

This is Grosvenor

Annual Review 2021





We deliver lasting commercial, social and environmental benefit...





Introduction

Our performance

Other information



across...

Urban Property

Food & AgTech

Rural Estates

Philanthropy



by striving to meet five key objectives...





which are to...



Deliver strong commercial results



Improve land, property, places, goods and services



Efficiently use natural resources, restore and enhance the environment



Make a positive impact within communities



Support long-term charitable causes



Chair's foreword

This is Grosvenor

The past two years have placed enormous strain on both people and businesses, questioning and often overturning so many certainties we had in our lives. Meanwhile, the challenges of addressing the climate emergency, growing socio-economic pressures and disruption triggered by technological innovation have continued to expand and grow in complexity.

I am proud of the part Grosvenor is playing to help address many of these defining issues. Our whole organisation mobilised in response to Covid-19, supporting and working alongside the communities of which we are part, directly via our business activity and indirectly by supporting the initiatives of my Foundation. As we go about our business at Grosvenor, we are united by a set of common values and a shared purpose that promotes successful and sustainable outcomes, while delivering a positive and lasting benefit to society.

Of course, we need to and can do more. As the organisation has done so many times in the past, we are evolving in order to meet the challenges of the future from a position of strength.

In the past year, we have opted for a simpler and more agile governance structure that will help promote greater pace, collaboration and innovation across the organisation. As part of this, we now present ourselves as a more unified whole, more evidently a single organisation reflecting the breadth of our commercial activities as well as those initiatives which are heritage and conservation-led or focused on philanthropic giving.

We will continue to build a diversified international property portfolio and invest in new food and agtech solutions. Meanwhile, we will strive to make our rural estates leading examples of sustainability in the rural economy, while my Foundation will continue supporting charities working with vulnerable children and young people to improve their life chances.

The contents of this Annual Review, which for the first time reflect Grosvenor's wider – beyond urban property – activities, provide evidence of and insights into the impact of our initiatives. I hope you enjoy discovering more about us and reading about our progress.

The Duke of Westminster
Chair of the Grosvenor Trustees
26 April 2022





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Wayfinding

Throughout the report we have included links to related content and additional information:

- Link to a page within this PDF
- Link to a website or online document



View our 2021 Non-Financial Data Report: grosvenor.com/2021nonfinancialdata



View our 2021 Financial Statements: grosvenor.com/2021financialstatements

The financial information set out on [page 33](#) is derived from the Grosvenor Group Limited’s statutory Financial Statements for the years ended 31 December 2021 and 2020, and management information for the same periods for the Trust-owned urban property assets. Grosvenor Group Limited’s statutory Financial Statements for 2021 and 2020 have been delivered to the Registrar of Companies and are available online. The auditors have reported on those accounts: their reports were unqualified, did not draw attention to any matters by way of emphasis and did not contain statements under Section 498 (2) or (3) of the Companies Act 2006. Grosvenor Property’s non-financial data relating to carbon emissions, energy and water consumption and waste diverted from landfill, set out on [pages 56 and 62](#), is derived from the 2021 Non-Financial Data Report. These metrics and data have been independently assured.



Who we are

Who are we, and what are we looking to achieve?

Grosvenor is an international organisation whose activities span urban property, food and agtech, rural estate management and support for philanthropic initiatives.

We develop, manage and invest to improve property and places across many of the world's leading cities. In the food and agtech sector our growing investment portfolio includes some of the industry's most innovative businesses working towards a better food system. We manage rural estates and their environmentally sensitive habitats, while supporting charitable initiatives targeted at vulnerable young people.

We represent the Grosvenor family

We strive to live up to the values of integrity, respect and trust – ensuring they are at the foundation of everything we do.

We share in a common purpose to deliver lasting commercial, social and environmental benefit – addressing today's needs while taking responsibility for those of future generations.



In practice, delivering our purpose translates to pursuing five overarching objectives.

- Deliver strong commercial results
- Improve land, property, places, goods and services
- Efficiently use natural resources, restore and enhance the environment
- Make a positive impact within communities
- Support long-term charitable causes

The contents of this Annual Review endeavour to demonstrate and substantiate the progress we are making around each of these objectives and how, collectively, our efforts are helping us meet the purpose we set out.



The makeup of our organisation

Grosvenor Property

With a track record of over 340 years, we are developers, managers and investors, looking to improve property and places across many of the world's leading cities – promoting sustainability within the built environment and enhancing the wellbeing of our customers and communities.

43

cities
(2020:58)

Our direct property activities span the UK, North America, Asia and Europe. Meanwhile, our Diversified Property Investments business co-invests with like-minded third-party managers in joint ventures to further diversify our sectoral and regional property exposure.

10

countries
(2020:10)

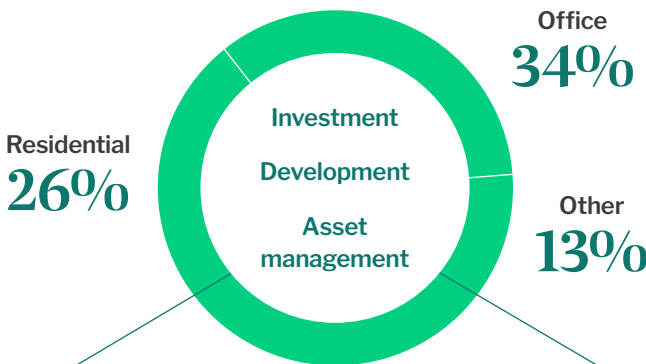
Our business demands a deep understanding of the cities and local communities in which we operate and the ability to respond to global challenges and influences – such as socio-economic/demographic change, environmental risk and technological disruption – that are shaping the cities we live in and that are driving change at an unprecedented rate.

10

currencies
(2020:10)

To best respond to these challenges, we work to combine a far-sighted, international perspective, borne out of our unique experience and footprint, with an intimate knowledge and deep expertise of the local markets and communities in which we and our partners work.

Our portfolio



Retail
27%

While our retail occupiers have been the hardest hit by Covid-19, we believe that technological disruption will have a longer-term impact. We expect income from retail service occupiers to be less directly impacted than that from more traditional retail operations. Similarly, we believe that city centre and other non car-dependent locations will continue to prove, as they have done so far, to be more resilient.

Occupiers*

Traditional retail spend	71%
Services	29%

Location*

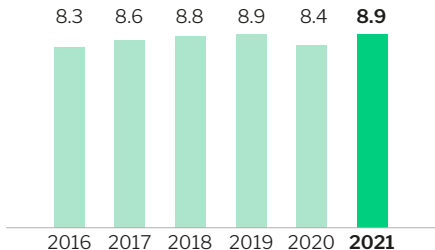
Non car-dependent	86%
Car-dependent	14%

53% of the retail portfolio is prime city centre location

* Data for Aliance Sonae not available.

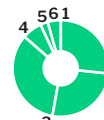
Property assets**

£8.9bn



By Operating Company

1 Property UK	£5,108m	57.1%
2 Property Americas	£1,590m	17.8%
3 Property Asia	£971m	10.9%
4 Property Europe	£394m	4.4%
5 Diversified Property Investments	£877m	9.8%



By sector

1 Office	£3,012m	33.7%
2 Retail	£2,389m	26.7%
3 Residential	£2,332m	26.1%
4 Logistics/Industrial	£611m	6.8%
5 Student accommodation	£202m	2.3%
6 Other	£394m	4.4%



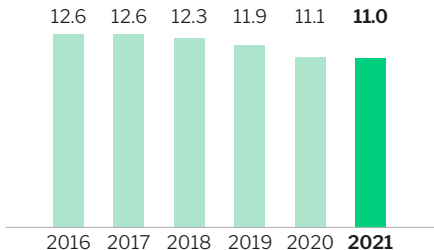
By activity

1 Investment	£8,230m	92.1%
2 Development	£710m	7.9%

** Includes assets held by Grosvenor Group Ltd. and Trust-held urban property assets.

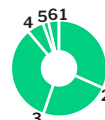
Assets under management**

£11.0bn



By Operating Company

1 Property UK	£5,521m	50.1%
2 Property Americas	£2,559m	23.2%
3 Property Asia	£1,109m	10.1%
4 Property Europe	£944m	8.6%
5 Diversified Property Investments	£877m	8.0%



By sector

1 Office	£3,712m	33.7%
2 Retail	£3,487m	31.7%
3 Residential	£2,604m	23.6%
4 Logistics/Industrial	£611m	5.6%
5 Student accommodation	£202m	1.8%
6 Other	£394m	3.6%



By activity

1 Investment	£10,142m	92.1%
2 Development	£868m	7.9%



The makeup of our organisation

Grosvenor Food & AgTech

We are an international investor in food and agriculture businesses.

Our focus is to rethink and reshape how food is grown, produced, distributed and consumed. We partner with like-minded people to understand the complex interconnectedness of our agricultural ecosystem – to manage its effects, enhance human health and our environment, while enabling producers to thrive.

We are one of the largest and longest established investment teams in the sector. Adopting a far-sighted perspective, we aim to develop innovative business models and harness the insights and power of technology to identify, develop and scale up lasting solutions.

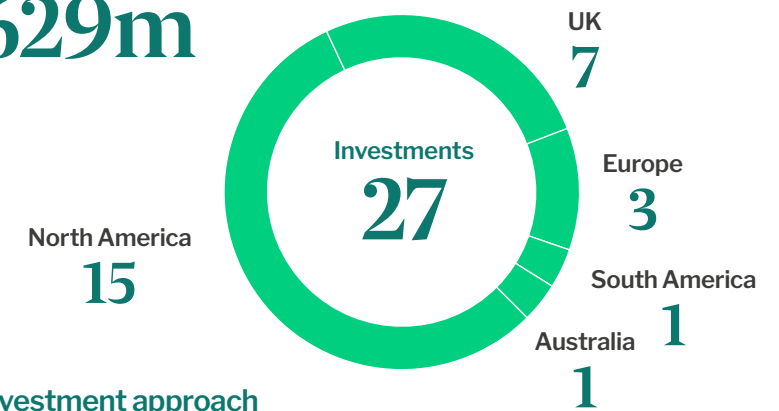
We manage an international portfolio of 27 food and agtech businesses – with more than half based in North America.

At 31 December 2021, we held assets under management of £629m inclusive of liquid assets and capital allocated.



Assets under management

£629m



Our investment approach

Our investment approach is anchored on the belief that what we eat, and each stage of how we grow, produce and distribute food is part of a complex interconnected system that can positively influence our health, ecosystem and climate.

How the world fulfils its food needs has become increasingly disconnected from nature and a significant contributor to environmental decline and unhealthy dietary choices.

Food producers and growers are not adequately rewarded by the system, nor are they encouraged to invest in its long-term wellbeing.

Through significant advances in technology and analytics we can now better understand the true impact and implications of food. We believe that producing food in a better way will increasingly help enhance our ecosystem and address the spiralling and unsustainable costs of healthcare.

Our work is to use capital, expertise and a deep understanding of the sector, to act on this knowledge and to advance alternative approaches which can benefit both current and future generations.



The makeup of our organisation

Grosvenor Rural Estates

We are responsible for the long-term stewardship of three rural estates in the United Kingdom – the Eaton Estate in Cheshire; the Abbeystead Estate in Lancashire and the Reay Forest Estate, Sutherland, in the North-West Highlands of Scotland.

Working to protect, enhance, and restore sensitive environmental habitats, we seek to improve local property and places, contributing to the economic, social, and environmental wellbeing of the communities we are part of.

Across our Rural Estates we manage and invest in three principal commercial activities:

- Grosvenor Farms, an award-winning commercial farm within our Eaton Estate in Cheshire, which typically produces over 32 million litres of fresh milk a year – enough for 430,000 people every day – and grows 2,200 hectares of forage and grains for food production and animal feed. Our ambition is to be the UK’s leading producer of milk and cereal grains, farming sustainably to become a net zero carbon operation by 2030, building on our 30% carbon reduction achieved since 2014.
- The management of more than 700 residential and commercial properties – including retail and leisure, offices and warehouses – the majority of which are located in rural Cheshire, with a smaller number in Chester city centre.

- Grosvenor Timberworks, a new venture which brings together a progressive and sustainable approach to woodland management with the processing of timber products, combining a dedication to traditional methods of wood craftsmanship with a long-term commitment to UK forestry. The business currently manufactures bespoke construction timber products and is in the process of developing new specialist product lines in our state-of-the art facility based in Cheshire, England. Using trees grown in Britain, each one we harvest is replaced. Recent years have seen us plant over 100,000 additional trees per year to ensure precious woodlands can thrive for the long term.

746

residential and commercial properties, also including village halls and schools

35

farms

8

graziers



Eaton Estate
Cheshire

5,270 ha

(13,029 acres)

- 725 ha of woodlands
- 71 ha of hay meadow
- 113 km of public rights of way and permissive access



Abbeystead Estate
Lancashire

11,130 ha

(27,500 acres)

- 390 ha of woodlands
- 2,919 ha of blanket bog (peatland)
- 18 ha of hay meadow
- Two-thirds of the estate is designated as a Site of Special Scientific Interest
- Almost two-thirds of the estate is open access and we maintain a significant network of public rights of way including footpaths, bridleways and permissive paths



Reay Forest Estate
North-West Highlands, Scotland

38,800 ha

(96,000 acres)

- 1,743 ha of woodlands
- 21,337 ha of wetlands comprising 7,853 ha blanket bog (peatland) and 13,484 ha of wet heath
- 7,534 ha of grassland/heathland
- Six Sites of Special Scientific Interest
- Two Special Areas of Conservation safeguarding rare habitats
- One area is designated as a Special Protection Area for endangered birds
- Almost all 38,800 ha is open access (80 km of hill paths/tracks)



The makeup of our organisation

Philanthropy

Grosvenor's philanthropic activity is largely focused on supporting the Westminster Foundation – an independent organisation representing the charitable activity of the Duke of Westminster and Grosvenor businesses. The Foundation provides long-term sustainable help and direction to children and young people early in life (aged 0-25) through opportunities to thrive, build confidence and raise aspirations. It works closely with organisations which support families, schools and local communities.

In addition, through our international network of operating businesses, we also provide direct financial support to other charities. Aligning with the Westminster Foundation's early intervention focus on children and young people, these are recommended by our local teams and within locations where we commit to third-party managed investments.

20 partnership grants awarded worth

£2,004,960



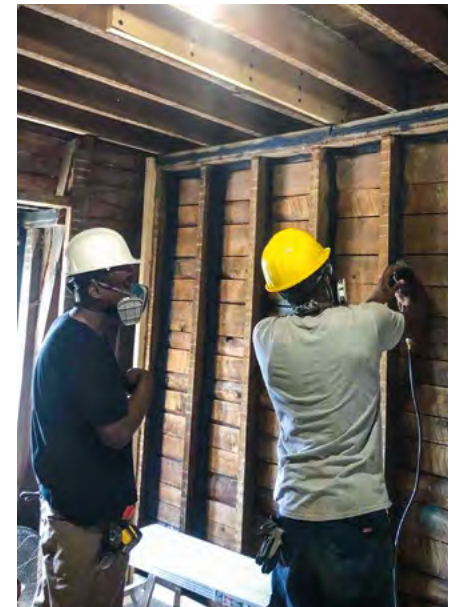
43 small grants awarded worth

£424,043

16 Covid-19 grants awarded worth

£674,355

Part of the £10m the Duke made available to the Westminster Foundation in the early stages of the pandemic. The majority of Covid grants were given in 2020.





Our approach to reporting

Broadening our reporting approach

For over 20 years, we have reported on our international urban property activities – giving an account of what is by far the largest and most substantial contributor to Grosvenor’s commercial performance.

While privately owned, we have aligned significantly with the Combined Code and, since 2019, with the Wates principles of corporate governance for large private companies.

Our reporting is now focused on better demonstrating the implementation of our purpose – its social and environmental, as well as its commercial components. In measuring these outcomes, we benchmark how our own priorities relate to the UN Strategic Development Goals. As part of these efforts, we have chosen to broaden the reach of our reporting beyond our property activities to take account of our wider commercial interests and other public interest activities.

As a result, we are including Grosvenor Food & AgTech (formerly known as Wheatsheaf Group) in our annual reporting for the first time this year. Since its creation in 2012, it has grown in size and ambition. Also included, for the first time, is information relating to the Grosvenor Rural Estates and how these contribute to the economic, social and environmental wellbeing of the rural communities of which they are part.

Finally, we are proud to highlight some of the charitable initiatives we are supporting throughout the world, either directly by Grosvenor businesses or through the Duke of Westminster’s Westminster Foundation.

Michael McLintock

Trustee & Chair, Group Investment Committee
Grosvenor
26 April 2022





Chief Executive's statement

One Grosvenor

“The world is changing in so many ways and we have revised our strategy and structure in response, presenting ourselves more cohesively under a single brand.”

Mark Preston
Executive Trustee & Chief Executive
Grosvenor



2021 highlights

1. A partial recovery of economic conditions contributed to a significant improvement in our 2021 financial performance.
2. We made significant progress to reduce our carbon emissions; supported many of our commercial occupiers financially and otherwise; delivered socially beneficial outcomes and supported charitable initiatives.
3. We reviewed our strategy and simplified our governance and management structures to better deliver our purpose and guide our urban property, food and agtech and rural estates activities.

Guided by our longstanding approach of taking a long-term view, the past couple of years have required resilience – individually and collectively – to help us respond to the impacts of Covid-19, taking appropriate action in support of people and businesses in our communities.

The pandemic has forced us to reconsider our assumptions around consumer needs and trends, business models and growth projections. Many of these trends were already nascent and being considered, for example, as we began a review of our urban property strategy in early 2020, but they have since been accelerated by events.

I am regularly asked what makes Grosvenor special or different and I tend to answer by pointing to examples of our values and long-term perspective at work. As we implement our many and diverse international activities, we are simply attempting to strike the right balance between wanting to address today's needs while taking responsibility for those of future generations – an outlook most succinctly expressed through our purpose to deliver lasting commercial, social and environmental benefit.



Chief Executive’s statement

In reflecting on the past year, three key themes help define our 2021 focus and performance:

1.

Our overall financial performance significantly improved.

Despite ongoing restrictions and lockdowns remaining a feature across our markets, decisive action in response, coupled with an improving economic environment, helped us achieve a significantly improved financial performance compared to the previous year.

This reignited activity went hand in hand with a continued commitment to supporting and finding new ways to help our occupiers, get closer to our customers and assist the wider communities of which we are part – working with our partners, other businesses and organisations, to manage the ongoing effects of Covid-19. This included the provision of rent relief for vulnerable occupiers as well as a number of initiatives including funding the extension of the UK government’s Eat Out to Help Out scheme on our London estate.

Our **urban property** business continued to benefit from the sectoral and geographic diversification we have implemented since the early 1950s. Revenue profit, which is the main metric by which we measure our property performance, increased to £99.7m compared to £39.7m in 2020. Total return of 5.2%, compared to (2.4)% for 2020 was helped by positive revaluations.

Our improved performance was largely driven by trading profits in North America and by our Diversified Property Investments business which realised significant profits in the logistics and residential sectors. UK performance remained more subdued as central London grappled with the impacts of Covid. We also witnessed more challenging trading conditions in Europe and particularly Asia, where Covid-related restrictions proved most stringent and enduring.

Within the **food and agtech** sector, we continued to invest in our existing portfolio as well as in five new businesses – committing more than £80m. The new investments build upon and diversify the portfolio by adding exposure to exciting subsectors such as fermented protein and plant-based meat alternatives, offering new technologies that we believe will deliver benefits across the food supply chain, from producers to consumers.

Some of the notable successes from our existing portfolio during the year include an investment listing on the New York Stock Exchange and two wholly-owned companies closing external fund raises which will enable them to execute their next phase of growth. The food and agtech sector continues to be a competitive environment with a high level of investment expected to continue into 2022. It offers opportunities for commercial returns and improving how food is grown, produced, distributed and consumed.

Our **rural estates’** commercial activities are predominantly centred around Grosvenor Farms, one of the leading dairy and arable farms in the UK, a rural property portfolio of more than 700 properties and, from this year, a new timber production venture – Grosvenor TimberWorks.

Over the past year, Grosvenor Farms was able to maintain its strong performance with an average production of 12,079 litres per cow per annum, 30% more than the typical yield recorded in the UK. Yet, poor weather during the later stages of the harvest created challenging conditions for yields of combinable crops from our arable activities. Meanwhile, our rural property portfolio continued to be negatively impacted by Covid as we maintained our support for vulnerable retail occupiers via rent relief or deferrals. Our office and residential assets recovered more strongly, also benefiting from a growing demand for rural living.

Overall, these commercial activities delivered a net profit of £2.4m but their impact and reach went far beyond this commercial gain through their contribution to the local environment and communities. For example: Grosvenor Farms invested £0.5m into carbon reduction initiatives as we seek to become a net zero carbon operation by 2030. We are investing in sustainable timber production by acquiring a commercially planted forest in Mid Wales and continuing to invest in local biodiversity schemes, controlling non-native invasive flora, implementing flood mitigation work, replenishing depleted soils through sustainable farming practices and maintaining heritage assets.

