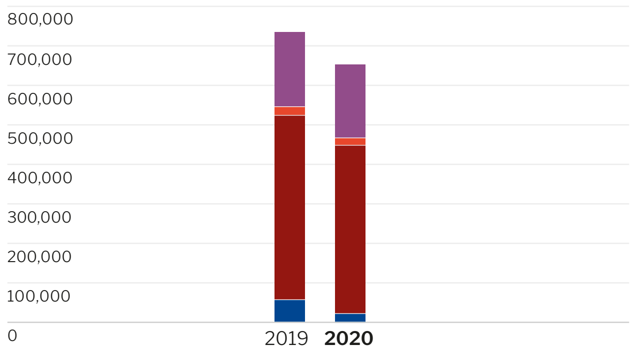
Absolute (m³)



Absolute water consumption

- Grosvenor Europe
- Grosvenor Americas
- Grosvenor Asia Pacific
- Grosvenor Britain & Ireland

Like-for-like portfolio (m³)



Like-for-like water consumption

- Grosvenor Europe
- Grosvenor Americas
- Grosvenor Asia Pacific
- Grosvenor Britain & Ireland

Commentary

The Group's like-for-like water consumption decreased by 11% on a like-for-like basis and by 29% in absolute terms in 2020. All of our Operating Companies achieved like-for-like and absolute water consumption reductions, partly driven by decreased occupancy at non-residential assets due to the Covid-19 pandemic.

Aside from assets in Sweden, our entire portfolio was affected by the Covid-19 lockdowns that were in place throughout 2020. These lockdowns were the main contributor to the reduced overall water consumption.

Assets with particularly large water consumption reductions include offices buildings such as Belgrave House, which were closed for most of the year. However, retail assets such as Liverpool ONE, Liverpool, and Skärholmen Centrum, Sweden, did not see significant reductions in water consumption as their community facilities were used by the public to maintain hand hygiene throughout the pandemic. Similarly, where and when offices were open, water consumption increased as people were encouraged to wash their hands more frequently, however this did not have an impact on the whole year totals.

Due to the nature of billing cycles for water, typically received on a six-monthly basis, estimation for water data is higher than that for energy. This year, we have used estimates for 11% of our total water footprint.

Social Benefit: Methodology

Social Benefit: Methodology

Our social impact is made up of more than just our environmental footprint.

The following pages provide details of our activities undertaken to provide social benefit in 2020 as reported in pages 15-25 of the Annual Review. We believe it is important to provide accurate, robust data to demonstrate the work we do and substantiate our commitment to social benefit, therefore, we have also provided details of the methodologies used, outlining data sources, any scope limitations and key assumptions or estimations made.

All data is for the period 1 January 2020 to 31 December 2020, unless otherwise stated. All data was collected in local currency, and the closing foreign currency exchange rate at 31 December 2020 has been applied. Any 2019 and earlier numbers have been rolled forward from the 2019 Annual Review. The data has not been adjusted for inflation. The data has been collected from a number of sources including: general ledgers, property management systems, and manual collation. A central team has reviewed all figures for robustness. The data is not subject to audit.

Operational highlights

Improving land, property and places

Housing

"Working with delivery partners this year we received planning permission or enabled the delivery of over 500 homes. Grosvenor Britain & Ireland owns 837 low cost and affordable homes across Mayfair and Belgravia, 577 of which are leased to Housing Associations (including Peabody) as social housing."

These metrics include all assets where we have a proprietary interest, operational or management control as well as those linked to our Strategic Land operations. This comprises our directly owned assets via our Operating Companies, including those we share the ownership of with a joint venture partner, or investors. It includes all forms of 'affordable' housing including social housing, low cost housing and housing occupied at below market rent.

Listening to our communities

"This year we hosted over 20 community consultation events (many virtual or socially distanced), engaging with our tenants, residents and stakeholders."

Community consultations include all events that we have facilitated with community groups and organisations, or as surveys of the public.

Public realm

"We continually improve the quality of our public realm, spending a total of £35m over and above planning requirements since 2010."

This metric includes all spaces between buildings that can be freely accessed by members of the public. It comprises outdoor areas, including: roads, parks, squares, pedestrian routes and cycle ways.

This public space is government owned, apart from Brown Hart Gardens, London, which sits above an electricity generator plant in which we have proprietary interests. These figures do not include expenditure required as part of the planning obligations agreed with the local councils.