Urban Property		Food & AgTech		Rural Estates	
Revenue profit 2021	Total return 2021	New investments 2021		Net profit* 2021	
£99.7m	5.2%	£81m		£2.4m	

* Based on EBITDA per the most recently approved audited financial statements and excluding central administrative recharges.



Chief Executive's statement

2. We are making significant progress with reducing our carbon emissions; continuing to deliver socially beneficial outcomes while supporting some outstanding charitable initiatives.

Improving property and places and the goods and services we provide, addressing the needs of the communities we serve, and reducing the effect our activities have on the environment (and working to restore and enhance it) – are equally important to us. This Review provides several examples of the impact of our activities, but I would like to draw attention to the following in particular.

Environmental benefit

Our focus on efficiently using natural resources, restoring and enhancing the environment is both of local and global benefit. This year, we made good progress towards reducing our carbon emissions to **achieve net zero in our directly-managed operations by 2030 and to be fully net zero by 2050.**

We are well advanced with establishing a baseline audit of the amount of carbon our property activities produce (see [pages 54-55](#)) and are working to understand and publish the carbon impact of our wider commercial activities. We have ambitious strategies to substantially reduce our carbon impact before the balance is offset through high-quality schemes. We don't yet have all the answers, and best practice guidance on how to assess and therefore tackle emissions from industrial carbon (e.g. created by the built environment), and specifically, biogenic carbon (e.g. that emitted by the soil), is still evolving.

We are fully committed to playing our part in tackling climate change, which is why, in anticipation of further clarity on these important areas emerging, we are pressing on with our plans. For example, thanks to a £90m retrofit programme, we are enabling our London properties to be more energy efficient while overcoming the complex planning challenges attached to the listed status of over 1,500 of them. We are planting trees – last year over 430,000. We are restoring bare peatlands on our rural estates and investing in promising technologies aiming to deliver efficiencies in the carbon intensive food production supply chain.

Across our rural estates, we strive to protect, enhance and restore their sensitive environmental habitats. At the Reay Forest, we launched a 10-year study to improve the quality and habitat of one of the Scottish Highland's most renowned rivers to restore populations of Atlantic salmon and sea trout. It is hoped the project will provide an exemplar case study for catchment management, with the lessons learnt being directly applicable to other river systems globally.

 [Go to page 53 to read more](#)

Community benefit

We believe that success in addressing the needs of our communities is an inherently local challenge. We conducted a multi-year consultation to re-imagine and transform Grosvenor Square, which we first created in the 1720s, into an exceptional green space for central London. We made a £1m+ investment fund available in the UK to invest in community-led climate action through activities including air quality, recycling or biodiversity initiatives. And we organised country visits for children in urban and rural primary schools to improve understanding of the countryside.

 [Go to page 67 to read more](#)

Philanthropic activity

The Grosvenor family has a longstanding track record of supporting charitable initiatives and continuing this tradition is a priority of the Duke of Westminster via the Westminster Foundation.

By supporting the charitable activities of the Westminster Foundation, long-term sustainable help and direction is being provided to children and young people early in life (aged 0-25) through opportunities to thrive, build confidence and raise aspirations. Aligned initiatives are also recommended by our local teams and within locations where we commit to third-party managed investments.

Included in this Review are some fantastic examples of how vulnerable young people are being supported through the provision of affordable housing, career training opportunities, mental health initiatives and more.

 [Go to page 77 to read more](#)



GROSVENOR

Presenting Grosvenor more cohesively

The simplification of our management and governance structures (announced in last year's Review and now effective) was designed to improve how we make decisions and how we collaborate with one another, to help us better deliver our purpose – whether through our urban property strategies, food and agtech investments or rural estate management practices.

A more integrated Grosvenor, which continues to value and rely on professional management and dedicated expertise, with significant responsibilities devolved by the Trustees to our boards and teams, necessitated a more cohesive presentation.

This work has resulted in some changes and adjustments to the naming of our entities (for example Wheatsheaf Group, our food and agtech investment business, has been renamed Grosvenor Food & AgTech), and a new single logo and brand identity adopted throughout the organisation and expressed in both physical and digital channels.

This year's Review is also the first step towards translating a more cohesive presentation of Grosvenor into reporting documents which aim to demonstrate and substantiate the wider impact of our activities.



Chief Executive's statement



3. We reviewed our strategy and simplified our governance and management structures to better deliver our purpose and guide our urban property, food and agtech and rural estates activities.

We have reviewed our **urban property, food and agtech and rural estates** strategies to respond to dramatic economic, technological, social and environmental changes affecting our businesses, their financial returns and our communities.

In addition, by simplifying our governance and management structures, we are now presenting Grosvenor more cohesively and promoting more collaboration and innovation across our teams.

Pursuing the ambition to grow and further diversify our international property business, we will focus our efforts and capital allocation on two main priorities.

First, our UK and North American property businesses will further expand their focus on places that are dynamic, diverse and well connected, diversifying our rental income and sectoral mix.

Second, we want to significantly expand our Diversified Property Investments business which, over the past 10 years, has successfully developed a third-party co-investment model where we invest alongside specialist managers via joint ventures and funds. We believe this will give us access to new markets and sectors offering growth and diversification opportunity (see more about our urban property strategy on [page 17](#)).

Within our Food & AgTech business, we have moved to a new partnership model to lead its next phase of development, while retaining 100% ownership of the business. Our ambition is to continue to invest significantly in our portfolio as well as in new opportunities ranging from relatively new ventures through to established, later stage businesses.

Common to these investments is a desire to bring our resources, skills and knowledge to help scale up the positive impact of technology and data analytics to create a better food system – one that enhances the health benefits of food, makes food production more efficient and environmentally sustainable, while rewarding producers fairly, so that they can continue to invest in better practices.

And finally, within our rural estates, the development of a 25-year strategy is looking to help us better contribute to the economic, social and environmental wellbeing of those local communities by preserving, restoring and enhancing the local environment, improving financial sustainability, investing in people and co-operating with a broad range of stakeholders to help us advance our goals.

Looking ahead

As the world gradually emerges from the global pandemic, heightened geopolitical risks and a war in Europe have increased downside prospects, dampening consumer and business sentiment.

Against that pessimistic backdrop, I am nevertheless cautiously optimistic that the end of pandemic-related restrictions will drive a recovery of economic activity. Vaccination rates are high in most developed markets and as Covid-19 shifts to become endemic, broader confidence, in the absence of further significant variants, should rebound across society.

More companies are gradually welcoming employees back to offices – recognising the value and benefits of face-to-face interactions and the chance to replenish social capital that may have depleted during extended periods of lockdowns. I am encouraged to see more people socialising again in cafés and restaurants across our city locations and there is clear pent-up demand for spending.

Yet, I recognise that public transport use, high street and shopping centre footfall and office occupancy are still a long way behind pre-pandemic levels. There is also no denying that shifts towards online retail and more flexible working patterns have accelerated, leading to deeper structural changes in the property sector which we are responding to while adjusting our diversification strategies. While we don't expect the world to revert to pre-pandemic ways entirely, we remain convinced of the long-term attractiveness of cities, which enhance relationships, drive innovation and create a range of opportunities.

We are deeply troubled by Russia's invasion of Ukraine and the devastating loss of life and humanitarian crisis that have followed. We are supporting aid efforts in a variety of ways and are proud that the Duke of Westminster chose to contribute, via the Westminster Foundation, £500,000 in the early days of relief efforts.

We are concerned that the conflict's ramifications will be felt globally and that its impact on Russian oil, gas supplies and agricultural commodities, particularly grains and fertilisers, will further exacerbate global inflationary pressures, impacting the global economy through higher energy and food prices. This will add significant socio-economic pressures and could influence the speed and extent of Central banks' monetary tightening, leading to bond yields rising further, with added upwards pressure being placed on global property yields.

Mark Preston
Executive Trustee & Chief Executive
Grosvenor
26 April 2022



Chief Executive's statement

Re-casting our international urban property strategy

In response to an unprecedented speed of change in property markets we chose to review and set a confident and ambitious long-term strategy for our property business which will focus our efforts and capital allocation on two main priorities.

First, our UK and North American property businesses will further expand their focus on places that are dynamic, diverse and well connected – we see these as more resilient through the cycles, better able to evolve to meet the needs of customers and ideal platforms from which to diversify our rental income and sectoral mix.

Second, we want to build on the success of our Diversified Property Investments business which has proven the success of our third-party co-investment model, where we invest with specialist managers via joint ventures and funds. Over the past 10 years, these activities have delivered consistently high returns, through investments in Europe, North and South America, Sub-Saharan Africa and Australia. We have gained access to new markets and sectors offering growth and diversification opportunity which we want to see expand, especially in respect of achieving greater sectoral diversification.

Among our current investments are student accommodation in Brazil, medical facilities in the US and logistics facilities in Poland and Australia.

This shift in strategy means not only a revised approach in our capital allocation decisions, but also revisions to our investment models in Europe and Asia – where our portfolios are largely made up of directly-managed assets – from direct investment to indirect investment.

We remain very much committed to investing in both regions with new investments now being led by our Diversified Property Investments business. In parallel, we intend to reshape our Asian and European property portfolios.

Regrettably, our local teams will be reduced in line with the reshaping of the portfolios and the adoption of an indirect investment model, which will require a relatively small team to operate effectively.

We are deeply grateful for the many achievements and significant progress that our Asia and Europe teams have helped deliver over recent years. They have met both the financial and non-financial outcomes that our strategies to date asked of them and their continued support and dedication in managing this transition is especially valued.

Finally, I would also like to express my specific gratitude to Grosvenor Property Asia Chief Executive Benjamin Cha and Grosvenor Property Europe Chief Executive Sara Lucas for their outstanding leadership both through the transition and over recent years and to their non-executive directors for the dedication they have shown to Grosvenor.





Local perspectives

Property UK

“We are contributing to the ongoing revival of cities through a significant development pipeline, responding flexibly to occupier needs and expanding our sustainability agenda to encompass ambitious social as well as environmental goals.”

James Raynor
Chief Executive
Grosvenor Property UK



As a long-term property owner and partner to occupiers, we play a critical role in the evolution of cities and their ability to enable sustainable, thriving and inclusive urban spaces.

While a third of 2021 was spent in lockdown, we delivered better than expected results by focusing on our goals of sustainably supporting community success, environmental leadership and empowering an entrepreneurial culture internally.

A £1.4bn development pipeline underlines our belief in the future of central London and its recovery. Each project has been specified to the highest environmental standards and, in 2022 alone, we are on track to complete over 105,000 sq ft of space including our first net zero scheme, Holbein Gardens, and hope to secure permission to create a biodiverse haven in Grosvenor Square.

Beyond the capital, we remain equally confident in the revival of cities and, as well as substantially increasing our position in Liverpool ONE, we deployed over £90m to launch a new regional office portfolio, bringing our acquisitions UK-wide in 2021 to £244m.

Continuing to redefine the relationship between property owners and occupiers, we made six investments through our Tenant Investment Fund, just one of the innovations differentiating us as a partner and eliminating barriers to occupier success.

Throughout lockdowns, all our actions were designed to ensure that our places remained some of the most sought-after destinations, welcoming back customers with buzzing streets as restrictions receded.

With retail vacancy in Mayfair, Belgravia and Liverpool ONE at 3-4% at the year end and residential rental properties full, we set the foundations to capitalise on what we expect to be a steady recovery against uncertainty caused by a cost of living surge and conflict in continental Europe.

We also made significant progress on our award-winning net zero goal, retrofitting 200,000 sq ft of space, signing 200 green leases and bringing almost a third of our London portfolio on to renewable energy – all substantial wins for schemes launched during lockdowns when many occupiers were focused on short-term survival.

Continuing our leadership on climate action, we pledged to become the UK's first carbon neutral property company in 2025. While emissions reduction is our priority, we will take responsibility for the c.1½ million tonnes of carbon we will emit as we drive to net zero in 2030.

Ahead of launching a business-wide social impact strategy in 2022, a new £1m+ programme – Greener Futures – was launched to enhance lives by supporting jobs in the green economy, enabling community-led climate action and improving young people's access to nature.

Revenue profit

£36.0m

(2020: £33.4m)

Total return

3.4%

(2020: (2.9)%)

Assets under management

£5.5bn

(2020: £5.1bn)

Total number of assets

1,327

(2020: 1,384)

Like-for-like energy consumption

-10%

(2020: -18%)

Like-for-like water consumption

-56%

(2020: -60%)

Like-for-like carbon emissions

-50%

(2020: -29%)



Local perspectives

Property Americas

“

I am confident that our business, social and environmental ambitions will position us for growth in this recovery as the next generation is drawn to the many attributes of our cities.

”

Steve O'Connell
Chief Executive
Grosvenor Property Americas



Each aspect of our business made significant contributions to our financial success in 2021. Despite a great deal of uncertainty at the beginning of the year, we proactively managed pandemic-related challenges, significantly advanced our Environmental, Social and Governance (ESG) initiatives and actively participated in the economic rally that took place.

Given the strength of the investment sales market in the second half of the year, we completed property dispositions and took advantage of opportunistic acquisitions. Our portfolio of owned properties outperformed US and Canadian benchmarks for rent collection, and we maintained a 93.4% average occupancy which helped facilitate our strong valuation increases. Our Development team completed and broke ground on several projects in Washington, D.C. and Vancouver, enabling us to exceed our condominium sales targets for the year. Our Finance team locked in low rates on long-term loans for several properties to increase our capacity and we implemented new technologies to improve and automate systems across the business.

Our long-term capital partners joined us for the third iteration of our True North partnership where we completed several deals that will deliver much needed housing through our Structured Development Finance Programme. Looking to the future, we solidified our residential investment theses for our next value-add and build-to-core programmatic co-investment opportunities in pursuit of like-minded capital partners.

In 2021, we set a clear objective to focus and build on our ESG ambitions; we reported to Global Real Estate Sustainability Benchmark (GRESB) for the first time and established a framework for our 2030 net zero carbon pathway. Our local social impact activities focused on housing, education and supply chain diversity while we continued to engage employees and improve our practices through employee-led Equity, Diversity & Inclusion groups.

US and Canadian economies both enjoy strong fundamentals and while 2021 was an impressive year for North American real estate markets (US all-property total returns grew annually at 10% and Canadian all-property total returns grew annually at 2.4%), extraordinarily high inflation and geopolitically fuelled commodity pricing risk will continue to put pressure on central banks to raise interest rates. In 2022, we will stay focused on the various sources of uncertainty and how the corresponding interest rate response will be received by investors.

While maintaining our discipline, we will advance our significant development pipeline and continue to pursue Investment and Structured Development Finance opportunities that will benefit from the continued recovery of our cities. As our cities recover, we will double down on our social and environmental objectives as we begin to operationalise our 2030 net zero carbon commitment.

Revenue profit

C\$66.9m

(2020: C\$27.7m)

Total return

12.1%

(2020: (2.1)%)

Assets under management

C\$4.4bn

(2020: C\$4.6bn)

Total number of assets

49

(2020: 54)

Like-for-like energy consumption

70%

(2020: -15%)

Like-for-like water consumption

14%

(2020: -9%)

Like-for-like carbon emissions

-30%

(2020: -15%)



Local perspectives



“Against a most challenging backdrop, the team was able to make excellent progress against strategy and in supporting our neighbourhoods and communities.”

Benjamin Cha
Chief Executive
Grosvenor Property Asia

Property Asia

2021 proved another challenging year because of ongoing pandemic restrictions playing out in different ways in each of our markets.

Revenue profit was behind budget due to lacklustre residential sales in Dukes Place, Hong Kong, however, total return benefited from better-than-expected year end valuations, coming in ahead of budget.

During the year, we invested in Park Tower Kinshicho, a block of 100 stratified units of a best-in-area condominium building located in one of Tokyo's major sub-centres. The acquired units offer layouts allowing flexibility for diverse lifestyles and the needs of professionals working from home, with a location

which offers direct access to all of Tokyo's major business districts. The investment was made in joint venture with a longstanding Grosvenor co-investment partner in Asia.

Also in Japan, we were delighted to see two of our Tokyo properties be awarded Development Bank of Japan Green Building Certification. Grosvenor Place Kamizono-Cho achieved the highest rating of 5 stars and The Belgravia Azabu a 4-star rating.

In China, following the acquisition of Nanjing IFC in late 2020 in joint venture with Shui On Land, the renovation, upgrading and repositioning works on both retail and office spaces are starting to bear fruit even though completion of these works is not expected until the end of this year. For example, during the year the building was awarded LEED Gold and WELL certifications. Footfall and trade in the mall continues to improve at pace.

We also made very good progress during the year in advancing our 'strategic adjacencies, proptech and digital' initiative. We now have three direct investments in our portfolio and through our investment in venture firm Taronga's maiden fund, exposure to a much broader range of property-related technology companies.

Our team is gaining valuable knowledge in areas such as artificial intelligence, data analytics and business intelligence as applicable to real-time problem solving and optimisation for property, portfolio and building management operational issues.

As we look further into 2022, it must be acknowledged that pandemic, economic and geopolitical-related headwinds remain. While the fundamentals of the economy in China remain solid, because of its Covid management policy, travel between China and the rest of the world remains curtailed while its trade continues. Hong Kong has suffered significantly because of this approach given its very externally linked economy, and consequently we maintain a muted outlook for the residential and office sectors.

Against this backdrop, we will help reshape Grosvenor's Asia property portfolio in line with our Group's revised strategic direction (see [page 17](#)) and we remain excited about the prospects for our investment with Shui On in Nanjing IFC and positive about the resilience of our residential portfolio in Tokyo.

Revenue profit

HK\$39.5m

(2020: HK\$216.6m)

Total return

2.4%

(2020: 2.6%)

Assets under management

HK\$11.7bn

(2020: HK\$10.0bn)

Total number of assets

9

(2020: 8)

Like-for-like energy consumption

-4%

(2020: -13%)

Like-for-like water consumption

58%

(2020: -11%)

Like-for-like carbon emissions

-5%

(2020: -17%)



Local perspectives

Property Europe

“Our 2021 property activities were very much guided by our net zero carbon pathway plans and our desire to reduce the overall environmental impact of the built environment we are responsible for in Europe.”

Sara Lucas
Chief Executive
Grosvenor Property Europe



Our European property activities continued to face the challenge of managing the multiple effects of Covid-19 which forced both physical restrictions and economic fallout across our markets.

Despite these challenges, we saw excellent rent collection across our Madrid, Paris and Stockholm holdings, with a marked improvement in our retail assets. This coupled with value growth in our Madrid office portfolio and a significant development profit in Paris, contributed to an improvement in our revenue profit.

Throughout the year, our property activities were very much guided by our net zero carbon pathway plans and our desire to reduce the overall environmental impact of the built environment we are responsible for. Underscoring our commitment to these goals was a report by Global Real Estate Sustainability Benchmark (GRESB), which increased our business's Green Star rating to 5 for our investment and development activity, placing us among the top five companies in our peer group.

In Paris, we agreed the presale of a new 2,500 sq m office building in Levallois Perret to flavour and fragrance manufacturer Mane – to be delivered in the autumn of 2023. The project design will produce a high energy efficiency building with a BREEAM Very Good certification.

We have put in place measures to minimise carbon emissions including the use of fossil fuel free machinery and the recycling of 90% of demolition materials. Additional landscaped areas at ground level and on roof terraces will augment biodiversity and overall wellbeing.

In Madrid, we completed the renovation of a 13,500 sq m office building let to Naturgy. The project included the replacement of the building's façade with an energy efficient curtain wall incorporating a locally sourced timber frame. We also signed our first green finance agreement, the €24.5m refinancing of the Titán 8 office building in Madrid. The loan complies with the components of the Green Loan Principles and is labelled green due to Titán 8's LEED Gold certification status.

In Stockholm, we leased over 6,000 sq m of office space in our Skärholmen shopping centre to the local authority. This will be created from repurposed retail space and consolidate the centre's position as the heart of the local community.

As we look to the year ahead, we are hopeful that European property markets can continue their recovery but are equally mindful that questions concerning our ability to live with Covid or the effects of geopolitical turmoil on the world economy carry significant uncertainty. Our mixed property portfolio of office, retail and residential investment and development assets has proven its resilience to date.

Against this backdrop, we will help reshape Grosvenor's European property portfolio in line with our Group's revised strategic direction (see [page 17](#)) and are looking forward to the prospects of delivering schemes such as our prime office development in Paris, as well as our net zero carbon commitments.

Revenue profit

£2.6m

(2020: £1.4m)

Total return

3.1%

(2020: (7.1%))

Assets under management

£0.9bn

(2020: £1.7bn)

Total number of assets

17

(2020: 19)

Like-for-like energy consumption

30%

(2020: -20%)

Like-for-like water consumption

-15%

(2020: -2%)

Like-for-like carbon emissions

-15%

(2020: -24%)



Local perspectives

Diversified Property Investments

“

In 2021, we realised several profitable exits which contributed to strong social and environmental benefit. We look ahead with commitment to significantly expand and further diversify our investment activity.

”

Chris Taite
Chief Executive
Grosvenor Diversified Property Investments



Our 2021 Diversified Property Investments business activity continued apace. We realised several profitable exits which contributed to strong social and environmental benefit.

It was a year in which we further diversified our property portfolio and made good progress in developing our strategies, including a formal responsible investment policy and a first full carbon emissions estimate for our business (scopes 1,2 and 3) to help plan our route to operational net zero carbon.

A major success was the sale of our West Midlands Interchange interest, after we secured planning permission to create a nationally strategic 8 million sq ft rail-served infrastructure centre in the UK. The ability to secure a commercially viable planning consent was binary, with the investment proving to have been high-risk, high-reward. Its subsequent sale to specialist developers last year, enabled us to achieve a multiple on our investment over four years, while creating a scheme that will reduce long-term carbon emissions by facilitating the transport of more goods by rail, instead of by road. The completed scheme will also create more than 8,500 jobs and contribute over £680m a year to the UK economy.

Revenue profit**£50.5m**

(2020: £0.4m)

Total return**18.7%**

(2020: 0.3%)

Equity invested**£495m**

(2020: £470.5m)

Total number of investments**11**

(2020: 14)

Separately we sold a 10% share of Sonae Sierra, the Portuguese multinational property company and real estate services provider, to Sonae SGPS, the majority shareholder. The sale means that we retain a 20% interest in the company which is benefiting from the easing of Covid restrictions across its markets and which continues to expand its activities beyond its core shopping centre holdings, guided by its high-quality management with whom we hold a relationship that spans over 20 years.

In 2021, we made good progress in our joint venture with MedProperties, a Dallas-based healthcare real estate specialist, including the acquisition of a brand new, highly specialised inpatient rehabilitation facility for patients, including those who have suffered from strokes, severe brain and spinal cord injuries. After six months of its opening, this new facility reached full capacity, demonstrating the huge local need.

In Australia, we committed AUS\$100m of equity to six new assets with Gateway Capital, who acquire and add value to industrial and logistics properties in Australia; and in the US, we invested US\$4m alongside our Greensoil PropTech partners to back a Californian-based domestic smart energy storage system. In Brazil, our student accommodation joint venture with VBI Real Estate continued to expand, opening two new sites last year with a further two under development.

We look further into 2022 with several new transactions already in the pipeline, and a commitment expressed in our revised overall property strategy (see [page 17](#)) to significantly expand our investment activity. Our expectation is that we will need to carefully navigate fast changing and uncertain property markets if we are to uncover exciting opportunities with great partners that can meet both our commercial objectives and deliver the social and environmental benefit we expect our activities to create.



Food & AgTech

Grosvenor Food & AgTech now operates under a new partnership model, with five managing partners leading its next phase of growth and development.



Managing partners, L-R:
Stephan Dolezalek, Monty Bayer, Dr. Peter Kristensen, Katrin Burt, Anthony James

Assets under management

£629m

(2020: £470m)

Number of portfolio companies

27

(2020: 25)

2021 New investments

£81m

(2020: £102m)

2021 Disposals

£54m

(2020: £24m)

Last year, Wheatsheaf Group, the business we created in 2012 to diversify Grosvenor's activities beyond property and within a sector that offered the opportunity to make a meaningful, positive and lasting difference to society, was renamed Grosvenor Food & AgTech.

The business's Chief Executive, Graham Ramsbottom, who was instrumental in its creation and subsequent evolution, left the organisation with our deepest gratitude for all the considerable success he helped achieve.

Grosvenor Food & AgTech now operates under a new partnership model, with five managing partners leading its next phase of growth and development, while 100% ownership is retained by Grosvenor. The partners take decisions collectively in the best long-term interests of the business and its stakeholders, and work with portfolio companies to support their growth and evolution while pursuing new investment opportunities.

Over the past year, we have helped our companies through an IPO and several investment rounds to help fund their next phases of development. We have also invested in five new companies – all bringing exciting new technologies to answer key food industry challenges – from providing alternative proteins and plant-based meat alternatives to sustainable food distribution solutions.

Grosvenor Food & AgTech operates in a competitive environment where new ventures and food technologies looking to bring efficiencies to a very interconnected but largely fragmented sector are fighting for capital to develop and scale their impact and reach.

Our focus is on developing commercially successful and sustainable businesses across the food supply chain – looking at how food is grown, produced, distributed and consumed. To us 'improvement' means a food system that is aware of its interconnectedness, one that works with nature but that leverages the significant advances in technology and analytics to better understand the true impact and implications of food. We believe this can be done by improving its health benefits, promoting regenerative agriculture and enhancing the environment, while adequately rewarding food producers so that they are incentivised to invest in good long-term practices.

We have a high-quality and exciting investment portfolio and will continue to work alongside these businesses to help them grow and scale up their services and technologies.

Looking ahead, we are committed to investing significant new capital to expand our portfolio, doing so right across the spectrum of maturity – from seed, venture, growth and later investment stages.



Local perspectives

Rural Estates

“

In 2021, we launched an ambitious Rural Estates’ Strategy to provide the direction for their future management over the next 25 years.

”

Nicholas Dobbs

Head of Family Office & Rural Estates



We are responsible for the long-term stewardship of three UK Rural Estates in Cheshire (Eaton Estate); Lancashire (Abbeystead Estate) and the North-West Highlands of Scotland (Reay Forest Estate).

Their unique makeup comprises moorlands, forests, farmland, hay meadows, mountains, rivers and their catchments as well as lochs – for the most part designated areas of outstanding natural beauty. These are also places where homes, farms, warehouses, offices – and the jobs that are attached to them – form a significant portion of the local economy and the source of income that keeps the communities that live there closely knit together.

We see our role as one of enablement and take responsibility within these rural estates for managing their sensitive evolution through an approach which strives to be a leading example of sustainability within the rural economy, contributing to the economic, social and environmental wellbeing of the communities we are part of.

In 2021, we launched an ambitious Rural Estates’ Strategy to provide the direction for their future management over the next 25 years – three of their key elements are outlined as follows.

Net profit***£2.4m****Gross value****£345m****Environmental**

Whether improving biodiversity through better farming practices, planting hundreds of thousands of trees or expanding our hay meadows, restoring bare peat on our moorlands, storing and capturing carbon, or re-establishing Atlantic salmon and sea trout populations in our rivers – we believe that success in protecting, restoring and enhancing the environments within these unique locations is key to our continued enjoyment of the world we live in.

Becoming a net zero carbon operation is a key part of our strategy, and the commissioning of carbon solutions company Verco last year has proven an important step in giving us a baseline for our industrial emissions (see [page 55](#)), and is also informing the development of an ambitious carbon reduction plan.

Financial

Financial sustainability is the foundation of achieving lasting overall sustainability. We constantly strive to operate more efficiently and to grow the returns of our commercial activities which include the management of one of the UK’s leading dairy and arable farms (Grosvenor Farms) rural property management and other smaller commercial ventures (e.g. renewable energy, holiday cottages for letting). This year we are also pressing ahead with a new venture – Grosvenor TimberWorks – which manufactures bespoke construction and specialist timber products to the highest standards of sustainability (see [page 39](#)).

People, skills and engagement

The success of our strategy relies on our ability to attract and retain outstanding talent. We promote countryside skills and crafts that are centuries old but are often at risk of being overlooked or even lost, and we pursue innovation, new technologies and the benefits of data analytics. Our success is amplified through shared success, which is why we want to work in partnership and collaboration with our suppliers, policymakers, industry bodies and all those who can help advance our goals.

* Based on EBITDA per the most recently approved audited financial statements and excluding central administrative recharges.



Local perspectives

Philanthropy

Our philanthropic activity is largely focused on supporting the Westminster Foundation, an independent organisation representing the charitable activity of The Duke of Westminster and Grosvenor businesses that provides long-term sustainable help and direction to children and young people early in life (aged 0-25).

In 2021, the Westminster Foundation awarded 171 grants worth over £4.9m. A significant portion of this funding was made through 20 Partnership Grants – multi-year strategic investments, typically £100,000 per year over five years. These grants are collaborative endeavours, working with organisations as experts in their field to understand an issue, improve learning, and influence change. We see these organisations as our partners and back them to undertake their crucial work every day.

A long-term approach of this nature enables charities to have the certainty to plan their services and provide sustainable interventions for the young people they serve. Just two examples of these include a £200,000 grant to Chester FC Community Trust, to support the creation of a new community sports hub and establish an education provision to enable young people to gain practical experience for higher education and employment, and a £100,000 grant to Jamie's Farm, who enable disadvantaged young people to thrive academically, socially and emotionally through residential courses that combine farming, family and therapy. Both of these grants form part of a multi-year commitment, which will include further funding in subsequent years.

Covid-19 response

Covid-19 continues to bring significant challenges to the charity sector and those it supports, with Pro Bono Economics estimating that charities face a £10bn+ funding gap, just as demand for their services and support spiked. Since March 2020, the Westminster Foundation has made £12.5m funding available to charities and community organisations tackling the repercussions of the pandemic, including a £5m grant to NHS Charities Together, to help provide respite, rehabilitation and mental health support to NHS key workers and their families.

While impacting every child, Covid-19 has an acute impact on the estimated four million children and young people already experiencing poverty in the UK. An estimated 2.1 million children are in a home that is finding it challenging to pay the bills. Furthermore, around 1.7 million children aged 10-17 live in a household with problem debt.

Charitable donations

£2.7m

Amount donated to the Westminster Foundation by Grosvenor

£0.3m

Other charitable contributions by Grosvenor

Early intervention

The Foundation's solution to these challenges is to work 'upstream', which is often more cost-effective for children and young peoples' services. To this end, it provides long-term sustainable help to vulnerable young people by working closely with organisations supporting families, schools and local communities. It prioritises awarding grants that benefit those facing deprivation or intergenerational inequality and focuses on inspiring children and young people in life's early stages, giving them opportunities to thrive, build confidence and raise their aspirations.

This work is supported by each geographic region of Grosvenor Property, where charity committees recommend charities in their local communities to the Westminster Foundation Trustees where their work aligns with the Foundation's early intervention focus for children and young people. These are selected by our local teams and within locations where we commit to third-party managed investments.

Looking ahead, our philanthropic activity will be driven by the Westminster Foundation's strategy to provide children and young people with access to the critical components that allow them to positively engage with life's opportunities, including positive role models, healthy diet, access to nature and employability skills. We will also expand our charity office portfolio, including exploring the creation of a new, affordable co-working hub in the heart of Westminster for charities that share a common goal of improving the life outcomes of children and their families.

“
Around the world, children and young people face mounting pressures. We are passionately committed to working with organisations that give children and young people the attention and direction upon which we should all be able to rely.
”

Kate Brown
Director
Westminster Foundation





Our objectives

Throughout our long history, we have always sought to take a far-sighted perspective, judging success through a long-term lens.

To help guide how we meet our purpose of delivering lasting commercial, social and environmental benefit, we focus on five principal objectives – the pages that follow outline how our 2021 efforts contributed to meeting them.

Deliver strong commercial results

We strive to deliver strong commercial returns, while optimising environmental, social and governance outcomes.

 [Go to page 27 to read more](#)

Improve land, property, places, goods and services

We are working to create a sustainable urban property portfolio and help deliver a better food system, while actively contributing to the rural economy.

 [Go to page 44 to read more](#)

Efficiently use natural resources, restore and enhance the environment

We are significantly reducing our carbon emissions, reducing waste and actively managing, expanding and improving natural habitats.

 [Go to page 53 to read more](#)

Make a positive impact within communities

We strive to deliver economic growth while upholding fair and equal opportunities for all; provide inclusive housing; rewarding careers and equal opportunities within safe working environments while actively enhancing the wellbeing of our customers and communities.

 [Go to page 67 to read more](#)

Support long-term charitable causes

We support the Westminster Foundation, which represents the charitable activities of The Duke of Westminster and Grosvenor businesses. Its focus is to provide long-term sustainable help and inspiration to children and young people early in life through opportunities to thrive, build confidence and raise aspirations.

 [Go to page 77 to read more](#)



Our objectives

Deliver strong commercial results

We strive to deliver strong commercial returns, while optimising environmental, social and governance outcomes.





Our objectives

Deliver strong commercial results

Achieving commercial progress

“

We have seen a pleasing recovery in financial performance across almost all of our commercial activities.

”

Robert Davis
Chief Financial Officer
Grosvenor



Grosvenor's commercial activities are rooted in international urban property and are expanding through a growing international investment portfolio in food and agtech. Our commercial interests also include a leading London-based insurance brokerage business and, within our rural estates, a rural property management portfolio, dairy and arable farming as well as a new timber venture which begins its operations this year.

These commercial activities represent the breadth and diversity of our organisation. All share Grosvenor's values and purpose of delivering lasting commercial, social and environmental benefit, but all are very different in size and focus.

For over 20 years, we have reported on our company-owned international property activities. For the first time, this year we are broadening this review to account for our wider commercial interests, as well as our trust-owned urban property assets.

There is no easy way, nor is it especially useful, to reflect our collective performance through a single set of consolidated financial metrics which have been realised by different entities, across different sectors and markets. Hence this Review provides an outline of the individual performances of our various activities.

Collectively, we have seen a pleasing recovery in financial performance across almost all of our commercial activities during 2021. We have continued to work with our customers and communities, as well as the partners, businesses and organisations we work alongside, to jointly navigate the ongoing challenges of the coronavirus pandemic. This approach of focusing on long-term social, environmental and commercial benefit has worked well, as people have begun returning to their 'new normal'.

Grosvenor Property

2021 has seen a recovery for our international urban property business. This has demonstrated the ongoing benefit of our geographic and sectoral diversification as our North American and Grosvenor Diversified Property Investments (GDPI) businesses had very strong years, while our Asian business was more impacted by ongoing Covid-19 related restrictions.

Revenue profit, which is the main metric by which we measure the performance of our property business, increased to £99.7m, compared to £39.7m in 2020. We saw recovery in our recurring revenues with increased net rental income, although not to pre-pandemic levels, and reduced bad debt provisions. The main driver of the improved performance was that trading profits increased significantly from £19.6m to £74.8m primarily due to GDPI's sale of the West Midlands Interchange interest near Birmingham in the UK, and the ongoing delivery of trading profits at The Pacific in Vancouver.

Strong valuation performance in North America and GDPI, particularly in the logistics sector, resulted in a total return of 5.2%, a significant improvement on the negative return of (2.4)% in 2020. This incorporated property returns of 5.6% (2020: (2.3)%) with the slight appreciation of Sterling over 2021, reducing total return by 0.4% (2020: (0.1)%). Net assets increased by £0.2bn to £6.1bn (2020: £5.9bn).

Grosvenor Property UK's recurring income stream has seen recovery, with improved rent collection and reduced bad debt provisions, but performance remains subdued as central London grapples with the impacts of Covid. The recurring net income was enhanced by trading profits which resulted in improved revenue profit of £36.0m (2020: £33.4m). Total return was 3.4% (2020: (2.9)%) reflecting broadly flat valuations overall, and better than expected disposal profits.



Our objectives

Deliver strong commercial results

The rental income in Grosvenor Property Americas has continued to show resilience through 2021 despite some ongoing pandemic-related restrictions. Expected trading profits have also largely been delivered, most notably at The Pacific, resulting in improved revenue profits of £38.8m (2020: £16.0m). Economic recovery in North America has also driven very positive revaluation movements – particularly for multifamily and logistics assets – resulting in a total return of 12.1% (2020: (2.1)%).

The ongoing travel restrictions in Hong Kong delayed anticipated trading profits from our residential project at Duke's Place and resulted in Grosvenor Property Asia generating revenue profits of £3.8m (2020: £21.6m). Slightly positive revaluations contributed to a total return of 2.4% (2020: 2.6%).

Grosvenor Property Europe delivered an improved revenue profit of £2.6m (2020: £1.4m) despite the ongoing challenges of Covid-19, supported by strong rent collections (97%) and a significant development profit in Paris. Total return was 3.1% (2020: (7.1)%) reflecting an encouraging valuation performance, with retail and offices up 6.1% and 1.8% respectively.

Grosvenor Diversified Property Investments delivered a very significant revenue profit of £50.5m (2020: £0.4m) with the trading profits realised on the sale of the West Midlands Interchange site a significant factor. £6.3m of this revenue profit was contributed by Sonae Sierra, where performance improved in line with the easing of Covid restrictions (2020: £(4.1)m). Positive revaluation gains – particularly in multiple alternative sectors in the US, Australia and Poland – and disposal profits on the sale of our investment in the Bridge Affordable Housing Fund in North America, have further enhanced the positive total return performance of 18.7% (2020: 0.3%).

Grosvenor Food & AgTech

During 2021, we continued to be an active investor in food and agtech, committing a further £81m (2020: £102m) to bring the total value of our assets under management to £629m which includes a portfolio of 27 investments.

To protect the commercial sensitivity of the businesses in which we invest, and given their wide spectrum of relative maturity, we have chosen not to publish aggregated financial performance metrics.

The makeup of our portfolio spans across seed, venture and more mature businesses. Looking at 2021 activity, four examples stand out – one IPO, two fund raises and, regrettably, a business failure.

Benson Hill, a food technology company unlocking the natural genetic diversity of plants with its cutting-edge food innovation engine, listed on the New York Stock Exchange on 30 September following a merger with Star Peak Corp II. The transaction generated £245m in gross proceeds.

Ostara recovers phosphorus, a finite essential nutrient used in agriculture from wastewater treatment sites to produce plant-activated fertilisers improving yields and reducing pollution. Last year, it raised £15m of financing, enabling it to increase production capacity. Prior to the funding round, Grosvenor wholly owned the company, having acquired 100% of the business in 2020.

Vytelle, a precision livestock company previously wholly-owned by Grosvenor, closed a £9m Series A funding round. The funding will enable the company to offer its breakthrough IVF technology to cattle operations worldwide, enabling clients to identify elite traits in their cattle and replicate them in their offspring, to benefit producers and the environment through the more efficient use of resources.





Our objectives

Deliver strong commercial results

Regrettably, 2021 also saw one of our minority investments – Farmdrop – stop trading. We are especially disappointed to see such a promising and worthy business concept – one connecting customers with farmers and the very best hand picked producers through an ethical supply chain – unable to succeed. Despite every effort to keep funding the business and supporting its management, the company’s inability to achieve the required market share to be financially sustainable undermined its viability. It is not unusual for new ventures in a competitive market to fail, and we remain committed to the same principles of an ethical food system that led us to invest in the first place.

Grosvenor Rural Estates

As long-term stewards of our three rural estates, we believe in the importance of pursuing sustainable practices, economically, environmentally and socially. Our commercial activities are predominantly centred around one of the UK’s leading commercial dairy and arable farms, the management of a rural property portfolio and, in 2021, the establishment of a timber production venture.

Financial gains are reinvested locally to strengthen these ventures as well as to support a large variety of initiatives that can enhance local environments and communities – improving property and places, restoring bare peat on moorlands, planting trees and managing public rights of way. Looking back at 2021, a number of key trends stand out when assessing our rural economic activities.

Grosvenor Farms has grown to become one of the largest producers of milk and cereal grains in the UK, while adopting sustainable practices that benefit animal welfare and enhance the environment. During 2021, as a result of our expert management, specialist systems and world class facilities, the herd produced 32 million litres of fresh milk and an average yield of 12,079 litres per cow per annum – over 30% more than the UK average.

Poor weather during the later stages of the harvest created challenging conditions for yields of combinable crops from our arable activities. Yields of wheat and barley, which is sold for use in animal feed and food production, decreased by 4.5% compared to 2020. Oil seed rape – predominantly sold for use as biofuel and vegetable oils – increased by 57% in 2021 as the grain was harvested earlier during better weather.

Grosvenor Farms has one of the lowest carbon footprints for milk production in UK farming. Building on our average 30% carbon reduction achieved in our dairy activities since 2014, £0.5m was invested into carbon reduction initiatives as we seek to become a net zero carbon operation by 2030.

As we continued to provide occupiers in difficulty with significant support through rent relief or deferrals, the overall performance of our rural property portfolio continued to be adversely affected by Covid-19. Retail faced the greatest impact, with offices performing more strongly. Post-Covid, we have also witnessed an increase in the appeal of rural living which is having a positive effect on rental values.

During the year, we added to our forestry interests through acquiring a commercial forest in Mid Wales and also completed the commissioning of our new sawmill facility, operated by Grosvenor TimberWorks. This exciting project will give us extra capacity to produce timber sustainably for use in construction as well as in specialist and bespoke applications.

Collectively, our Rural Estates’ commercial activities delivered a net profit of £2.4m before central administrative recharges.

Realty Insurances

Realty Insurances Limited, Grosvenor’s wholly owned firm of independent Chartered insurance brokers, specialises in customised insurance solutions for real estate owners, property developers and private clients.

During 2021, Realty delivered strong financial results, growing annualised premiums placed by the company to over £40m; with commission and fee revenue rising by £1m to over £6m. This resulted in operating profits increasing by over 13%, surpassing £3m for the first time.