Green space

"The amount of green space that we protect has decreased in 2020 to 107 hectares across the Group. "

This is the total of all green space related to assets we manage and comprises the number of hectares of various types of green spaces, including: green roofs, managed gardens and squares, country parks (outside of the London estate), and areas of significant planting. These are based on the entire footprint, so this includes footpaths. Where the amount of green space is not detailed on the plans of an asset or development, an estimate of the percentage of green space has been applied to the overall plot size. All these areas are designated as green space and we have no plans to build upon them.

Transport connectivity

"100% of our properties are within a 15-minute walk of public transport connections. 123 electric charging points set up across the Group to encourage and facilitate the use of electric vehicles. 223 bike racks have been installed across the Group."

For metrics regarding our property portfolio, we have reported data for all assets where we have a proprietary interest, or operational or management control. This comprises our directly owned assets via our Operating Companies, including those we share the ownership of with a joint venture partner, and assets Grosvenor Europe manages on behalf of investors. Our figures do not include properties owned by the companies we invest in via our Indirect Investment business.

Social Benefit: Methodology (continued)

Respecting the environment and efficiently using natural resources

Biodiversity

"We are conscious of the need to protect and enhance biodiversity. We undertake biodiversity surveys prior to any significant development and ensure that flora and fauna species are protected as far as possible in the construction phase, and given space to thrive once our assets are built. Across the Group, we maintain 11 urban beehives, five bug hotels, 10 bat boxes and 150 bird boxes, creating space for nature in our cities."

For metrics regarding our property portfolio, we have reported data for all assets where we have a proprietary interest, or operational or management control. It includes new projects, or installations during 2020, and installations that were established in prior years which we have continued to manage and protect, that provide habitats for species that were not protected on the site before.

Making a positive impact on communities

Community events

"This year we hosted over 200 events for our communities (2019: 345), from outdoor socially distanced food markets to art installations to pop-up antibody testing sites."

Grosvenor-supported events include those we have facilitated, allowed use of Grosvenor-owned land/buildings for, and/or provided a financial contribution towards. These were all public events.

Our people volunteering

"571 hours of employee time was dedicated to voluntary work across the Group."

This metric includes all volunteering hours logged by our employees via our internal platform, Workday.

Educational opportunities

"We continued our mentorship programmes virtually, and across the Group reached 243 students, including providing eight apprenticeships, and four internships."

This metric includes students reached through our mentorship and sponsorship programmes, apprenticeships and internships offered by our Operating Companies as a means of introducing young, diverse talent to our business helping them to develop their career interests and skills.

Job creation

"205 jobs were created this year across our supply chain on our construction projects, and in our community outreach work."

This metric includes all jobs created by Grosvenor business activities, both within our supply chain as a product of new development projects, and in our social impact activities, such as the Neighbourhood Kitchen.

Charitable donations

"£3.9m charitable donations."

At Grosvenor, we strive to make a positive difference to the communities in which we work. One way that we do this is through our philanthropic activities, fundraising and volunteering efforts to support local charities, organisations and causes to bring about sustainable change. Grosvenor Group primarily supports the Westminster Foundation, a grant-making foundation which manages the philanthropic activities of the Duke of Westminster, the Grosvenor family and the Grosvenor businesses.

In 2020, the Group paid a total of £3.4m (2019: £2.6m) to charitable causes via the Westminster Foundation. The Group contributed £0.5m (2019: £1.3m) directly to other charities.

Environmental metrics: Methodology

Environmental metrics: Methodology

The scope of the environmental metrics included in this report are for Grosvenor Group's energy consumption and associated greenhouse gas emissions, water and waste usage for the period 1 December 2019 to 30 November 2020. The reporting data is shifted back by a month compared to our financial year reporting period to reduce the amount of estimated data, necessitated by the time lag prevalent when receiving utility bills.

We have included data from all investment assets that we directly own or manage and where we have responsibility for the procurement of utilities and/or waste collection. We have also included the utilities and waste data, where known, from our leased occupied offices; these assets are excluded from our absolute and like-for-like analyses but included in the standardised environmental reporting section of this report. The exception is 70 Grosvenor Street in London which we occupy and partly own. All assets in our indirect investment portfolio have been excluded as we do not have any operational control of these assets.