Managing risk and seeking opportunity

In June 2021, we consolidated and refinanced our £1.1bn back-up liquidity facilities into one efficient and cost-effective Grosvenor Property facility while aligning it with our sustainability strategy. This was achieved with the strong support from our banking partners and reflects the long-term nature of these relationships, the strength of our balance sheet and the resilience of our business during the pandemic. Importantly, the cost of these facilities will vary with our achievement of annual sustainability targets, notably carbon intensity. We will also soon release our Sustainability Finance Framework, which sets out how the providers of debt financing can help us to deliver our ambitious sustainability strategy.

The consolidated back-up financing facility was an important step in maintaining our financially prudent approach to ensuring that we have sufficient liquidity for periods of economic stress, such as Covid-19. As at 31 December 2021, our financial capacity (cash and undrawn, committed credit lines) within our corporate urban property business remained high at £2.1bn (2020: £1.9bn); see chart on [page 33](#).





Our objectives

Deliver strong commercial results

Diversification is an important risk mitigation, not only within the Property business but across Grosvenor. The Food & AgTech business provides us with the opportunity to pursue investments into an exciting and growing sector that not only provides diversification, but also the potential for higher returns.

Looking forward

While we hope that the worst of Covid-19 is mostly behind us, we expect our financial results in 2022 to continue to be impacted by the after-effects of the pandemic as well as by our deliberate decision to slow down development activity in recent years in anticipation of a weaker market. This means that we expect trading profits and therefore overall profitability to be lower in 2022 than it was in 2021.

There are many other geopolitical and economic risks which could impact commercial performance in the short and medium term. We will continue to have a prudent approach to risk management and a focus on the importance of maintaining a strong balance sheet, working closely with our occupiers, partners and lenders to manage and mitigate these risks.

Our overall focus on creating lasting commercial, social and environmental benefit continues to drive our long-term view to do what is right for our occupiers and communities and find new opportunities which allow us to deliver our purpose. As ever, it is our people who make this possible and I would like to thank the Grosvenor team for delivering a strong set of results in 2021 and their ongoing hard work and dedication that makes it possible to both meet the challenges ahead and create new opportunities.

Robert Davis
Chief Financial Officer
Grosvenor
26 April 2022

Investing for the long term

Our investment approach is driven by an ambition to address today's needs while taking responsibility for those of future generations, to stimulate activity that is both commercially successful as well as economically sustainable and able to provide significant community and environmental benefit. We judge true success from a long-term perspective.

We manage our balance sheets carefully and benefit from significant financial capacity, which gives us the strength and flexibility to make the most of investment opportunities, as well as the confidence to pursue longer-term projects with a strong social focus.

Looking ahead, we hope to benefit from our markets achieving sustainable economic recoveries in 2022, despite many ongoing challenges. We also remain committed to building on our investment platforms: international property as our predominant activity – and the principal driver behind our commercial performance – and Food & Agtech, a rapidly growing investment opportunity with significant diversification characteristics. Both sectors offer high potential to deliver significant social benefit.

During 2021, we reviewed and reassessed our capital allocation plans across our commercial activities. Within Food & AgTech we plan to invest significantly in both our existing portfolio and in new businesses that meet our criteria – from early-stage investments to mature and income-producing ones.

“We are committed to building on our investment platforms: international property, the principal driver of our commercial performance, and food and agtech, a rapidly growing investment diversification opportunity.”

Within our international property business, the focus will be twofold. First, our investments in the UK and North America will increasingly concentrate on places that are dynamic, diverse and well-connected to diversify our rental income and sectoral mix; second, we will significantly expand our Diversified Property Investments business which, over the past 10 years, has successfully developed a third-party co-investment model with specialist managers via joint ventures and funds. We believe this combination will give us balanced access to new markets and sectors, growing our overall returns and further diversifying our international property portfolio.

Jonathon Bond
Chief Investment Officer
Grosvenor
26 April 2022





Our objectives

Deliver strong commercial results

Urban Property commercial highlights

Urban Property

Profit before tax

£437.5m

(2020: £(322.8)m)

Economic gearing

23.9%

(2020: 22.3%)

Financial capacity

£2.1bn

(2020: £1.9bn)

Occupancy

92%

(2020: 93%)

Property assets

£8.9bn

(2020: £8.4bn)

Assets under management

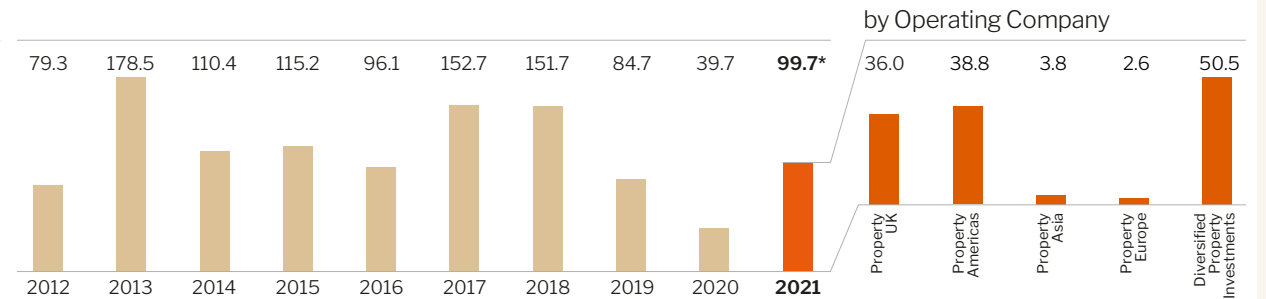
£11.0bn

(2020: £11.1bn)

Urban Property

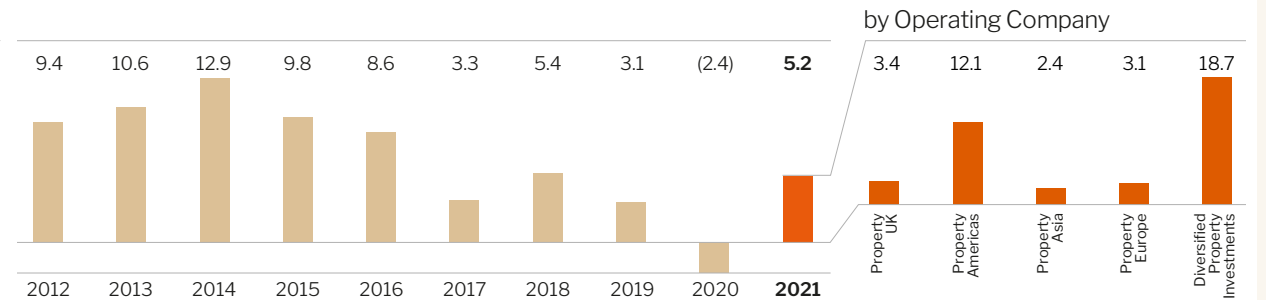
Revenue profit £m

£99.7m



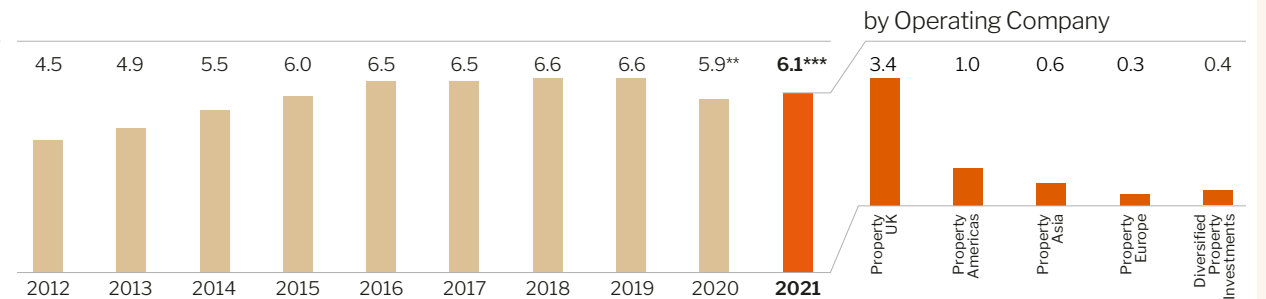
Total return %

5.2%



Net assets £bn

£6.1bn



* Included within revenue profit of £99.7m is £(32)m related to Group.

** We have only included a deferred tax estimate in respect of the Trust-owned assets for 2020 and 2021.

*** Included within total net assets of £6.1bn is £0.4bn related to Group.



Our objectives

Deliver strong commercial results

Urban Property

Rent collection* %

95.5%

By sector	Collection of 2021 rent due	Collection of 2021 adjusted rent due
Retail	86.9%	92.2%
Office	96.5%	97.0%
Residential	96.5%	96.8%
Industrial/Logistics	99.2%	99.2%
Student Housing	98.9%	99.3%
Other	92.5%	96.9%
Total	93.1%	95.5%

By Operating Company

Property UK	90.2%	93.8%
Property Americas	95.2%	95.2%
Property Asia	99.1%	99.1%
Property Europe	97.1%	97.1%
Diversified Property Investments	92.2%	97.4%

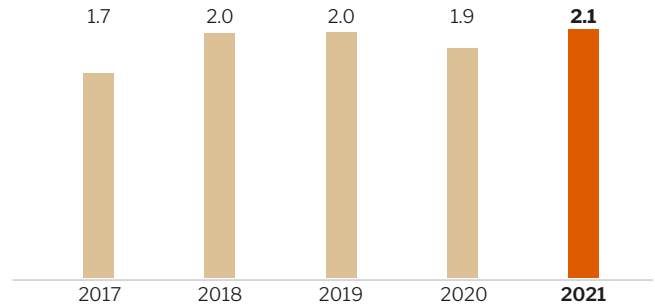
Rent collection rates have improved in 2021 with Grosvenor Property having collected 93% of rents that fell due in 2021 by 31 January (2020: 89%).

The Operating Companies most impacted by Covid, as expected, were those with the greatest exposure to retail occupiers with only 87% of 2021 retail rents due having been collected. This recovery rate from our retail occupiers was much improved from 2020, when only 78% of retail rents due had been collected.

During 2021, we continued to provide some level of financial support to the most vulnerable occupiers including rent waivers and deferrals. Collection rates for 2021 retail rents due increased to 92% (2020: 94%) after adjusting for these Covid-19 related concessions.

Financial capacity and liquidity £bn

£2.1bn

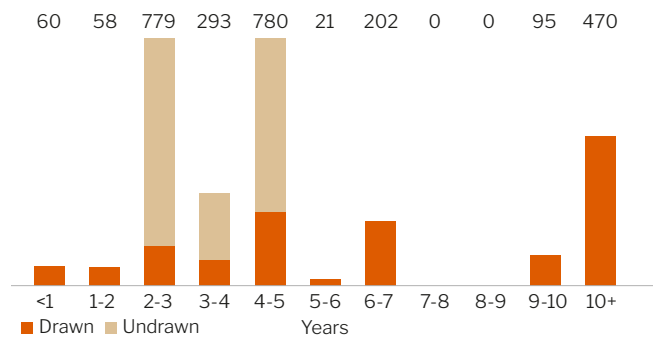


We manage our financial capacity and liquidity with the dual aim of: first, ensuring sufficient liquidity for periods of significant global economic stress; and, second, ensuring that we are positioned to take advantage of opportunities at times when others are unable to access finance.

This is achieved by securing sufficient financial capacity, i.e. available cash and undrawn, committed, general use facilities which are immediately available.

At 31 December 2021, financial capacity increased to £2.1bn from £1.9m in 2020, largely as a result of the cash generated from strategic disposals, delayed acquisitions and projects and the refinancing of the Group’s back-up liquidity facilities that completed in June 2021. This level is sufficient to meet the aims referred to above.

Debt maturity profile £m



This chart shows the spread of maturities of our wholly-owned debt facilities, split between those which are drawn and undrawn.

The weighted average life of these facilities has decreased to 6.1 years (2020: 6.6 years) as a result of standing facilities being one year closer to maturity, partially offset by the repayment of two loans maturing in 2023.

* As at 31 January 2022.



Our objectives

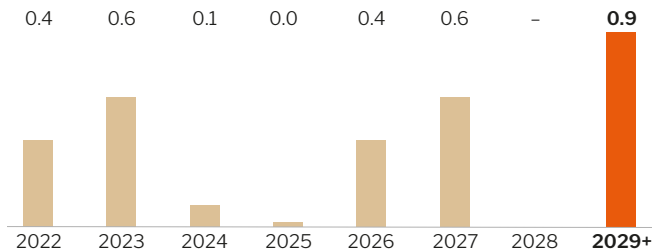
Deliver strong commercial results

Urban Property

Future value in our development pipeline £bn

Total

£3.1bn



Development exposure %

9.1%

Urban Property

Monitoring our development risk

As a result of many years of planning and pre-construction activity, our property business has generated a development pipeline (see chart to the left) that at 31 December 2021, was capable of delivering gross development value of £3.1bn (2020: £4.1bn). Development activity is a fundamental driver of future commercial, environmental and social value, and this pipeline provides our urban property business with the opportunity to deliver this additional value for the business and our communities.

However, development activity usually involves increased risk which we look to mitigate through a combination of factors, including use of joint ventures, market timing and pre-sales/pre-lets. To understand the level of risk in the business, we measure and monitor our exposure to development, both in terms of the overall capital exposure but also our speculative exposure (trading and rental).

At 31 December 2021, our total development exposure (including committed costs) has reduced slightly to 9.1% of the total property portfolio by value (2020: 9.3%). This is largely due to the positive revaluations on our investment portfolio rather than a reduction in our absolute development exposure.

Our speculative exposure at 31 December 2021, was 6.7% of portfolio gross rental income with 14% of trading profits expected in 2022 de-risked through pre-sales. This is the first year that we have measured our speculative exposure in this way, so prior year comparatives are not available.

Urban Property

Taxes paid

Tax type	Total tax borne (£m) 2021	% of whole 2021	Total tax borne (£m) 3 years to 2021	% of whole 3 years to 2021
Taxes on income and gains in urban property portfolio directly owned by Trustees	42.1	35%	75.0	25%
Corporate income tax paid in the year	19.8	17%	80.4	27%
Property transaction taxes paid in the year	22.4	19%	41.0	14%
Annual property taxes	20.2	17%	55.6	18%
Employer taxes and social security costs	10.0	8%	28.8	9%
Irrecoverable VAT (UK only)	4.9	4%	22.4	7%
Total	119.4	100%	303.2	100%

Country	Total tax borne (£m) 2021	% of whole 2021	Total tax borne (£m) 3 years to 2021	% of whole 3 years to 2021
United Kingdom	81.1	68%	162.1	54%
United States	11.7	10%	34.1	12%
Canada	9.3	8%	25.0	8%
Australia	5.0	4%	10.3	3%
Spain	2.9	2%	14.3	5%
Asia	1.8	2%	37.2	12%
Portugal	1.6	1%	8.2	3%
Other	6.0	5%	12.0	3%
Total	119.4	100%	303.2	100%

In order to manage our tax obligations, we respect not only the letter of the law but also its underlying intention. We achieve this through adhering to our Tax Policy, compliance with which is reviewed annually by our Trustees and adopted by all businesses. In the case of real estate, the underlying premise is simple — property should be taxed in the jurisdiction in which it is located.

We pay taxes on realised economic gains and profits, in accordance with applicable laws.

In the spirit of transparency, we analyse and report on tax contribution by type of tax borne and by country (see tables above).

In 2021, our economic share of tax payments totalled £119.4m (2020: £108.6m). This was higher than last year, primarily due to an increase in UK property transactions which offset the reduction in corporate income taxes paid.



Our objectives

Deliver strong commercial results

Urban Property

Our economic property interests by location

We develop, manage and invest in property in 43 cities around the world. This chart shows our economic property interests by location.



	2020	2021
1 United Kingdom	59.1%	57.8%
2 North America	20.6%	20.4%
3 Asia Pacific/Australia	10.2%	12.5%
4 Continental Europe	9.1%	8.5%
5 South America	1.0%	0.8%

United Kingdom	2020	2021
🇬🇧 West End, London	53.9%	53.5%
🇬🇧 Liverpool	0.7%	1.4%
🇬🇧 Other London	4.3%	1.9%
🇬🇧 Other UK	0.2%	1.0%
Total	59.1%	57.8%

North America	2020	2021
🇨🇦 Vancouver	6.6%	6.6%
🇺🇸 Washington, D.C.	4.0%	3.8%
🇺🇸 San Francisco	3.1%	2.6%
🇺🇸 Seattle	1.3%	1.5%
🇨🇦 Calgary	0.6%	0.4%
🇺🇸 Other USA	4.5%	5.0%
🇨🇦 Other Canada	0.6%	0.5%
Total	20.6%	20.4%

Asia Pacific/Australia	2020	2021
🇭🇰 Hong Kong	5.1%	4.9%
🇯🇵 Tokyo	4.5%	4.1%
🇨🇳 Nanjing	0.0%	2.1%
🇦🇺 Australia	0.6%	1.4%
Total	10.2%	12.5%

Continental Europe	2020	2021
🇪🇸 Spain	3.1%	2.6%
🇸🇪 Sweden	1.8%	1.6%
🇵🇹 Lisbon	0.6%	0.4%
🇵🇹 Porto	0.6%	0.4%
🇫🇷 France	0.4%	0.3%
🇮🇹 Italy	0.3%	0.2%
🇪🇺 Other Europe	1.0%	0.4%
🇵🇱 Other Poland	0.7%	2.3%
🇵🇹 Other Portugal	0.6%	0.3%
Total	9.1%	8.5%

South America	2020	2021
🇧🇷 São Paulo	0.7%	0.6%
🇧🇷 Other Brazil	0.3%	0.2%
Total	1.0%	0.8%

Urban Property

Financial summary £m

Income statement – proportional

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Net property income	289.4	396.5	332.4	336.2	315.2	378.7	387.0	306.4	254.6	310.2
Administrative and other expenses	(133.2)	(144.4)	(148.2)	(154.6)	(158.3)	(168.5)	(174.1)	(164.9)	(164.0)	(157.5)
Net financing costs	(76.9)	(73.6)	(73.8)	(66.4)	(60.8)	(57.5)	(61.2)	(56.8)	(50.9)	(53.0)
Group revenue profit/(loss)	79.3	178.5	110.4	115.2	96.1	152.7	151.7	84.7	39.7	99.7
Net gains on revaluation and sale of investment properties	560.8	590.1	795.3	639.9	151.3	180.0	163.9	230.7	(342.8)	320.1
Other	(21.0)	(24.6)	(20.7)	(23.7)	(5.6)	(14.4)	(27.9)	(47.7)	(21.4)	22.9
Profit/(loss) before tax*	619.1	744.0	885.0	731.4	241.8	318.3	287.7	267.7	(324.5)	442.7

Balance sheet – proportional**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total property assets including share of joint ventures	6,842.9	7,052.7	7,614.0	8,367.2	8,223.1	8,599.8	8,754.3	8,847.6	8,432.1	8,945.8
Net debt	(1,533.2)	(1,224.8)	(1,084.5)	(1,296.7)	(795.7)	(1,261.8)	(1,186.4)	(1,147.8)	(1,365.6)	(1,565.1)
Deferred tax	(491.5)	(661.7)	(737.6)	(763.6)	(715.3)	(726.5)	(673.8)	(632.7)	(777.6)	(930.3)
Other assets / (liabilities)	(223.2)	(204.3)	(212.0)	(191.8)	(217.2)	(138.6)	(328.5)	(438.5)	(361.3)	(387.6)
Net assets (pre-minority assets)	4,595.0	4,961.9	5,579.9	6,115.1	6,494.9	6,472.9	6,565.6	6,628.6	5,927.5	6,062.8
Minority interests	85.8	85.2	87.6	86.5	(2.0)	(2.6)	(0.9)	0.6	(0.6)	(0.6)
Net assets	4,509.2	4,876.7	5,492.3	6,028.6	6,496.9	6,475.5	6,566.5	6,628.0	5,928.1	6,063.4

* Before tax paid by our joint ventures.

** Non-statutory basis. Incorporates both Grosvenor-controlled activities and share of joint ventures and associates. We have only included a deferred tax estimate in respect of the Trust-owned assets for 2020 and 2021.



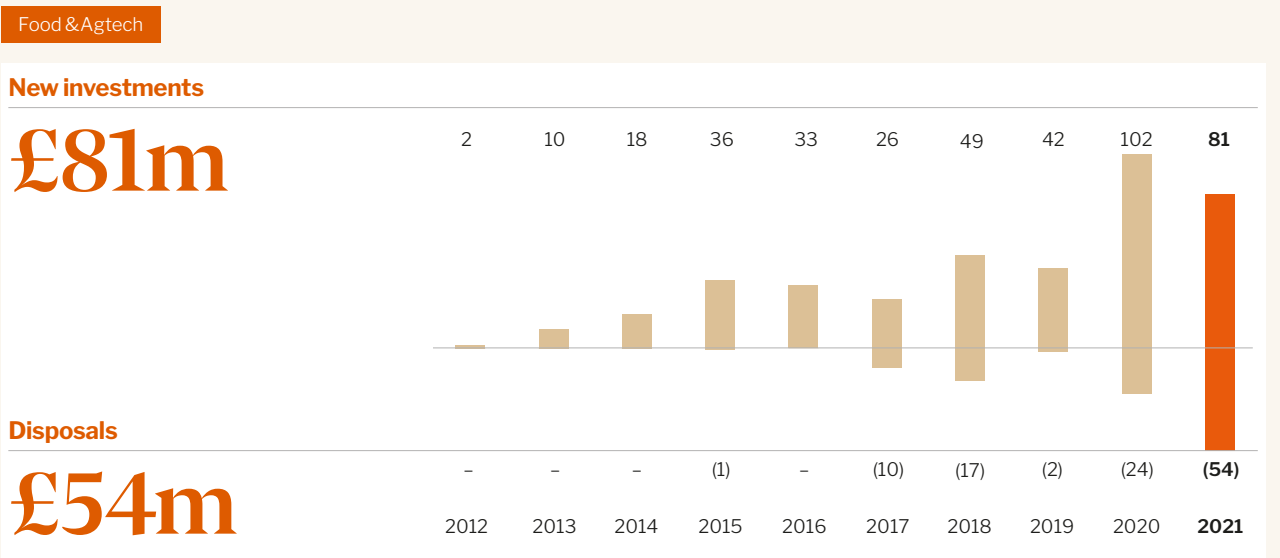
View our 2021 Financial Statements: [grosvenor.com/2021financialstatements](https://www.grosvenor.com/2021financialstatements)






Our objectives

Deliver strong commercial results

Food & AgTech commercial highlights



New investments in 2021

		Funding round	Total raise
	GrubMarket A food tech and eCommerce company digitally transforming supply chains while delivering high-quality fresh produce to businesses and consumers.	Series E	£151m
	The Jackfruit Company A sustainable plant-based meat alternative producer using jackfruit, a natural source of fibre and protein.	Series B	£16m
	Smallhold Innovating mushroom production by providing customers with fresh and nutritious, local, organic, urban-grown fungi.	Series A	£18m
	The EVERY Company Produces animal-free protein ingredients, popular within the food industry, using less water, land and energy.	Series C	£130m

Rural Estates commercial highlights

Rural Estates

Net profit*

£2.4m

Our Rural Estates have been managed for hundreds of years with a primary focus on good long-term stewardship and a desire to enhance the economic social and environmental wellbeing of the communities we are part of.

As part of our Rural Estates, this year's net profit is accounted for by our commercial performance in Grosvenor Farms, the management of a rural property portfolio and other small local ventures (e.g. renewable energy production, a small number of holiday cottages for letting, etc.).

* Based on EBITDA per the most recently approved audited financial statements and excluding central administrative recharges.

Rural Estates

Gross value

£345m

This figure represents the value of rural land and of our rural property portfolio which includes over 780 properties, comprehensive of homes, offices, shops, schools, farms, etc.



Our objectives

Deliver strong commercial results



Benson Hill attracts new funding for growth following listing on New York Stock Exchange

Food & AgTech

Grosvenor Food & AgTech portfolio company Benson Hill, a food technology company unlocking the natural genetic diversity of plants with its cutting-edge food innovation engine, was listed on the New York Stock Exchange following a business combination with special-purpose acquisition company Star Peak Corp II which generated approximately £245m in gross proceeds.

Working with Benson Hill, we are harnessing plant biology and advances in artificial intelligence to accelerate plant breeding, developing and commercialising healthier, better tasting foods and ingredients that are more sustainable, nutritious and affordable.

Benson Hill's CropOS™ platform enables the analysis of a plant's genetic traits and environmental modelling to predict breeding outcomes – advancing and accelerating plant evolution by enabling greater precision and fewer breeding cycles.

It has already produced non-genetically modified verified products such as ultra-high protein soybeans enabling ingredient and food manufacturers to deliver more protein content in plant-based foods.



£1bn UK regional property portfolio launched

Urban Property

A new investment team was launched to actively manage and further diversify a c.£1bn regional property portfolio, comprising newly acquired and existing assets and projects.

The portfolio includes Liverpool ONE, a leading regional retail and leisure destination we developed in 2008, and our fast-growing master developer business, Strategic Land, which has a pipeline of c.20,000 homes across the South East of England.

This was expanded in the year with the acquisition of four office assets in Leeds, Manchester and Birmingham. While we continue to grow the office portfolio, we will invest £14m in these buildings over the next two years to improve their environmental and commercial performance.



Our objectives

Deliver strong commercial results

AgriWebb continues its growth and expansion

Food & AgTech

AgriWebb, a farm software solutions company, has been part of our Grosvenor Food & AgTech portfolio since 2018. AgriWebb is the global market leader in livestock management software and, with our investment, was able to expand its operations into the UK. More recently, it opened an office in North America and now has a presence in New Zealand, Brazil and South Africa.

AgriWebb's agricultural and herd software solutions enable a simpler and more effective management of data driven activities, such as farm resources, financial information and traceability. This means farmers can easily manage animal records, optimise grazing and prioritise employee tasks. The software can also provide food provenance tracking, providing traceability to manufacturers and consumers of the food we eat.

Since we invested in the business, it has gone from strength to strength. It attracted new investment in 2021, closing a Series B of £17m. The funds will be used to develop new applications for its platform and continue its expansion into the US. This is progressing well; annual recurring revenue increased by an impressive 30% in 2021. Today, AgriWebb keeps track of over 17.5 million cattle and sheep across 45 million acres worldwide and this is growing every day.



Successful conclusion of a 10-year value-add partnership programme

Urban Property

In 2011, Grosvenor and two Canadian pension funds formed Maple Leaf Ventures, a value-add programmatic partnership to acquire income-producing assets across Grosvenor's US strategic markets in Washington, D.C., Seattle and San Francisco.

Over the 10-year programme, the partnership acquired C\$910m in assets across 2,650 multifamily homes and 375,000 sq ft of office space. Through a combination of physical improvements, operational enhancements and the management of leasing risk, the partnership generated C\$1.2bn in disposition value and a gross IRR of 13.3%.



Our objectives

Deliver strong commercial results



New sustainable timber venture launched

Rural Estates

We launched a new commercial forestry venture – Grosvenor TimberWorks – based on the Eaton Estate in Cheshire. This enterprise brings together a progressive and sustainable approach to woodland management with the processing of innovative timber products, combining a dedication to traditional methods of wood craftsmanship with a long-term commitment to UK forestry. Grosvenor TimberWorks currently manufactures bespoke construction timber products and is in the process of developing new specialist product lines from our state-of-the-art facility, Hatton Heath Mill.

Using trees grown in Britain, each one we harvest is replaced to ensure our precious woodlands can thrive for the long term. The first wagon loads of timber we processed were distributed in November 2021. This was sourced from commercially managed woodlands on Grosvenor's Reay Forest Estate in Scotland. It was shipped from Kinlochbervie harbour in the Highlands to Mostyn Docks, North Wales – the most carbon efficient way to transport the timbers and a source of employment opportunity in remote rural communities – before being moved to our nearby Hatton Heath Mill.



“Our bespoke timber products are traditionally crafted and founded on a progressive and sustainable long-term commitment to UK forestry.”

Lisa Waterston
Customer Coordinator
Grosvenor TimberWorks

Broadening our Tokyo residential portfolio

Urban Property

We expanded our business to the upper-middle apartment market by investing in Park Tower Kinshicho, one of the flagship apartment buildings on Tokyo's east side, with one of our long-term co-investment partners. This asset is well positioned for today's market, with large size units of the apartment building meeting new lifestyle requirements including the needs of those who work from home.





Our objectives

Deliver strong commercial results

Strength, resilience and innovation in our North American Investment portfolio

Urban Property

In 2020, because of significant market uncertainty, increased vacancy and low growth projections, our Investment portfolio experienced muted valuations. In 2021, the portfolio recovered and values rose by C\$243.4m, or 7.7%, year-on-year. Proactive management and new technology adoption led to reduced vacancies, improved cost-management, accounting automation and increased rents.

We partnered with Near to better understand footfall and dwell times; RealPage to provide real-time portfolio data analytics and benchmarking against peer groups; DealPath to aggregate acquisition opportunities and augment deal flow and DataBridge, to digitally aggregate property valuations.

C\$3.5bn

value of our North American Investment Portfolio in 2021



Growing our Structured Development Finance Programme to deliver more homes in North America

Urban Property

In 2021, we secured C\$300m of investment capital for True North III, a limited partnership with two existing partners: Nicola Wealth and Kingswood Capital. Combined with True North I & II, the Structured Development Finance (SDF) Programme has raised nearly C\$1bn in commitments since 2015.

We continue to provide financing to best-in-class developers for the creation of residential, mixed-use and affordable housing schemes in our core markets, helping to deliver much needed housing.

Since the Programme's inception in 2000, our SDF business has acted as a capital provider to 77 residential development projects representing over 8,800 residential units and C\$4bn in gross development value.



“Perhaps most rewarding is the success of our many long-term relationships with developers and the dynamic communities that result from our work together.”

Alexandra Johns

Senior Vice President, Co-Investment
Grosvenor Property Americas





Our objectives

Deliver strong commercial results



Investing in proptech innovation

Urban Property

Our property business in Asia is building a portfolio of investments in innovative companies that will positively impact the future of residential living, property management and smart retail.

The operational results of our portfolio companies have been strong since our investments were made. Dash Living, an award-winning serviced apartment provider, experienced high occupancy rates during the year, despite the lack of tourists while H3 Dynamics closed a US\$26m Series B funding to accelerate its global mission to decarbonise air mobility.

In 2021, we invested in Dayta AI Limited, a Hong Kong-based AI analytic solution that provides data analytics, formulates business intelligence and enables real-time management. We also invested in Real Tech Ventures Fund 1 by Taronga, the first major real estate venture fund based in Asia Pacific, which nurtures emerging innovation, technology and business models shaping the built environment.



Outperforming commercial expectations on rail-served logistics investment

Urban Property

Our Diversified Property Investments business sold our West Midlands Interchange venture, near Birmingham in the UK, to a specialist developer partnership in July: Oxford Properties and Logistics Capital Partners.

The site, with planning for 8 million sq ft of rail-served logistics, secured a healthy return on our investment over six years. The scheme will reduce long-term carbon emissions by facilitating the transport of more goods by rail, instead of by road.

Once completed, it will also create more than 8,500 jobs and contribute over £680m a year to the UK economy.



CGI

Progress in Madrid residential sales

Urban Property

We completed our Garcia de Paredes and La Esquina de General Arrando residential development projects in Madrid, which both offer high specification apartments, ranging between studios, 1- and 2-bedroom units and penthouses with terraces.

We have now sold c.65% of the total residential development portfolio in Madrid, with prices maintaining or exceeding their pre-Covid level.

We also applied for the building permit for a new residential development project in the exclusive Salamanca district.



Our objectives

Deliver strong commercial results



Sonae Sierra recovers from Covid-19 as it pursues diversification beyond retail

Urban Property

In March 2021, our Diversified Property Investments business sold a 10% share of Sonae Sierra, the Portuguese headquartered multinational property company and real estate services provider, to Sonae SGPS, the majority shareholder.

We retain a 20% interest and continue to value the high-quality management and strong relationship that has evolved over more than two decades.

During 2021, the shopping centre portfolio began to recover from the effects of the Covid-19 pandemic, with year end sales and footfall figures close to those of 2019, and occupancy rates levelling at 97%. At a strategic level, Sonae Sierra continued to evolve and expanded its activity beyond its core shopping centre expertise.

It launched a German fund focused on grocery-led assets, which attracted €45m in the first round of fundraising. The Sonae Sierra development team also expanded its activity and now has nine European development projects in the pipeline, in diverse sectors from residential, to offices and mixed-use.

First Paris office development forward sold

Urban Property

We forward sold our latest Parisian office development project, Anatole France 85, to flavour and fragrance manufacturer, Mane. The sale was agreed prior to demolition and redevelopment, delivering strong returns considerably ahead of underwriting.

The site benefits from an excellent location adjacent to Anatole France metro. The new planned building will feature seven floors, a dedicated laboratory with state-of-the-art air quality and a 150 sq m roof terrace with views across Paris.

In addition to exceeding our commercial objectives, the demolition project recycled 90% of waste (over 4,500 tonnes) and utilised fossil-free machinery. The new project will also increase green space on site by over 100 sq m.



Significant financing activity supports growth plans and sustainability pursuits

Urban Property

In response to lenders looking to consolidate their borrowing pools during challenging times, we drew on our track record and lending relationships to access North American and global banking resources through the pandemic, securing C\$875m in new borrowing between 2020-2021. This access to new capital increases corporate liquidity and supports further acquisition, development and sustainability pursuits in the US and Canada.

For example, the loan for Orchard Trimble business park in San Jose, California is supporting a solar panel array installation, which is estimated to result in a 91% usage offset at both 2610 and 2630 Orchard buildings, and a 55% usage offset at 55 West Trimble.





Our objectives

Deliver strong commercial results

Partnership approach drives retail resilience

Urban Property

In London, our growing partnerships with property occupiers and the delivery of innovative services supporting their operations drove leasing success in 2021, at a time where a quarter of the year was spent in lockdown and when the subsequent rise of the Omicron variant shook business confidence.

c.30%

London and Liverpool vacancy at year end

Among our new services was the creation of the Tenant Investment Fund, which supports business expansion when bank funding is constrained, and a market-first simplified lease requiring no negotiation, reducing time and costs involved in signing and opening new premises.

Across the year, 33 new brands opened their doors in Mayfair and Belgravia including Barbara Sturm's UK debut and JKS' latest restaurant Bibi. This drove low vacancy at the year end of c.3%, versus a UK average of 14%.

Similar work to drive long-term success and create exciting experiences for visitors also saw vacancies at Liverpool ONE fall to c3%, with sales growth of 11.5% vs 2019.



“With limited funding for new openings in the wake of the pandemic, Grosvenor is enabling growth and new jobs that simply would not have happened were it not for their Tenant Investment Fund.”

Charlie Gilkes
Founder
Inception Group

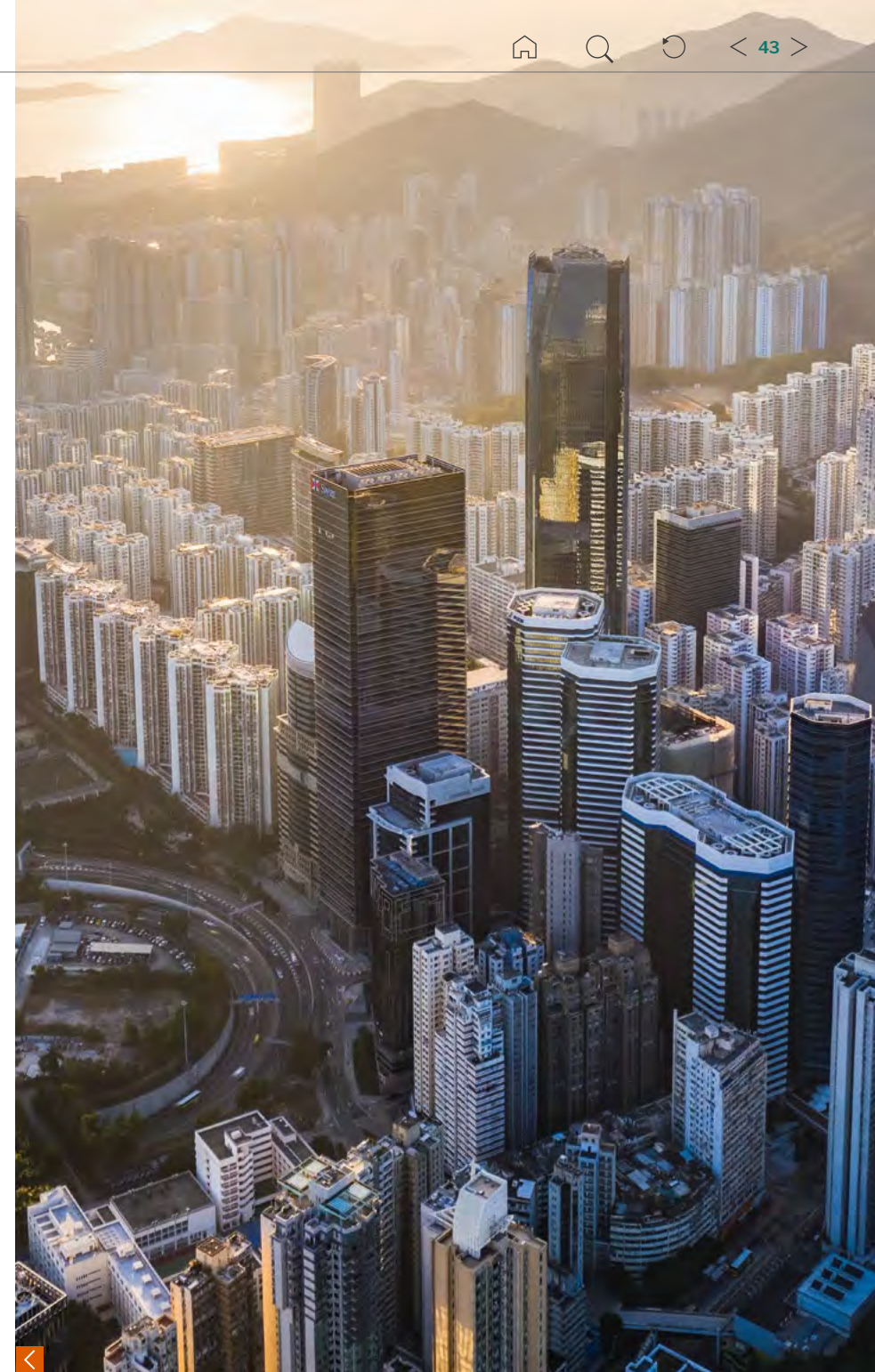


Business district asset outperforms broader Hong Kong office market

Urban Property

Taikoo Place, the home of our largest asset, PCCW Tower, owned in partnership with Swire Properties, continues to demonstrate its resilience with almost full occupancy levels, significantly outperforming the broader Hong Kong office market.

As a major business district on Hong Kong Island, Taikoo Place continues to develop and PCCW Tower will be further enhanced as it connects various newly refurbished areas in the thriving business hub.





Our objectives

Improve land, property, places, goods and services

We are working to create a sustainable urban property portfolio and help deliver a better food system, while actively contributing to the rural economy.



2
ZERO
HUNGER



11
SUSTAINABLE CITIES
AND COMMUNITIES

Alignment to the UN Sustainable Development Goals:

2 – Zero hunger

11 – Sustainable cities and communities



Our objectives

Improve land, property, places, goods and services

Creating a sustainable urban property portfolio

Amount of urban green space we protect and maintain

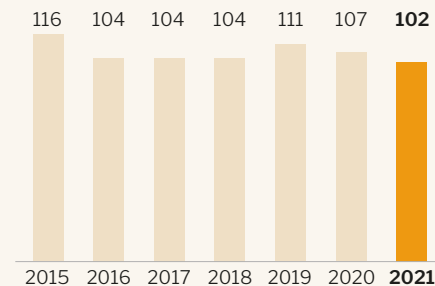
Urban Property

The amount of green space that we protect and maintain has decreased to 102 hectares across the Group, primarily due to the sale of DAYU Villa in Nanjing, China which was situated in over seven hectares of biodiverse green space.

We are increasingly aware of the importance of green space to the health and wellbeing of our communities, and as such we have committed to regenerating Grosvenor Square in London. Plans have been submitted to transform the Square into an outstanding example of an urban garden to demonstrate how urban green spaces can work harder for nature and, in turn, contribute to the wellbeing of those who rely on them. 88% of respondents to our consultation have endorsed the plans, and we are looking forward to seeing this transformation next year.

Green space ha

102ha



Public realm improvement spend

Urban Property

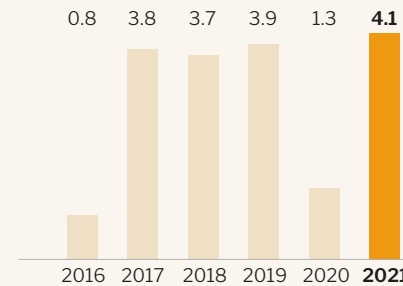
We continually improve the quality of our public realm, spending almost £40m over and above planning requirements since 2010. Investment in the public realm is an important part of our social benefit strategy, to ensure that our assets and places are meeting community needs.

In the US and Canada, our teams have focused on improving access to public art, commissioning sculptures, murals and art exhibitions across their urban property portfolio.

The majority of spend relates to our UK property business, which delivered a temporary pilot makeover of North Audley Street, to widen pavements and increase capacity for outdoor dining in light of Covid-19. This also included creating 55.5 sq m of green space in Mayfair, planting 25 new trees, and 69 new planters, as well as 114 additional outdoor dining seats. In September, a consultation showed that 94% of the local community supports keeping the temporary scheme. We will work with the local council and community to convert the pilot scheme to a permanent streetscape in 2022.

Public realm improvements exceeding requirements £m

£4.1m



Transport connectivity stats of urban property portfolio

Urban Property

We promote greener transport, reducing air and noise pollution and improving the carbon footprint of our properties for their users.