We collect data direct from our suppliers and are reliant upon them for the completeness and accuracy of this data. Our data is hosted on our environmental consultant's (Carbon Intelligence) database and they undertake further validation checks for data completeness and accuracy. Where we have been unable to collect data, we have applied estimations using a robust, replicable estimation methodology and have stated where this has been done. For properties where we have concerns about the quality of data, we undertake a structured query process with the supplier to ensure accurate data is received.

The report details two years' worth of data to show year-on-year trends across all metrics. For prior year figures, we endeavour to use the same data that was reported in that year. However, occasionally, there are changes to the underlying data or meter characteristics after the time of reporting which change the reported prior year figures. Where this is the case, we update the prior year figures accordingly. In doing this, we ensure that we always report the most up to date and accurate trends available.

Energy and water

Absolute energy and water analysis

The absolute energy analysis records total energy consumption from the activities under our control in the buildings which we directly manage or own, from our corporate offices and from business-related travel. It excludes utilities exclusively sub-metered to tenants.

All directly managed properties are reported in this analysis, including assets acquired or sold during the reporting year. In total, we reported on the absolute energy data for 446 properties compared to 482 in 2019. This decrease is largely due to Grosvenor Britain & Ireland where data coverage of tenant demises varies between years. Where source data is not available at the time of reporting, a pro-rata is applied based upon consumption available for the year to calculate expected consumption for the missing period. 6% of the total energy consumption across these properties was estimated (vs. 4% in 2019) and no properties were excluded from the analysis because of questionable energy data.

We carried out a similar analysis for water and have reported on the absolute water data for 201 properties compared to 232 in 2019 for the same reasons as above. 11% of the total consumption was estimated (vs. 9% in 2019) and no properties were excluded from the analysis because of questionable water data.

Like-for-like energy and water analysis

The like-for-like analysis uses a consistent portfolio approach, which includes only those directly-managed properties that were in the portfolio for the period 1 December 2019 to 30 November 2020. It therefore allows us to compare exactly the same group of properties year-on-year and it shows the total energy and water consumption from the activities under Grosvenor's control within those buildings. Any properties for which we do not have sufficient data for either year (at least 90 days' worth) have been excluded from this analysis.

This measure excludes business travel, utilities sub-metered to tenants, consumption from Grosvenor's own offices (except for 70 Grosvenor Street which we partly own) and any assets for which the data quality was in question. This year, 304 properties are included in the like-for-like energy and 97 properties in the water analysis. The number of like-for-like reporting assets has increased in 2020 as a result of continued improvement to the data management programme implemented at the start of 2017.

Environmental metrics: Methodology (continued)

Carbon footprint methodology

Our footprint is calculated according to the accounting and reporting principles of the Greenhouse Gas (GHG) Protocol. The GHG Protocol's defined organisational boundary has been determined using the 'operational control' approach and therefore only includes emissions within our direct control. The carbon footprint covers the GHG Protocol defined scopes for setting operational boundaries.

In 2015, the GHG Protocol guidance was updated advising organisations to provide separate figures to reflect the market and location-based emissions resulting from purchased electricity. The location-based method uses average emissions intensity of the electricity grids from which consumption is drawn; the market-based method uses emissions specific to each electricity supply/contract.

For market-based emissions we followed the GHG Scope 2 reporting hierarchy. See page 8 for more details.

Where we purchase energy as the landlord and recharge it to our tenants on a non-metered basis, we have reported this as part of our own scope 1 and 2 emissions. Where we are able to sub-meter tenant consumption, we have reported this as scope 3 in line with European Public Real Estate Association (EPRA) guidelines and Appendix F of the GHG Protocol. We have also recorded emissions from our business travel as scope 3.

We use the 2020 DEFRA emissions factors in order to calculate our carbon footprint, with the exception of non-UK electricity emission factors that are sourced from the International Energy Agency (IEA) from its 2020 inventory. Residual mix factors for market-based reporting were sourced from the Association of Issuing Bodies (2019) for Grosvenor Europe and Green-e (2020) for Grosvenor Americas.

The 2020 footprint is reported against a baseline year of 1 December 2018 to 30 November 2019 in absolute terms and on a like-for-like basis.

Waste

Continuing on from last year, we have reported all our operational waste by mass. Measuring waste by mass is a more accurate method of recording waste quantity. Where waste data was only available in volume, we have converted to mass using the BBP Volume to Weight Conversions standardised framework, developed in 2017. This year, we have reported on 71 sites, and where waste data is not available, we have estimated it based on previous data from the same waste stream.