All our properties are within a 15-minute walk of public transport connections promoting walkability, reducing greenhouse gas emissions from transport and combatting air pollution.

Connectivity %

100%

Transport initiatives

We have 152 charging points set up across the urban property portfolio to encourage and facilitate the use of electric vehicles, reducing air and noise pollution.

Across the urban property portfolio, we have over 220 bike racks, enabling active, cleaner travel. This contributes to air quality in our communities, and to better health and wellbeing.

152
2021

123
2020

223
2021

223
2020



Our objectives

Improve land, property, places, goods and services

First net zero office starts on site

Urban Property

Our UK property business has started on site with its first net zero carbon office development.

Holbein Gardens, an extension and refurbishment of a 1980s office building, will set a new benchmark for transforming outdated buildings into exemplary zero carbon workspaces.

This was achieved by setting environmental performance as a success factor for the project from its inception.

Materials innovation including the recycling of steel from other Grosvenor projects, the use of cross laminated timber and a zero waste to landfill policy will reduce embodied carbon during construction.

On completion, the all-electric building will be run sustainably, with power generated through on site solar panels and rainwater captured and reused on site. Significant greening and landscaping will also improve local biodiversity and aid wellbeing of future occupiers.



CGI



Investing in our Spanish office portfolio to enhance value

Urban Property

We completed the renovation of 38 Avenida Americas, a 13,000 sq m office building in Madrid, to deliver improved energy performance and offer greater flexibility to the single occupier. We replaced the façade using a locally sourced fire-resistant timber-framed cladding that helped achieve a LEED Gold certification, refurbished the lobby and redesigned the external landscaping. Our investment helped to increase the asset's value by 27.4% in two years.

We also completed improvement works to the lobbies at Titán 8 in Madrid (pictured left). The new lobbies on the third and fourth floors increase net office space by 57 sq m, improve bathroom accessibility and create a new refuge area for those using mobility aids. Following completion of the project, the building's valuation increased by €1m.



Our objectives

Improve land, property, places, goods and services

North American developments bring new homes, commercial spaces and social benefit to our communities

Urban Property

Our development activity kept pace in 2021, with significant project completions adding vibrancy to Washington, D.C. and Vancouver, BC.

Eckington is one of Washington, D.C.'s oldest, yet rapidly evolving neighbourhoods, and is where we built City Homes – 45 well-appointed multilevel condominiums. We created an 'art walk' for residents, commissioning three seven-piece local artworks to line the corridors.



In downtown Vancouver, BC, we welcomed homeowners to The Pacific, a visionary new 39-storey residential tower rooted in the city's historic past. The tower's immersive entryway includes large columns of mosaic art by local artist Lyse Lemieux (pictured below), and we carefully refurbished and relocated Leslie House, which has occupied the site for 125 years, to the corner of the property.

Across the lane from The Pacific, we delivered the tallest Passive House certified building in British Columbia, at 825 Pacific Street. The 22,000 sq ft, seven-storey, ultra-low energy building is an artist-focused community hub that addresses a public need for increased affordable arts and culture space, and is one of the single largest in-kind community amenity contribution (CAC) projects in the city's history.



“The Passive House certification at 825 Pacific demonstrates what's possible when a developer has its finger on the pulse of global issues and works with the community to find solutions.”

Chris Ballard
CEO
Passive House Canada



Two green building standards achieved in Tokyo

Urban Property

Two Grosvenor properties in Tokyo, Grosvenor Place Kamizono-Cho (GPK) and The Belgravia Azabu, were awarded the Development Bank of Japan (DBJ) Green Building Certification in September.

The award evaluates properties based on energy/resources, amenity, resilience and community. GPK obtained the highest score (five stars). The award confirmed the success of our hands-on initiatives through asset management.



Our objectives

Improve land, property, places, goods and services

Delivering significant improvements across our Swedish retail portfolio

Urban Property

We divested two assets in Bålsta and Väsby in Sweden, turning our focus to Skärholmen Centrum and Lidingö Centrum located in Stockholm. We invested significantly to make these locations attractive regional hubs, implementing digital innovations such as the Megaraptor dinosaur experience to encourage customer footfall and interaction with occupiers. We also broadened the occupier mix, securing anchor dining and leisure occupiers like Brödernas Burgers and SATS gym at Lidingö Centrum, and agreeing a nine-year lease with the local municipality at Skärholmen Centrum.



Investing in Australian industrial and logistics assets to support employment and housing supply chains

Urban Property

Our Diversified Property Investments business committed AUS\$100m of equity to a new investment vehicle, Gateway Capital Industrial Partnership, which focuses on adding value to industrial and logistics properties in Australia. Our joint venture has already acquired seven assets across Brisbane, Melbourne and Sydney.

The Australian economy has been resilient through the Covid-19 pandemic, and well-managed industrial buildings play an essential part; supporting employment and housing supply chains, as well as providing key goods and services to meet local and national needs.

We also agreed to become a minority funding partner in the newly formed Gateway Capital management company. We have worked closely with the founders on a number of previous Australian investment programmes and this opportunity reflects the benefit of developing long-term relationships with trusted local, specialist expertise.



Transformation and sustainability-led renovation of office and retail destination underway in Nanjing

Urban Property

Acquired in 2020 via our joint venture with Shui On Land, Nanjing IFC is a Grade A office and retail property in Nanjing, one of the anchor cities in the Yangtze River Delta region. In 2021, we were midway through a transformational renovation of Nanjing IFC, undertaking a significant capital expenditure programme to upgrade and reposition the retail and office spaces with an emphasis on creativity and quality.

With sustainability at the heart of our business, we are also exploring ways to reduce operational carbon emissions in the property, with LEED Gold and WELL certifications obtained. We expect the asset to re-emerge in 2022 as a brand-new destination in Nanjing.



Our objectives

Improve land, property, places, goods and services

Embedding sustainable practices within the rural economy

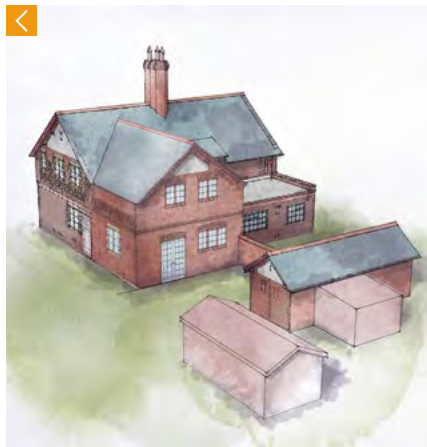
Challenging assumptions about the sustainability and energy performance of historic properties

Rural Estates

We launched the 'eco-retrofit' of a Victorian cottage in Aldford on the Eaton Estate, Cheshire, aiming to reduce its carbon footprint and make it more energy efficient.

Collaborating with leading experts, the scheme will make the property more environmentally and economically sustainable as well as more compatible with modern family living.

The knowledge built from this project will develop a template for the future refurbishment of our rural estates properties as we work towards our net zero carbon targets.



The works are being carried out by the estate's expert staff as well as specialist craftspeople, helping to promote heritage skills. Energy efficient technologies like air source heat pumps, which absorb heat from the air to provide central heating and hot water, will be installed in the property. In addition, where possible, original fabrics will be reused and any new materials will be locally sourced such as sustainably grown timber directly from our rural estates.



Committed to British forestry and sustainable woodland management

Rural Estates

We acquired 304 hectares of commercially planted forest in Wales – boosting woodlands under the rural estates' management by over 12% to about 2,800 hectares.

The investment in Nant Yr Eira forest, in Powys, Wales, demonstrates our commitment to British forestry and supports our progressive and sustainable approach to woodland management.

The woodland is within easy reach of the estate's recently established commercial timber processing business – Grosvenor TimberWorks – which operates out of the state-of-the-art timber processing facility at Hatton Heath Mill.

Sitka spruce from the woodlands will be used to manufacture sustainably sourced softwood products for use in construction and building developments.

Nant Yr Eira forest was planted in the 1960s and received a silver medal at the 2015 Royal Forestry Society Excellence in Forestry Awards.



Our objectives

Improve land, property, places, goods and services



The UK's first dedicated agricultural bank in nearly 100 years

Food & AgTech

We helped launch Oxbury Bank, the UK's first dedicated agricultural bank in nearly 100 years, enabling British farmers to manage their finances more efficiently and effectively, helping them to become more productive and sustainable.

Oxbury Bank, of Chester, provides greater flexibility to the UK's farming businesses. It is able to make rapid lending decisions so producers and growers can spend their time on the farm and invest in growing their businesses.

The business was launched in 2021 following a £20m Series C funding round, led by Grosvenor Food & AgTech.

Oxbury provides exclusively farmer and rural economy focused lending, developed with customers, to reflect their specific needs – a very different approach from the traditional high street banks.

It also offers consumer, business and farm savings accounts that have received strong backing from those that would like to support the sector while receiving a leading return.

“

Grosvenor's investment in Oxbury supports the only UK-based bank that has its thinking, expertise and empathy exclusively focused on the agricultural market and the needs of those farmers.

”

James Farrar
CEO
Oxbury Bank





Our objectives

Improve land, property, places, goods and services

Helping to deliver a better food system



Animal-free protein ingredients, popular within the food industry, produced using less water, land and energy

Food & AgTech

Grosvenor Food & AgTech was part of a £130m Series C financing in San Francisco-based The EVERY Company (EVERY), a leading precision fermentation platform.

Our investment in EVERY – a market leader in developing, formulating and manufacturing animal-free animal proteins for the global food and beverage industry – enables the sustainable production of real animal proteins without the use of a single animal.

EVERY's fermentation process ensures consistent production of high-quality and highly-functional egg proteins, using significantly less water, land, and energy and generating fewer greenhouse gas emissions than animal-derived egg protein.

“Grosvenor's capital injection will allow us to scale the platform to make good on our promise to bring our sustainable proteins to everyone, everywhere.”

Arturo Elizondo
CEO & Founder
The EVERY Company



Helping to accelerate genetic progress in cattle to enhance resource efficiency and productivity

Food & AgTech

Beef and dairy cattle can vary enormously in terms of how much they eat, how fast they grow and how much milk they yield.

Grosvenor Food & AgTech portfolio company Vytelle, monitors individual animal data, such as feed intake or changes in behaviour, enabling producers to identify their elite performing cattle, replicating these traits in their offspring through IVF techniques to benefit producers and the environment through a more efficient use of resources.

In 2021, we contributed to a Series A funding round worth £9m in Vytelle, helping agriculture to be more efficient, economically viable, and environmentally sustainable.

For centuries humans have been enhancing livestock to improve resistance and yields. What used to require trial and error over generations can now be achieved in a matter of months.





Our objectives

Improve land, property, places, goods and services



Investing in indoor mushroom farming

Food & AgTech

Grosvenor Food & AgTech participated in an £18m Series A round in indoor farming company Smallhold Inc which grows certified organic, speciality mushrooms in urban centres in the US.

Smallhold's mission is to innovate mushroom production by providing customers with fresh and nutritious, local, organic fungi which are grown in urban environments.

The investment will help Smallhold deploy its next generation of indoor farms, including new facilities in California, New York, Michigan and Florida.

The funding will also support expansion of the workforce and investment into R&D to grow new varieties of mushrooms.

Smallhold's model reduces the time from harvest to delivery from over 10 days on a traditional farm to an average of just one day.

The mushrooms are grown on sawdust blocks – diverting waste from landfill – in patented growth chambers which mimic natural environments, enabling sustainable, cost effective production, year-round.



Our objectives

Efficiently use natural resources, restore and enhance the environment

We are significantly reducing our carbon emissions, reducing waste and actively managing, expanding and improving natural habitats.



Alignment to the UN Sustainable Development Goals:

13 – Climate action
14 – Life below water
15 – Life on land





Our objectives

Efficiently use natural resources, restore and enhance the environment

Net zero: Making progress to significantly reduce our carbon emissions

At Grosvenor, we are on a mission to decarbonise our property holdings; to invest in food and agtech businesses and new technologies which are able to disrupt carbon intense practices and enable a more sustainable food system; and to preserve, restore and enhance rural environments promoting their ability to sequester carbon.

Across our many and diverse activities, we are at different stages of our journey but are working with the same goals in sight: to understand our carbon baseline, to develop credible carbon reduction strategies and plans and to turn these into action – directly and in tandem with our partners, suppliers, occupiers and a variety of other stakeholders.

In 2019, our property businesses signed up to the World Green Building Council's commitment, to achieve net zero in their directly managed operations by 2030 and to be fully net zero by 2050. They have since developed net zero carbon pathways and reduction strategies to exceed these targets, with two of these already being approved by the Science Based Targets initiative (SBTi), which verifies that the pathways produced align with the global efforts to cap temperature rises to 1.5 degrees.

In 2022, a Grosvenor-wide team was established to develop a carbon reduction strategy across the whole organisation, which beyond urban property encompasses our activities in food and agtech business and rural estate management.

We will look to build on the work of our UK urban property business and align with the SBTi to ensure that our strategy is credible, and grounded in science.

This timeline shows our progress to date, and importantly, the goals we have set ourselves for the future.



2019

Grosvenor Property signed World Green Building Council Commitment to become:

- Net zero carbon in operation by 2030
- Fully net zero carbon by 2050



Property UK published net zero carbon pathway by 2030 across all scopes

2020

Property Europe published net zero carbon pathway by 2030 across all scopes



Property UK developed carbon offsetting strategy and received SBTi approval for their carbon reduction pathway

Property Asia developed net zero carbon investment strategy

2021

Diversified Property Investments baselined scope 3 emissions
Property Europe received SBTi approval for their carbon reduction pathway



Rural Estates baselined industrial carbon emissions across all scopes

2022

Property Americas developed net zero carbon pathway by 2030 across all scopes



Rural Estates will baseline carbon emissions of natural assets as the SBTi Forests, Land and Agriculture (FLAG) guidance on measurement is finalised

2022

Food & AgTech working to understand scale of carbon impact



2025 / 2030 / 2050

By 2025, Property UK will be carbon neutral by offsetting its carbon emissions ahead of becoming net zero carbon by 2030

Grosvenor Property to be net zero carbon in operations by 2030 and in totality by 2050



Our objectives

Efficiently use natural resources, restore and enhance the environment

We are tackling carbon emissions through a three-step approach:

1. We are working to understand our carbon baseline

We have measured scope 1 and 2 emissions across our property activities and our farms, and have estimated most of our scope 3 emissions*. The tables on this page show the progress made by the different parts of our organisation.

Scope 3 emissions make up a large proportion of our emissions, across all our activities, and therefore our scope 3 carbon impact is important in understanding our full carbon footprint.

2. We are putting in place credible carbon reduction plans

We are pursuing ambitious and challenging carbon reduction plans. All of our property businesses have put in place carbon reduction pathways or strategies, and this year we established a new team to look at carbon across the whole organisation, and develop a Grosvenor-wide carbon reduction strategy.

3. We are turning our plans into action

We are transforming how we do business, embedding a net zero mindset within our investment and development processes, reducing consumption, increasing the procurement of renewable energy, engaging with suppliers to ensure they are aligned with our goals and supporting our occupiers to join us in our carbon reduction efforts.

Urban Property

We are decarbonising our property holdings and activities

The table below shows the progress we have made since 2019 in respect of estimating our total carbon emissions across all three scopes.

	Scope 1+2 data	Scope 3 data	Pathway
Property UK	√ P	√ P	P
Property Europe	√ P	√ P	P
Property Americas	√ P	√ P	P
Property Asia	√ P		
Diversified Property Investments	√ P	√	

Where ‘√’ is shown above, this denotes that we have collected the relevant data. ‘P’ denotes what has been published. All published pathways and data can be found on our website.

Our property businesses have each developed detailed net zero carbon pathways or strategies, with our UK property business, our largest property operation, working towards a 52% reduction across its entire footprint by 2030. It will also aim to meet a carbon neutrality milestone through the offsetting of direct emissions and those in its value chain by 2025 on its way to net zero. Our UK property business is committed to ensuring that all offsets used are of the highest quality and adhere to the Oxford Principles for Net Zero Aligned Carbon Offsetting.

Food & AgTech

We are investing in food and agtech businesses and new technologies to disrupt carbon intense practices and enable a more environmentally sustainable food system

Grosvenor Food & AgTech is focused on investing in and scaling businesses and technologies that can disrupt carbon intensive practices in the global food industry – responsible for over a third of the world’s carbon emissions originating from human activity.

By rethinking and reshaping how food is grown, produced, distributed and consumed we aim to enable high potential abatement and sequestration interventions across supply chains.

Rural Estates

We are preserving, restoring and enhancing rural environments, promoting their ability to sequester existing and new carbon

Earlier in 2022, we completed the baselining of our industrial** rural estate emissions, which is an important step towards being able to develop a carbon reduction plan.

	Scope 1+2 data	Scope 3 data	Pathway
Farms	√	√	
Properties	√	√	
Natural assets			

Where ‘√’ is shown above, this denotes that we have collected the relevant data. We plan to baseline the carbon footprint of our natural assets (land, peat and forests) as and when standards for measurement emerge. This guidance is still evolving and therefore best practice is not yet available. In the meantime, we are pressing on with our plans, decarbonising our farms and properties, planting trees and restoring our peatland.

* See definitions on page 85.
** Emissions primarily associated with our agricultural and real estate activities.

Outlined in the pages that follow are some examples of our work from this past year, supporting this critical area.



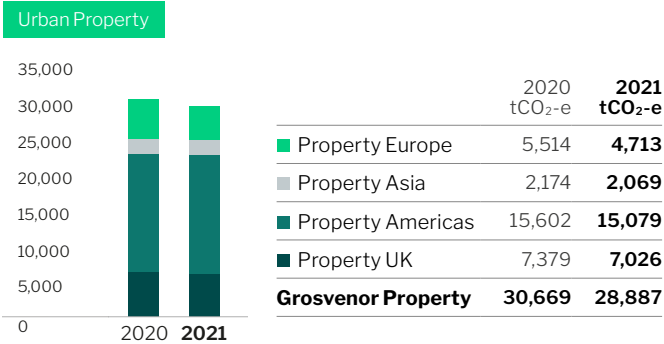


Our objectives

Efficiently use natural resources, restore and enhance the environment

Carbon emissions: Like-for-like portfolio tCO₂e

-6%



When our property businesses developed their net zero carbon pathways and strategies, we understood that our progress along these pathways would not be smooth, as retrofits take time to complete, new, more efficient systems take time to install and our development pipeline is continually evolving.

Furthermore, several of our businesses have plans to expand the size of their portfolios, and therefore, an absolute reduction in emissions is not always the most complete measure upon which to judge their performance in the short term. Like-for-like (LfL), and intensity metrics, are therefore used to understand the progress of our business in the short to medium term, before we turn to absolute reductions later in our net zero carbon journey.

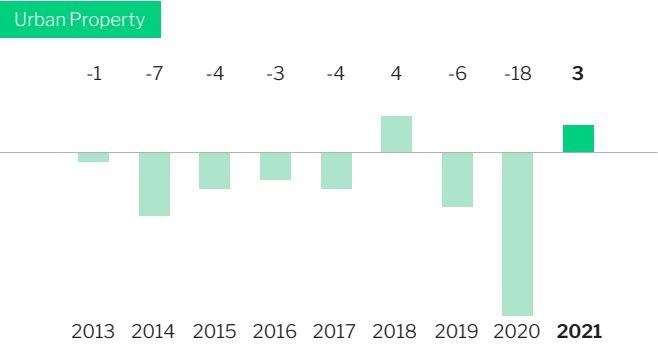
Covid-19 has had a significant impact on the year-on-year data presented. In 2020, the closure of many of our office and retail assets due to lockdown restrictions caused an artificial drop in our carbon emissions.

In 2021, our assets reopened, however, we are pleased to report that our carbon emissions have not increased alongside their reopening, and that we have instead continued to reduce our carbon emissions this year, with a 6% decrease in 2021 on a like-for-like basis. These emissions include all scope 1 and 2, and some scope 3 emissions associated primarily with business travel, energy sub-metered to occupiers and emissions from the supply and treatment of water. In terms of absolute emissions, we have seen a reduction of 15% in our scope 1 and 2 emissions since 2019 and we plan to continue to reduce our emissions in years to come.



Energy consumption %

3%



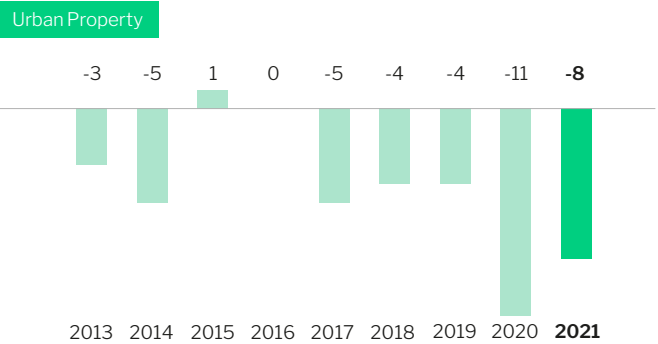
Our like-for-like energy consumption increased by 3% in 2021. The increase was driven primarily by higher demand for energy as the economy, and our buildings, reopened after the pandemic.

However, since 2019, we have reduced our absolute energy consumption by 8%.



Water consumption %

-8%



Our like-for-like water consumption decreased by 8% in 2021 as a result of numerous water-saving initiatives, and despite the reopening of our buildings in 2021.

Our UK property business’s water saving initiatives were especially impressive, with water consumption down by 56% across the like-for-like period.





Our objectives

Efficiently use natural resources, restore and enhance the environment

Peatland that has been restored %

78%

Rural Estates

During 2019 and 2020, we conducted surveys of our land on the Abbeystead Estate to understand how much peatland we managed, and the state that this was in. Since then, we have worked hard to restore over 78% of the bare peat identified.

Peat is very important for carbon sequestration, however, if left unmanaged can become a significant carbon emitter. Through our work, we have managed to reduce the emissions of these areas by 60%.



Number of trees planted

430,000

Rural Estates

We planted more than 430,000 trees in 2021 as part of the largest programme in a single year on the Eaton Estate, across more than 25 hectares.

All our forestry is managed sustainably and in the last three years we have planted over 500,000 trees on our Rural Estates, helping to improve water quality, increase biodiversity and reduce the risk of flooding. We manage more than 2,800 hectares of woodlands. These trees and the soils they grow in are a valuable carbon store and remove atmospheric carbon as they grow. Our foresters are responsible for the ongoing care and management of these woodlands and trees, as well as the production of high-quality timber, woodchip – fuelling our biomass boilers, providing a renewable source of energy – as well as firewood logs.



Grosvenor to become UK's first carbon neutral property company

Urban Property

We have accelerated the carbon offsetting strategy of our UK property business by five years and in 2025 we will become the country's first property company to be carbon neutral across all scopes.

Under this net zero commitment, emissions reduction remains the priority with a minimum 52% reduction planned between 2019 and 2030.

We are on track to deliver on this goal, which encompasses all emissions (scopes 1,2 and 3) across our value chain, including those we do not control.

To complement reduction efforts, we will mitigate residual emissions through long-term and high-quality offsets. This includes investing in ecosystem restoration and long-term solutions such as carbon capture.

From 2021, our UK property business will offset all corporate emissions and embodied carbon for all new developments. By 2025, we will offset our full business impact, making it carbon neutral as part of our pathway to net zero carbon.

“
We recognise how critical reducing absolute emissions is, but we also know that credible offsetting will play an important role in helping us reach net zero. We will share our learnings and help the industry become greener at a quicker pace.
”

Tor Burrows

Executive Director of Sustainability
& Innovation
Grosvenor Property UK





Our objectives

Efficiently use natural resources, restore and enhance the environment

Restoring the environment and supporting biodiversity

Rural Estates

Grosvenor Farms, our award-winning commercial farm in Cheshire, introduced more field margins which support locally and nationally important species of flora and fauna, during 2021.

Grosvenor Farms manages approximately 12% of its land to support greater biodiversity and improve natural habitats.

There are currently 72 hectares of margins on the farm which are sown with seeds to provide feed for wild birds over winter and pollen and nectar rich plants in the warmer months, enhancing biodiversity, as well as better protecting water courses.

In the last three years, we have planted 24,000 hedge plants which act as wildlife corridors to support a wide range of birds, mammals as well as insects and plants, increasing the total across the farm to 136 miles.

We have restored 34 ponds, supporting an important ecosystem and planted more than 100,000 trees to help remove atmospheric carbon as they grow and store it.



Investing in green technology to provide low-income homes with solar power

Urban Property

Our Diversified Property Investments business committed US\$4m via Greensoil PropTech Ventures to back Electriq Power, a California-based domestic smart energy storage system.

Electriq Power recently committed to a partnership with the City of Parlier, California, where the Council has approved a Power Purchase Agreement to offer c.4,000 low-income households the opportunity to access solar power and energy storage. The community will benefit from lower energy bills and the investment will support the transition to resilient and carbon-free electricity.





Our objectives

Efficiently use natural resources, restore and enhance the environment

Becoming a net zero carbon dairy farm by 2030

Rural Estates

Furthering our ambition to be a net zero carbon mixed farming operation by 2030, we are evaluating alternative ways to reduce emissions of greenhouse gases.

Biomethane can be used for energy production, to fuel heavy goods vehicles as well as contributing to the UK's resources via the national grid. Through the use of renewable energy from solar panels on our sheds, recycling sand, which is used for bedding and manures, producing organic fertilisers and growing our own

forage, we have reduced our carbon emissions by an average of 30% across our dairy activities since 2014. We have the lowest carbon footprint for milk production of the farms profiled using Agrecalc – an independent, integrated pollution prevention and control (IPPC) accredited, specialist agricultural resource efficiency calculator which provides the quantity of greenhouse gas emissions produced from routine farm activities up to the farm gate.

By continuing to adopt and invest in sustainable technologies, we aim to become a net zero carbon farming operation by 2030.



“By continuing to adopt and invest in sustainable technologies, we aim to become a net zero carbon farming operation by 2030.”

Mark Roach
Managing Director
Grosvenor Farms



Setting a new approach to responsible third-party managed investment

Urban Property

We developed a responsible investment policy to assess and improve the delivery of social and environmental benefit of our diversified property investments. We conducted our first materiality assessment of our scope 1, 2 and 3 carbon emissions on our portfolio of investments and we will use the data to plan our route to operational net zero carbon through third parties.



Our objectives

Efficiently use natural resources, restore and enhance the environment

Plant-based packaging alternative to polystyrene

Food & AgTech

Through our investment in TemperPack – which produces a plant-based alternative to polystyrene and bubblewrap providing a sustainable, powerful insulation solution – we’ve helped avoid approx. 29,500 tonnes of CO₂ emissions in 2021, the equivalent of more than 6,400 cars being taken off the road for a whole year.

With more than 50 million shipments of its curbside recyclable protective packaging ClimaCell made in the last five years, TemperPack’s packaging protects products in an environmentally friendly way.

Its packaging is proven in a wide range of industries including healthcare, for example to transport temperature-sensitive treatments like insulin for diabetics and vaccines as well as for foods.

Traditional packaging waste represents one-third of all municipal rubbish, costing local governments billions each year in disposal costs.

TemperPack’s protective liners and boxes can be easily disposed of in a curbside waste recycling bin where it can be managed alongside cardboard and, like other corrugated papers, 93% of the paper content is reused up to seven times. In 2021 alone, customers choosing TemperPack’s products helped divert 122 Olympic swimming pools worth of plastic from landfill and reduced water consumption on a unit of output basis by 24% compared to polystyrene.



“Our investment in TemperPack’s plant-based alternative to polystyrene and bubblewrap provides a sustainable solution that has already saved carbon emissions and eliminated plastic waste.”

Katrin Burt
Managing Partner
Grosvenor Food & AgTech



Setting a Net Zero Pathway for North America while exceeding GRESB reporting benchmarks

Urban Property

In North America, we are challenging ourselves to consider the role we play in the climate crisis and the responsibility we have as owners and developers. We are taking meaningful steps to transform our business to be part of the solution.

In mid-2022, we publish our Net Zero Pathway, which extends past the World Green Building Council’s (WGBC) Net Zero commitment to include reduction targets across occupier spaces, embodied carbon and our supply chain.

As a result, we are projecting a 40-60% reduction across our emissions by 2030.

In 2021, we participated in the 2020 GRESB reporting cycle. We earned two stars and 65/100 in the US and 74/100 in Canada, exceeding benchmarks in Reporting, Stakeholder Engagement, Tenant Satisfaction, Data Monitoring and Review and Water and Waste Consumption.



Our objectives

Efficiently use natural resources, restore and enhance the environment

Campaigning to allow heritage buildings to play their part in fighting climate change

Urban Property

Around 500,000 buildings in England are protected by statutory listing and hundreds of thousands more are situated in conservation areas. Adapting these buildings to be more energy efficient and reducing their environmental impact is currently a complicated and costly process.

Policy that is inconsistent and inconsistently applied, together with fragmented guidance offer little help to

building owners, leaving a substantial percentage of buildings vulnerable to the impacts of climate change.

With partners including the National Trust, Peabody and The Crown Estate, we are campaigning for policy change which would act as a powerful stimulus to the green economy and help protect a crucial part of our heritage while contributing to the Government's net zero aims.



Putting our environmental commitments into practice

Urban Property

In October, we signed our first green finance agreement, the €24.5m refinancing of the Titán 8 office building in Madrid. The loan complies with the components of the Green Loan Principles and is labelled green due to Titán 8's LEED Gold certification status. Since acquisition in late 2020, we have undertaken a net zero carbon scoping audit and implemented new HVAC consumption monitors and electric vehicle charging, to continuously deliver on our sustainability commitments, including halving the carbon emissions of our European portfolio by 2030.



Our objectives

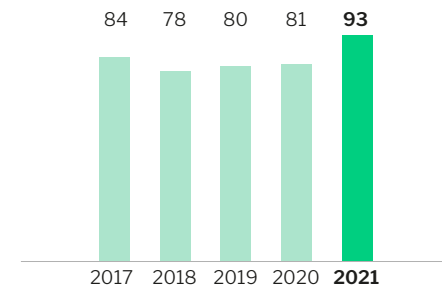
Efficiently use natural resources, restore and enhance the environment

Reducing waste

Waste diverted from landfill %

93%

Urban Property



In 2021, we diverted 88% of operational waste from landfill.

We also extended our reporting to centrally measure construction waste, of which 96% was diverted from landfill. 93% is a weighted average of these metrics.



Sustainable ‘miracle fruit’ alternative to meat

Food & AgTech

Sustainable plant-based food producer The Jackfruit Company welcomed investment from Grosvenor Food & AgTech as part of a £16m Series B funding round.

The investment will be used to continue to grow the company, develop partnerships and innovative products and increase distribution.

Based in Colorado, US, their brand jack&annie’s produces a range of products from jackfruit which are currently available in more than 1,500 retail and food service locations in North America.

Jackfruit is the world’s largest tree-borne fruit and is a sustainable, natural source of fibre and protein. It is low calorie and contains no cholesterol or unhealthy fats. In addition, its texture provides a meat-like experience without the high levels of processing of other popular meat alternatives.

Jackfruit trees are resistant to drought, heat, and pests and are grown with no pesticides or fertilisers.

The company provides both social and environmental benefit to Indian farmers, elevating the livelihoods of more than 1,000 farming families, and resulting in 8,000 acres of land being certified organic, supporting regenerative agriculture and enriching soils.



Our objectives

Efficiently use natural resources, restore and enhance the environment

Sustainable development in Tokyo

Urban Property

Beginning in March 2021, during Tokyo's Covid State of Emergency, we were able to commence construction of CURA Ginza, our first 'net zero ready' project by taking measures against infections in cooperation with the contracting construction company.

In order to reduce the embodied carbon during the construction stage, we procured recycled steel and an advanced concrete named CELBIC that has 40% lower carbon emissions than traditional concrete. 98.6% of construction waste from demolition was successfully recycled. We also used on-site solar energy at the construction site. In addition, we are exploring the ability to source the use of off-site renewable energy to power our buildings in Tokyo.



Investing in plant activated fertilisers that improve yields and reduce pollution

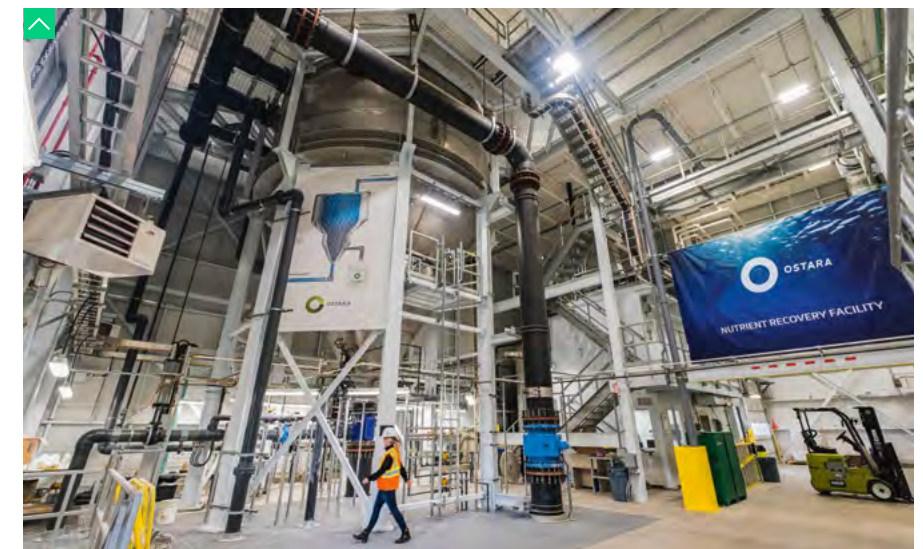
Food & AgTech

In 2020, Grosvenor Food & AgTech acquired Ostara, whose innovative nutrient management solutions recover phosphorus from wastewater, such as water treatment sites, to produce eco-friendly fertilisers.

Ostara's Pearl technology is rooted in the circular economy (reducing waste and pollution, keeping resources in use and restoring natural systems) by recovering phosphorus – a finite global resource concentrated in few territories – from wastewater treatment sites in cities, on farms and from industry.

It transforms the essential nutrients into crystallised granules which are harvested, dried and bagged, ready for distribution as Crystal Green, an environmentally responsible fertiliser.

Unlike conventional fertilisers, the nutrients in Crystal Green are only released when triggered by natural chemical reactions in the growing roots of plants, increasing phosphate uptake. This is proven to improve crop performance, increasing yields, while reducing nutrient run off, protecting our waterways from pollution by up to 75%.





Our objectives

Efficiently use natural resources, restore and enhance the environment

Actively managing, expanding and improving natural habitats



“By combining the scientific acumen of the Trust and the sustainable approach to land management and conservation of Grosvenor’s skilled employees, we can work together to safeguard these iconic species of salmon and sea trout for the future.”

Mark Bilsby
CEO
Atlantic Salmon Trust

Enhancing a renowned river to restore populations of Atlantic salmon and sea trout

Rural Estates

Working in partnership with foremost evidence-based conservation charity the Atlantic Salmon Trust (AST), we are restoring Atlantic salmon and sea trout populations in the River Laxford, historically one of the Highland’s most renowned and productive rivers.

The River Laxford has been a stronghold of Atlantic salmon and sea trout for centuries – its name is Old Norse for salmon fiord – but in recent years their populations have seen a rapid decline, mirroring conditions throughout the world.

This 10-year study aims to better understand the River Laxford catchment and to restore the numbers of Atlantic salmon and sea trout – a barometer for the health of the whole ecosystem – by improving the quality and habitat of the river.

It is hoped the project will provide an exemplar for catchment management, with the lessons learnt being directly applicable to other river systems both in Scotland and further afield.

The scheme is the AST’s first catchment restoration project, which includes the whole river from its source to sea. It benefits from being under single ownership, avoiding any conflicts of interest and optimising the positive impacts of the works.

Works will include the restoration of native riparian woodland to help stabilise riverbanks, cool the water and improve its quality; together with the removal of instream barriers and blockages. Sophisticated fish telemetry systems, funded by partners Marine Scotland Science, will be installed to accurately monitor how the fish respond to the river restoration.



These include Passive Integrated Transponder (PIT) tag arrays to provide information on behaviours and returning juvenile fish, an Adaptive Resolution Imaging Software (ARIS) fish counter, which uses high-definition sonar to record images of passing fish, as well as environmental monitoring through environmental DNA (eDNA) water surveys.

Ambition to increase Abbeystead’s upland hay meadow

Rural Estates

Sensitive management of land at Abbeystead, Lancashire, has resulted in what Natural England described as England’s largest continuous and connected upland hay meadow Site of Special Scientific Interest. This hay meadow supports a diverse mix of more than 140 species of herbs and grasses, enhancing and improving the environment and the habitats it supports.

In 2021, as part of Grosvenor’s Rural Estates’ Strategy, we unveiled plans to increase the area of natural hay meadow at Abbeystead from 18 to almost 112 hectares – which will be the equivalent of 10% of the world’s resource by 2045.

In addition, on the Eaton Estate we have developed one of the UK’s largest hay meadows using seeds from a Site of Special Scientific Interest in Shropshire, helping to boost biodiversity and restore lost habitats.





Our objectives

Efficiently use natural resources, restore and enhance the environment



Managing all of our forestry sustainably

Rural Estates

The largest programme of tree planting on the Eaton Estate in a single year – with 430,000 trees introduced across more than 25 hectares – was completed as part of an environmental scheme to improve water quality, increase biodiversity and reduce the risk of flooding.

The scheme will help improve the water quality by intercepting surface runoff, stopping nutrients from polluting the water course. It will also provide shade, helping to keep the water cool, slow the flow during any flood periods and prevent soil erosion.

A variety of native trees, including six varieties of willow, poplar, alder, aspen, hazel, oak, beach, field maple and cherry trees, were planted.

Willow has the second highest insect count of any native tree after oak, attracting more than 260 different types that provide a source of food for birds and small animals, enhancing biodiversity. It is also an early food source for bees and other pollinating insects.

All of our forestry across Grosvenor's rural estates is managed sustainably.

Trees and the soils they grow in are a valuable carbon store and remove atmospheric carbon as they grow.



“28% of the world's population of Vaynol cows live on our Eaton Estate. Our stewardship is helping to protect the genetics of this very rare breed of cattle.”

Annabel Farbon
Agent
Eaton Estate

Supporting the survival of one of the UK's rarest breed of cattle

Rural Estates

We are supporting the conservation of rare breed grazing herds on the Eaton Estate in Cheshire with the birth of three Vaynol cattle.

The calves, which were born in spring 2021 – the first on the estate since the arrival of the specialist herd – means that a third of the world's population of Vaynol cows, 19 of the remaining 67, are at Eaton and we are helping protect the genetics of this breed.

Vaynol cows originated from Vaynol Park near Bangor, Wales (60 miles west of Eaton) in 1872 and are thought to descend from Britain's ancient cattle herds. The animals are either strikingly all white, white with black noses and ears or black all over.

The small breed is excellent for conservation grazing. Their lighter weight and larger feet do not damage the earth and they support habitat management, boosting biodiversity. In the summer months, the herd will graze areas of natural flood meadows on the estate which are managed as part of an environmental stewardship scheme.





Our objectives

Efficiently use natural resources, restore and enhance the environment



Managing land for public good

Rural Estates

In 2021, British agriculture began its transition away from the EU's basic payment scheme, also referred to as the common agricultural policy (CAP), to a new system for farmers and land managers to better promote public good. A key part of this change will be environmental land management schemes to increase the environmental benefits of agriculture, restore nature, nurture the soil, improve air and water quality and provide habitats for wildlife. We will continue to use any support payments we receive in the spirit they were intended, supporting our commercial farming operations and enhancing and restoring sensitive environmental habitats.

Our soil carbon level is almost twice as good as the UK cropland average

Rural Estates

By using integrated farming systems, such as recycling manure into organic fertilisers to replenish soils, more than 83% of Grosvenor Farms' forage (animal feed) was grown without the use of artificial fertilisers in 2021, an annual reduction of £82k.



We use conservation tillage to grow crops more sustainably and to stop soil carbon escaping into the atmosphere. This disrupts the earth as little as practically possible, drilling seeds into the ground, minimising the impact on the soil's organic matter. Our fields are planted year-round to help protect soils from erosion and recover nitrogen, an essential nutrient for growing, from the atmosphere.

These initiatives have resulted in an increase of soil carbon – an indicator of its health and quality – averaging 3%, almost double the UK average for cultivated soils.



Our objectives

Make a positive impact within communities

We strive to deliver economic growth while upholding fair and equal opportunities for all; provide inclusive housing; rewarding careers and equal opportunities within safe working environments while actively enhancing the wellbeing of our customers and communities.



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES

Alignment to the UN Sustainable Development Goals:

8 – Decent work and economic growth

10 – Reduced inequalities



Our objectives

Make a positive impact within communities

Delivering economic growth while upholding fair and equal opportunities for all

Educational and mentoring opportunities

875

Grosvenor-wide

Students assisted through various mentoring events and student programmes

18

Apprenticeships

4

Traineeships

44

Internships

This year, we continued to work closely with schools, universities and students in our communities, providing mentorship programmes, work experience opportunities, sponsoring workshops and young enterprise events, and providing opportunities for young people to learn more about the real estate industry. We managed to work with over 800 students across our communities throughout the year and provided 14 apprenticeships and 41 internships across Grosvenor.

% of spend with property company suppliers that have confirmed alignment with supply chain charter principles

28%

Urban Property

In 2021, our urban property business developed a set of Supply Chain Principles which set minimum standards of business practices expected from suppliers engaging with Grosvenor. In short, these 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 published these Principles on our website on 1 January 2022, and began rolling them out across our suppliers, with a target of achieving the commitment from 75% of our suppliers by spend by 2030.

We are pleased to report that in just three months we have already managed to secure the commitment of 28% of our suppliers by spend.