The number of reporting assets has dropped from 73 in 2019. Grosvenor Americas reported waste for 2 less assets, Grosvenor Britain & Ireland reported waste for 1 less asset, and Grosvenor Europe reported waste for 1 more asset.

In 2020, we have collected construction waste from our development projects for the fourth year running. This data has been provided directly by the project teams and represents construction waste generated during the reporting year.

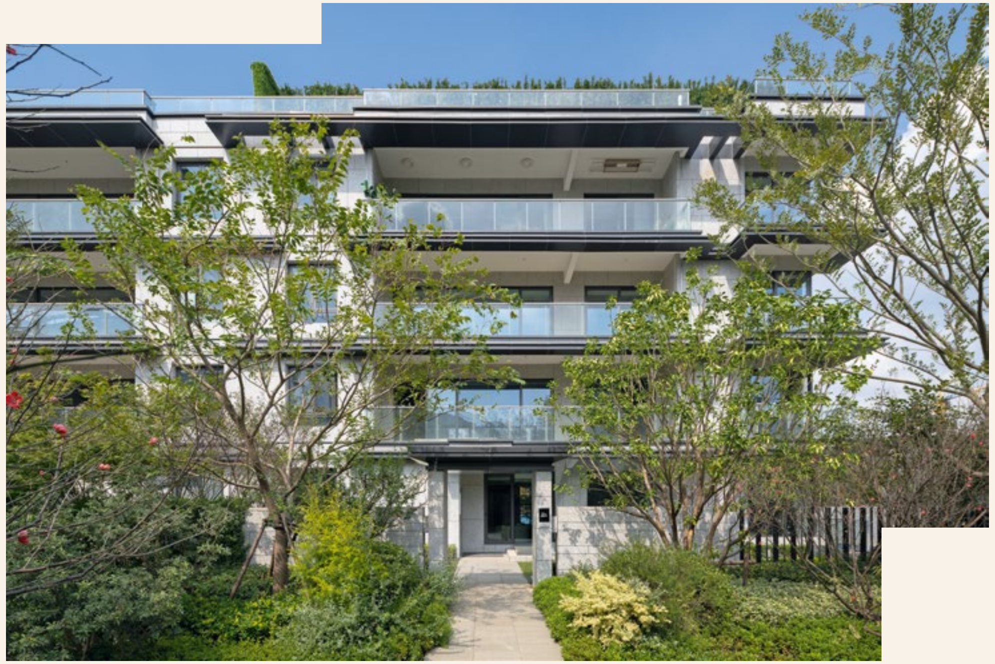
Environmental metrics adviser's statement

Environmental metrics adviser's statement

Carbon Intelligence is responsible for managing Grosvenor's global carbon emissions data management and reporting programme. We have supported with verifying and reporting emissions data, submissions to the Global Real Estate Sustainability Benchmark, asset performance optimisation and approval by the Science Based Targets Initiative for GBI's net zero strategy.

As with previous years, in 2020 Carbon Intelligence sourced, collated, validated and independently assured Grosvenor's energy (gas & electricity), business travel, water and waste data across all assets.

We continued to build as complete and accurate a dataset as possible, with an increased number of assets as the portfolio evolved with acquisitions or practical completion of developments and a greater population of meters.



This data was then used to calculate Grosvenor's global greenhouse gas emissions. These calculations have been prepared in accordance with the GHG Protocol Corporate Accounting and Reporting Standard, as published by the World Resources Institute.

Data is collected directly from utility providers which reduces the risk of handling errors and provides greater confidence in reporting an accurate representation of Grosvenor's footprint and impact. It is our independent view that there is no evidence that the information provided within this report is inaccurate or is not a fair representation of the sustainability programme and practices at Grosvenor.

Indeed, these efforts have resulted in a continued low energy estimation percentage of 6% in 2020 (vs. 4% in 2019 and 3% in 2018).

The data collected was subject to Carbon Intelligence's rigorous, multi-step / -person data validation process quarterly. Findings are passed on to local site teams at each Operating Company for review, discussion and commentary to explain variances.

In 2020, this engagement extended to 'actionable insights' with GBI, where data was used to identify energy savings opportunities, for example high energy usage during times of low occupancy for a building. Continual sharing of best practice is a significant focus for the programme and this helps to ensure all assets consider potential savings opportunities.

With Grosvenor Britain & Ireland, Grosvenor Asia Pacific and Grosvenor Europe finalising their net zero carbon pathways and strategies in 2020, and Grosvenor Americas expected in 2021, there is an increasing awareness of the importance of carbon data in achieving these. This covers all emissions Scopes including, importantly, tenants' emissions under Scope 3. With now another year of robust data, Grosvenor is well positioned to commence demand reduction, de-carbonisation and off-setting pathway strategies at Operating Company and asset levels, to ultimately achieve net zero and make its contribution to the Paris goal of 1.5 degrees of climate change above pre-industrial levels.

Roger Lewis
ESG Associate Director, Real Assets

Environmental metrics independent adviser's statement

Independent assurance statement by Deloitte LLP to Grosvenor Group Limited (Grosvenor) on selected environmental indicators for inclusion in the 2020 Review and the 2020 Non-Financial Data Report.

Scope of our work

Grosvenor Group Limited ('Grosvenor') engaged us to provide limited assurance on the following selected key performance data for inclusion in the 2020 Review and the 2020 Non-Financial Data Report:

Carbon

- Absolute carbon emissions (Scopes 1 and 2) (tCO_2e)
- Absolute carbon emissions (Scope 3) (tCO_2e)
- Absolute carbon emissions intensity (Scope 1 and 2) (tCO_2e/m2)

Energy

- Total energy consumption (MWh)
- Total electricity consumption (MWh)
- Total natural gas consumption (MWh)
- Like-for-like energy consumption (MWh)

Water

- Total water consumption (m3)
- Like-for-like water consumption (m^3)

Waste

- Total waste (metric tonnes)

Our assurance opinion

Based on the assurance work performed we have concluded that for the indicators described in the scope of our work, nothing has come to our attention that causes us to believe that the indicators have not been prepared, in all material respects, in accordance with Grosvenor's Reporting Criteria, as disclosed on page 17 of the 2020 Non-Financial Data Report.

Basis of our work and level of assurance

We carried out limited assurance on the selected key performance indicators in accordance with the International Standard on Assurance Engagements 3000 (Revised) ('ISAE 3000'). To achieve limited assurance the ISAE 3000 requires that we review the processes, systems and competencies used to compile the areas on which we provide assurance. This is designed to give a similar level of assurance to that obtained in the review of interim financial information. It does not include detailed testing of source data or the operating effectiveness of processes and internal controls.

Our engagement provides limited assurance as defined in ISAE 3000. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Limited assurance procedures performed

To form our conclusions we undertook the following procedures:

- Interviewed key personnel involved in the data collection, management and reporting processes, including how the information is captured at site level and how this feeds up to business level and to Group;
- Interviewed key personnel involved in the data collection, management and reporting processes, including how the information is captured at site level and how this feeds up to business level and to Group;
- Performed testing to corroborate the results of these interviews, including seeking supporting evidence for the statements made, such as a group structure that reflects the proposed boundary, documentation of reporting processes, minutes of relevant meetings, and communications with Property and Asset Managers; and
- Understood, analysed and tested on a non-statistical sample basis the key structures, systems, processes, procedures and controls related to the collation, validation and reporting of sustainability performance data.

Environmental metrics independent adviser's statement (continued)

Responsibilities of Directors and independent assurance provider

Grosvenor's responsibilities

The Directors are responsible for the preparation of the 2020 Review, the 2020 Non-Financial Data Report and for the information and statements contained within them. They are responsible for determining the sustainability targets and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Deloitte's responsibilities, independence and team competencies

We complied with Deloitte's independence policies, which address and, in certain cases, exceed the requirements of the International Federation of Accountants' Code of Ethics for Professional Accountants in their role as independent auditors, and in particular preclude us from taking financial, commercial, governance and ownership positions which might affect, or be perceived to affect, our independence and impartiality, and from any involvement in the preparation of the 2020 Review and the 2020 Non-Financial Data Report.

The firm applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have confirmed to Grosvenor that we have maintained our independence and objectivity throughout the year and in particular that there were no events or prohibited services provided which could impair our independence and objectivity.

Our team consisted of a combination of Chartered Accountants with professional assurance qualifications and professionals with a combination of environmental, CR and stakeholder engagement experience, including many years' experience in providing corporate responsibility report assurance.

Our responsibility is to independently express conclusions on the subject matters as defined within the scope of work above to Grosvenor in accordance with our letter of engagement. Our work has been undertaken so that we might state to the Firm those matters we are required to state to them in this report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Grosvenor for our work, for this report, or for the conclusions we have formed.

Deloitte LLP

Deloitte LLP
London, United Kingdom

Mike Barber
Partner | Deloitte LLP

18 March 2021

Appendix A: Standardised environmental reporting

Appendix A:

Environmental

This table, alongside the subsequent tables on pages 23 and 24, provides additional information on our results in the standardised environmental reporting format of the European Public Real Estate Association (EPRA).

Directly-managed properties – absolute measures

Impact area	EPRA code	Indicator		Units of measurement	2019	2020
Energy	Elec-Abs, Elec-LFL	Electricity	for landlord shared services	MWh	92,182	**80,894**
			(sub)metered exclusively to tenants		18,178	**20,082**
			Total landlord-obtained electricity		110,360	**100,976**
	DH&C-Abs, DH&C-LFL	District heating and cooling	for landlord shared services		23,593	**19,066**
			(sub)metered exclusively to tenants		–	**–**
			Total landlord-obtained district heating and cooling		23,593	**19,066**
	Fuels-Abs, Fuels-LFL	Fuels	for landlord shared services		34,693	**26,618**
			(sub)metered exclusively to tenants		1,834	**2,026**
			Total landlord-obtained fuels		36,527	**28,644**
	No. of applicable properties		**Energy and associated GHG disclosure coverage**		482	**446**
		%	**Proportion of energy and associated GHG estimated**		4%	**6%**
Greenhouse gas emissions	GHG-Dir-Abs, GHG-Dir-LfL	Direct	**Scope 1**	tonnes (CO_2e)	6,453	**5,630**
	GHG-Indir-Abs, GHG-Indir-LfL	Indirect	**Scope 2**		30,903	**25,052**
		Indirect	**Scope 3***		6,631	**4,582**
Water	Water-Abs, Water LfL	Water	for landlord shared services	cubic metres (m^3)	1,063,577	**760,153**
			(sub)metered exclusively to tenants		45,074	**46,527**
			Total landlord-obtained water		1,108,651	**806,680**
	No. of applicable properties		**Water disclosure coverage**		232	**201**
		%	**Proportion of water estimated**		9%	**11%**

*Scope 3 includes landlord-obtained (only if sub-metered to tenants), tenant-obtained, all transmission and distribution losses, emissions from the supply and treatment of water, and business travel.

Appendix A: Standardised environmental reporting (continued)

Environmental

Directly-managed properties – intensity measures

Impact area	EPRA code	Indicator	Units of measurement	2019	2020
Energy	Energy-Int	Building energy intensity	kWh/m²/year	186	**157**
Greenhouse gas emissions	GHG-Int	Greenhouse gas intensity	kg CO_2e/m^2/year	45	**37**
Water	Water-Int	Building water intensity	m^3/m^2/year	1.03	**0.88**

Directly-managed properties – waste measures

Impact area	EPRA code	Indicator	Units of measurement	2019	2020
Waste (landlord-handled)	Waste-Abs	Waste by disposal route	metric tonnes	10,878	**8,103**
		Composted/anaerobic digestion	proportion by weight (%)	5%	**6%**
		Recycled		44%	**45%**
		Off-site Materials Recovery Facility		–	**–**
		Incineration with energy recovery		26%	**25%**
		Incineration with no energy recovery		–	**–**
		Hazardous waste treatment facility		–	**–**
		Landfill		25%	**24%**
		Waste disclosure coverage	No. of applicable properties	73	**71**

Appendix A: Standardised environmental reporting (continued)

Environmental

Occupied offices – absolute measures

Impact area	EPRA code	Indicator		Units of measurement	2019	2020
Energy	Elec-Abs, Elec-LFL	Electricity	for landlord shared services	MWh	513	**535**
			(sub)metered exclusively to tenants		–	**–**
			Total landlord-obtained electricity		513	**535**
	DH&C-Abs, DH&C-LFL	District heating and cooling	for landlord shared services		–	**–**
			(sub)metered exclusively to tenants		–	**–**
			Total landlord-obtained district heating and cooling		–	**–**
	Fuels-Abs, Fuels-LFL	Fuels	for landlord shared services		182	**126**
			(sub)metered exclusively to tenants		–	**–**
			Total landlord-obtained fuels		182	**126**
	No. of applicable properties		**Energy and associated GHG disclosure coverage**		14	**11**
		%	**Proportion of energy and associated GHG estimated**		8%	**1%**
Greenhouse gas emissions	GHG-Dir-Abs, GHG-Dir-LfL	Direct	**Scope 1***	tonnes carbon dioxide emissions (CO_2e	–	**–**
	GHG-Indir-Abs, GHG-Indir-LfL	Indirect	**Scope 2**		–	**–**
			Scope 3**		299	**190**
Water	Water-Abs, Water LfL	Water	for landlord shared services	cubic metres (m^3)	90,409	**20,307**
			(sub)metered exclusively to tenants		–	**–**
			Total landlord-obtained water		90,409	**20,307**
	No. of applicable properties		**Water disclosure coverage**		9	**7**
		%	**Proportion of water estimated**		66%	**33%**
Waste (landlord-handled)	Waste-Abs		Waste by disposal route	metric tonnes	2	**3**
			Composted/anaerobic digestion	proportion by weight (%)	–	**–**
			Recycled		10%	**100%**
			Off-site Materials Recovery Facility		–	**–**
			Incineration with energy recovery		1%	**0%**
			Incineration with no energy recovery		–	**–**
			Hazardous waste treatment facility		–	**–**
			Landfill		89%	**0%**
			Waste disclosure coverage	No. of applicable properties	2	**2**

In this disclosure, estimation refers to filling invoice gaps, not to whether invoices are based on 'estimated' or 'actual' readings.

*Scope 1 includes refrigerants and owned fleet business travel emissions.

**Scope 3 includes landlord-obtained (only if sub-metered to tenants), tenant-obtained, all transmission and distribution losses, emissions from the supply and treatment of water, and business travel.

Glossary

Absolute carbon emissions
Total tonnes of carbon emissions attributable to Grosvenor's directly-owned and managed properties for a 12-month period.

Better Building Partnership (BBP)
The BBP is a collaboration of the UK's leading commercial property owners who are working together to improve the sustainability of existing commercial building stock.

Carbon footprint
A measure of the amount of carbon dioxide, and equivalent greenhouse gases, emitted by Grosvenor's activities during a 12-month period.

Department for Environment, Food and Rural Affairs (DEFRA)
The UK Government Department for Environment, Food & Rural Affairs.

Directly-managed
Properties under Grosvenor's operational control, where Grosvenor is responsible for procuring the utilities and/or waste collection. Our properties are either internally or externally managed. This does not include minority interests in joint ventures, indirect investments or properties with full repairing and insuring leases (where the tenant is responsible for utility procurement and waste collection). This is in line with the Greenhouse Gas Protocol.

EPRA
European Public Real Estate Association, an industry body that has published best practice sustainability reporting guidelines.

Global Reporting Initiative (GRI)
This is a non-profit international organisation, associated with the United Nations, that promotes economic, environmental, social and governance reporting through providing a comprehensive framework.

Greenhouse Gas (GHG) Protocol
International best practice accounting tool for greenhouse gas emissions.

Greenhouse Gas
A gas in the atmosphere that contributes towards global warming.

Grosvenor Group
Grosvenor Group Limited and its wholly-owned subsidiaries.

Like-for-like
A comparison of assets that have been in our management control for at least two years.

London estate
Grosvenor's portfolio of office, retail and residential properties in the Mayfair and Belgravia areas of London's West End.

Net Zero Carbon Commitment (NZC)
Commitment to achieving net zero carbon operational emissions from all of our directly managed buildings globally by 2030, and to work towards all buildings, directly and indirectly managed, being embodied and operationally 'net zero' across our portfolio by 2050.

Operating Companies
Grosvenor's four regional investment and development businesses: Grosvenor Britain & Ireland, Grosvenor Americas, Grosvenor Asia Pacific and Grosvenor Europe.

Renewable energy
Energy that comes from resources which are continually replenished such as sunlight, wind, rain, tides, waves and geothermal heat.

SDG
The United Nations' Sustainable Development Goals.

SECR
The UK Government's Streamlined Energy and Carbon Reporting.

tCO_2e
Tonnes of carbon dioxide emissions. This is the best practice metric for measuring a carbon footprint and aligns with the Greenhouse Gas Protocol.

Waste footprint
The volume or mass of waste produced by Grosvenor's activities during 2019.

World Green Building Council (WGBC)
The World Green Building Council is a global network leading the transformation of the built environment to make it healthier and sustainable.

GROSVENOR