Jobs created

1,132

Grosvenor-wide

1,132 jobs were created within Grosvenor this year across our supply chain on our construction and development projects, and in our community outreach work.

With the launch of our Grosvenor Property-wide Supply Chain Principles this year, we are looking to ensure that all workers employed via our supply chain are treated with trust, respect and integrity, and that their workplaces are diverse and inclusive.





Our objectives

Make a positive impact within communities

Working with local government partners to secure the future of our communities

Urban Property

We worked closely with local communities in 2021, including in Stockholm. Our Grow'In Skärholmen event in September brought together leaders in sustainability and innovation to discuss the role the Skärholmen area can play as a Nordic hub of innovation and investment. These initiatives will ensure our assets remain attractive and relevant destinations to a wider catchment of visitors in the long term.



Bringing our partners on our sustainability journey

Urban Property

Working with our partners is essential if we are to meet our ambitious sustainability targets, such as delivering net zero emissions across our directly-managed portfolio by 2030. Our European business published a dedicated Partner Charter to aid engagement with suppliers and encourage them to set their own targets in the fight against climate change.



Working to improve an understanding of the countryside

Rural Estates

Children from primary schools neighbouring Abbeystead in Lancashire visited the sporting and conservation estate as part of the 'Let's Learn Moor' educational programme.

The Abbeystead Estate hosted the region's event with 150 children aged from four to 11 from schools across both rural and urban environments visiting the moor to learn about its unique habitats, the wildlife which can be found on the moorland and efforts by land managers to improve the environment and increase its biodiversity.

Pupils were given the opportunity to experience and learn about the upland working environment from the estate's highly skilled teams responsible for the day-to-day management of the land, tenant farmers as well as teams from the local fire, police and mountain rescue. The event was supported by a range of regional and national organisations that work to manage Britain's moorland.



Our objectives

Make a positive impact within communities

Providing inclusive housing

Affordable homes provided

800+

Urban Property

Housing provision is an important part of our business, and we are committed to increasing access to good quality, safe housing for people at every income level.

As a clear demonstration of this, in Mayfair and Belgravia alone, we hold and protect a portfolio of over 800 affordable homes, 495 of which are leased to the Peabody Housing Association as social housing.



Expanding the impact of our Hong Kong community kitchen

Urban Property

We collaborated with local partner Caritas to create the Neighbourhood Kitchen in the Shek Tong Tsui district of Hong Kong in 2018, targeting residents living in cramped sub-divided flats, giving them much-needed space to cook, bond over food and receive support, thus creating a strong sense of community.

After three years of operation, the space has evolved into a community where families can network, children can learn and everyone can receive support. Through 'Project Social Food' and the 'School Lunch Program', we collect rescued but fresh food ingredients and hire kitchen members to serve nutritious meals to students without the benefit of meal allowances due to the pandemic-induced suspension of full day school. We contributed to the creation of the Neighbourhood Farm, whose rooftop allows families to grow vegetables locally.



Our objectives

Make a positive impact within communities

Providing rewarding careers and equal opportunities within safe working environments

Employee Diversity & Inclusion activities

Grosvenor-wide

Our success at Grosvenor is dependent on attracting, developing and retaining talented people who share and believe in our values. We are committed to building an inclusive culture which attracts people from all parts of society and values every person for the individual talents they bring.

Most parts of Grosvenor currently have a gender balance a little over 50% in favour of females – among our 2021 initiatives was the introduction of a dedicated return from maternity leave coaching programme. We have been as keen to create opportunities for minority groups to champion issues they care about – our Culture Network now has four employee-led groups which are developing informative events and helping to change perceptions (Pride Network; (Dis)Ability Network; Racial Equality Network; Understanding Faith Network).

We believe that a culture of inclusivity is key to our future success at Grosvenor and a key priority in 2021 was to develop a range of mentoring and apprenticeship programmes on both a local and international scale. Meanwhile, we were concerned by the widespread stress brought about by successive lockdowns across our offices and we worked hard to support the mental health and wellbeing of our people via a range of initiatives. We have embraced flexible working arrangements, while continuing to champion the benefits for individuals as well as for our businesses and related communities of convening and working together in person, this being key to the provision of mutual support.



The Big Promise

RACE EQUALITY MATTERS

I, Nicole Mensah, promise to:

- educate myself on racial equality
- Play an active role in our Race Equality Network to help educate and inspire my colleagues
- mentor and reverse mentor if asked
- help develop opportunities for my peers
- be brave and speak out when I encounter racism
- take up opportunities offered to me

raceequalitymatters.com



The Big Promise

RACE EQUALITY MATTERS

I, Hannah McCrorie, promise to:

- Call out and challenge racism and microaggressions in both my personal and professional life.
- Continue to educate myself and others on racial equality through open and honest conversations.
- Expand and diversify my network with people from all ethnic backgrounds.
- Use my privilege to benefit and support ethnic minority colleagues, continuing to act as an ally.
- As a member of Grosvenor's Race Equality network, continue to educate, engage & inspire colleagues around issues of race inequality to better our workplace and the communities we serve.

raceequalitymatters.com





Our objectives

Make a positive impact within communities

Supporting the next generation of professionals

Urban Property

To help young people from underprivileged backgrounds access new opportunities, we expanded our scholarship programme for the Master's Degree in Real Estate and Construction Companies' Business Management (MDI) from the Technical University of Madrid. In 2021, one full and two additional half scholarships were offered to real estate graduates with high potential.

In Stockholm, 225 young people created a more inviting environment in the Skärholmen area during the summer. In a joint venture with the City of Stockholm and Fryshuset, young people gained valuable work experience focused on sustainability, building seating and garden beds from recycled pallets to beautify the area, while also learning valuable lessons about urban farming.



Disability Network to improve inclusion

Urban Property

14 million people live in the UK with some form of disability – the vast majority of these 'hidden' or not obvious. 78% of people acquire their impairment aged 16 or older and almost half of the population with a disability do not work.

To help us all better understand what it's like to live and work with a disability, over 20 colleagues from across our UK-based teams set up a new (Dis)Ability Network. Their aim is to share stories, including their own, raise awareness and advance company policies to ensure Grosvenor is a rewarding, supportive and inclusive place for everyone.

The network also aims to bring new inspiration to the design and operation of our properties and places to champion visible and invisible disabilities as we adapt, manage and invest in our UK portfolio.

“Only since asking for help with my dyslexia have I come to appreciate how often small changes can have a huge impact on people's working lives. I've learned the same is true for our built environment, and it doesn't take much to make places better for everyone.”

Jasmine Tredget

Development Manager and Co-lead of the (Dis)Ability Network
Grosvenor Property UK





Our objectives

Make a positive impact within communities

To actively enhance the wellbeing of our customers and communities

Volunteering Hours

1,468

Grosvenor-wide

This year, we doubled the amount of volunteering hours dedicated to our local communities and charitable partnerships. Activities ranged from clearing underused, overgrown green spaces to enable communities to access nature, to volunteering in our Neighbourhood Kitchen which provides safe cooking facilities for communities in Hong Kong who live in small, cramped flats without kitchens.

Advancing Equity, Diversity, and Inclusion in North America through education, housing and supply chain initiatives

Urban Property

Our housing goals focused on support for the creation and retention of both market and non-market homes at below market rents to serve residents earning 30%-50% of area median income. This was demonstrated at Waterfront Station II, a project in our Structured Development Finance Programme set to deliver 136 affordable homes – more than twice the regional average of units designated for affordability.

Within education, we support school outreach events, internships, scholarships and apprenticeship programmes such as Project Destined in Washington, D.C., where we are helping provide high school students from underserved communities with 40+ hours of project-based training to build their finance and investment skills.

We are also developing Environmental, Social and Governance Supply Chain Principles and authoring a charter that will consider the environment, community support and ethical business practices.





Our objectives

Make a positive impact within communities

Transforming district life and culture in Hong Kong

Urban Property

In response to the desire for more cultural amenities in Kennedy Town, Hong Kong, our retail podium – 2 Catchick Street – enabled the opening of the Golden Scene Cinema, which supports local productions.

Despite continued Covid-related operational restrictions, the cinema has firmly established itself as an important cultural destination that contributes to neighbourhood vibrancy and improvement. We also collaborated with the cinema operator to provide free screenings for disadvantaged children.



Empowering communities in the climate emergency

Urban Property

Greener Futures is Grosvenor Property UK's new Community Investment Programme, focused on communities and the climate emergency.

Communities have a critical role to play in helping tackle the climate emergency, but they're often over-looked as part of the response. Tackling climate change can also benefit communities, making a difference to wellbeing, creating jobs and improving places for the long term.

Launched in 2021, Greener Futures is a new £1m+ investment programme focused on empowering this response in places where our UK urban property business is active.

Through a mix of grant giving, fundraising and staff support, the four-year programme aims to:

- Enable community-led climate action through activities including air quality, recycling or biodiversity initiatives
- Improve disadvantaged young people's access to nature; and
- Support training and jobs in the green economy by working with our charity partner, Groundwork, creating opportunities in areas like conservation, energy and horticulture.





Our objectives

Make a positive impact within communities

Supporting local communities across the US by advancing our investments in high-quality healthcare

Urban Property

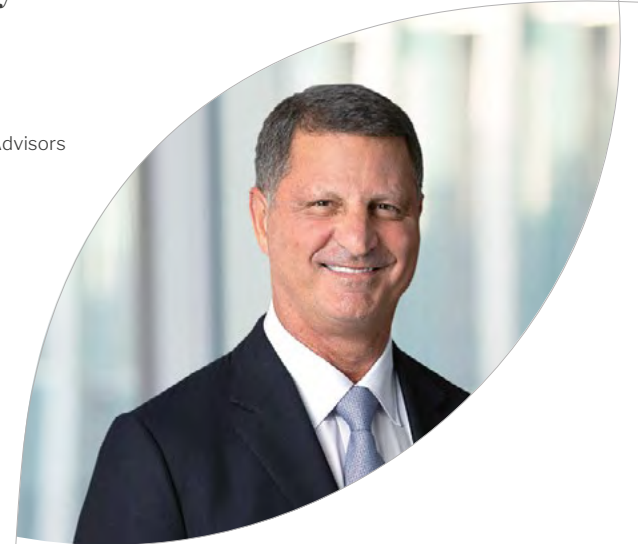
Our joint venture with the MedProperties Fund III, a dedicated US healthcare real estate fund managed by Dallas-based MedProperties Realty Advisors, facilitated the creation of a new, highly specialised, 42-bed inpatient rehabilitation facility in Fargo, North Dakota.

The medical centre is the only provider within a 180-mile radius to serve the local community with specialist rehabilitation care, including treating stroke patients and those with severe brain and spinal cord injuries.



“After six months of opening, the facility reached full capacity, demonstrating the need for investment in inpatient and outpatient rehabilitation services in the local community.”

Darryl Freling
Managing Principal
MedProperties Realty Advisors





Our objectives

Make a positive impact within communities

Grosvenor Square plans submitted

Urban Property

In 2021, we submitted proposals for the transformation of Grosvenor Square into an extraordinary urban garden with ground-breaking environmental credentials.

Our aim is to create an exceptional green space in the centre of London, supporting the West End's revival and Mayfair's residents, workers and visitors.

A shaded garden surrounding the perimeter will bring rich biodiverse planting and new habitats for wildlife. This will frame a central open garden celebrating the square's original 1720s oval shape and new water features capturing and storing rainwater for reuse.

To ensure the designs met the priorities of local people and users of the square, they were informed by an extensive multi-year public consultation conducted online and in person. After gathering thousands of responses, the final phase of the programme concluded with 88% of participants supporting the detailed designs.



“Our young voices have been heard and taken into account, but this isn't just about whether we as young people are happy in Grosvenor Square, it is for everyone to be happy in it. It will be a place to grow old in or grow up in, a place for everybody.”

Ava Doherty
Member
Mayfair Youth Forum



CGI



Expanding our student accommodation portfolio in Brazil

Urban Property

Our Brazilian student accommodation joint venture with VBI Real Estate saw two new student housing buildings opened in Santos and Jardins, Brazil, while two more sites went under development. Our investment programme is now committed to eight sites in total which, when complete, will deliver over 2,200 student beds.

Our strategy is to acquire underutilised buildings close to university campuses in Brazil and retrofit them into high-quality specialist accommodation, enabling students to live with their peers and maximise their university experience. While occupancy rates of our existing properties have been lower than expected due to Covid-19, universities have slowly reopened to in-person teaching, meaning our three established sites are now on target to reach pre-pandemic occupancy.



Our objectives

Support long-term charitable causes

We support the Westminster Foundation, which represents the charitable activities of The Duke of Westminster and Grosvenor businesses. Its focus is to provide long-term sustainable help and inspiration to children and young people early in life through opportunities to thrive, build confidence and raise aspirations.



Our objectives

Support long-term charitable causes

Creating an accessible social network

Westminster Foundation

As the pandemic developed, Blacon Council in Chester quickly identified the need for an accessible social support network for families, who had become socially isolated or were struggling due to the closure of pre-school groups and support groups under lockdown restrictions.

The Council teamed up with Friends of the Countess of Chester Country Park (FCCCP) and their Forest Fun programme to offer parents and their children opportunities to get together and regain or develop friendships through outdoor sessions. Thanks to a grant from the Westminster Foundation, FCCCP were able to engage the services of a Senior Project Officer to run much-needed activities for parents and pre-school children in the Park.

The ability to draw on a support network while accessing outdoor space was essential for the wellbeing of the parents and children growing up in the urban Blacon environment during the pandemic.

Due to the success of Forest Fun, FCCCP will deliver another programme in 2022.



“I graduated from the Hammer Heads Program in June 2021. Since then, I registered with a union and secured employment as a first-year apprentice plumber. I would never have had this opportunity without the generous support of Grosvenor and the Westminster Foundation.”

Harley Horndl
Graduate
Hammer Heads Program



Helping under-resourced youth to pursue a construction career in Toronto

Urban Property

In 2021, we donated C\$60,000 to BOLT's Hammer Heads Program through the Westminster Foundation which supported the training of six under-resourced young people in construction from low-income communities in Toronto who all graduated from the programme, registered with a union and secured work as a first-year apprentice. As they move through their apprenticeship, their wages will continue to increase every year through the five-year apprenticeship towards their journeyman certification, when they will be recognised as a qualified and skilled person in a trade and be entitled to the wages and benefits associated with that trade.



Our objectives

Support long-term charitable causes



Enabling young people across Asia to thrive

Urban Property

By supporting local non-profit organisations across Asia, we provided opportunities for young people, enabling them to live fulfilling lives and minimise negative life changing events.

In Hong Kong, we continued our collaboration with Caritas in The Neighbourhood Kitchen in Kennedy Town, contributing to the creation

of a rooftop farm at the community centre with the Hong Kong University Rooftop Farming Team and sponsoring parent-child farming. We increased our donation to Teach for Hong Kong to benefit up to 600 underprivileged students. We donated to the Sunbeam Children's Foundation in Baiwan, Guangdong Province in China. In Tokyo, we funded the Mirai no Mori Leader in Training Program for the fifth year in a row, and funded Katariba's 'My Project' for the second year in a row to provide learning opportunities for high school students with opportunity gaps.

Preparing young people for work

Westminster Foundation

The Westminster Foundation is working with Young Enterprise to support a series of transformational learning programmes that prepare young people for the world of work, beyond a traditional academic education.

Almost half (49%) of those aged 17-23 years believe their education has not prepared them for work (CBI, 2018). Moreover, the Money and Pensions Service (2020) argues that there has been a statistically significant decrease in the proportion of children receiving vital elements of financial education since 2016.

The Foundation-funded Young Enterprise programmes help young people in Cheshire West and Chester, rural areas of Lancashire and Westminster to develop their employability competencies, including financial capability, resilience, adaptability and teamwork and general work readiness.

The five-year funding partnership with the Foundation will also enable the professional development of a critical mass of teachers, senior leaders, and support staff to embed enterprise and financial education into the school curriculum, benefiting all future cohorts of young people.



“The Westminster Foundation’s investment is enabling us to engage young people in vital skills development opportunities, supporting them to unlock their great potential, and ultimately contribute to the long-term economic recovery of our communities.”

Sharon Davies
CEO
Young Enterprise





Our objectives

Support long-term charitable causes

Providing education and employment support for young Londoners

Westminster Foundation

The Westminster Foundation has teamed up with Street League to create an innovative Hub for Excellence providing young Londoners with education and employment support.

With 28% of children living in poverty, lower than average level of GCSE attainment and high pay inequality, many young people in Westminster face significant and disproportionate barriers to sustainable employment, including leaving school without qualifications, having learning difficulties, or criminal backgrounds.

The Hub will combine Street League's successful sports and employment programme with a new qualifications programme, giving local young people a second chance to achieve their Maths and English qualifications in an inclusive and engaging environment.

Supported by a grant from the Westminster Foundation worth more than £400,000 over five years, the Hub will support 300 young Londoners, providing tutorials and employability sessions, and daily sports sessions to develop participants' broader skills and confidence.

These qualifications will help young people pursue further education or apprenticeships, and in turn, increase their earning potential and financial security.



Thinking well, feeling well

Westminster Foundation

One in six 5-16-year-olds experienced a mental health problem in 2021, equating to five children in every classroom. In rural areas, access to clinical services and community support is limited, leading to families and young people feeling isolated. Covid-19 has only exacerbated the problem of accessing support.

Funding from the Westminster Foundation has enabled Healthbox in Cheshire to create an easy-access, mental health service for young people. The Thinking Well, Feeling Well project provides a joined-up provision to local schools in rural villages in Cheshire West.

Working alongside GPs, the programme is bespoke to each school's needs and includes counselling, talking therapies, play therapy and a range of physical and emotional wellbeing activities for children and parents, delivered by qualified health professionals.

Thanks to our support, Healthbox will also implement Youth Mental Health First Aid training to sixth formers to enable a peer support-led positive mental wellbeing culture and upskill young mentors with transferable skills to support their employment prospects.

Re-engaging with education through equine therapy

Westminster Foundation

Covid-19 made a return to education post lockdown particularly difficult for young people who were experiencing educational challenges or have a Learning Disability, Statement of Special Educational Needs or Educational Health Care Plan.

Strength and Learning Through Horses (SLTH) offers life-changing mental health and education services, using horses and the outdoors to engage hard-to-reach young people

in building relationships and life skills and successfully re-engaging with education.

Thanks to support from the Anne Duchess of Westminster's Fund, part of the Westminster Foundation, SLTH were able to offer equine therapy to a group of girls who had not attended mainstream education for over two years. Without the Fund's support, they would not have been able to reach this group. It provides yet another example of how equine therapy can be used as an effective alternative to those who find it difficult to engage with a therapist in a conventional way.





Our objectives

Support long-term charitable causes



Founding a Youth Employment Group

Westminster Foundation

The number of young people over 16 out of work and not in education remains above 750,000 annually in the UK. This worrying trend worsened during the pandemic, which hit young people first and hardest in the labour market.

This employment gap has an enduring negative effect on young lives, imposing higher costs on them, society and our economy.

Five leading charities – Impetus, Institute for Employment Studies, Prince's Trust, Youth Employment UK and Youth Futures Foundation, later joined by the Learning and Work Institute – formed the Youth Employment Group to campaign relentlessly to ensure young people do not suffer the scarring effects witnessed after previous recessions.

With support from the Westminster Foundation to grow their core activities, Impetus brought together over 200 organisations in subgroups to address the barriers faced by young people furthest from the labour market. These subgroups are informing national policy positions and commissioning new research to deepen understanding of young people's persistent employment barriers. Their recommendations feature strongly in the influential report of the House of Lords Youth Unemployment Committee.



Providing a family in need with affordable housing while investing in training young people

Urban Property

We donated C\$50,000 to Raising the Roof's Reside project in Toronto to renovate a house and provide affordable housing for a refugee family in need. The project, built with high-performance building practices, ensured excellent insulation, efficient heat recovery, healthy indoor air quality and low or carbon negative materials. It also offered paid on the job training for 38 young people with barriers to employment.

As they were learning trades skills, the trainees received wraparound support such as mental health resources, employment counselling and financial help with rent and groceries. 29 of the people who worked on the property are now registered apprentices or are working full time in the trades.



Boards and Committees

Grosvenor’s activities are overseen by three principal boards and committees

Grosvenor Trustees

Chaired by the Duke of Westminster, the Grosvenor Trustees are responsible for the organisation’s long-term stewardship. Preserving and enhancing its value and reputation, the Trustees are responsible for Grosvenor’s commercial and Family Office & Rural Estates activities, including matters relating to purpose, values, long-term strategy and, ultimately, success. They act as legal owners of a series of UK resident trusts, the beneficiaries of which are both current and future members of the Grosvenor family.

Group Investment Committee

The Group Investment Committee oversees the organisation’s commercial activities and is responsible for capital allocation, strategy and performance.

Group Executive Committee

The Group Executive Committee works to facilitate understanding and support for Grosvenor’s purpose, fostering collaboration and knowledge sharing, developing talent and succession planning, promoting innovation and operational efficiency.

Grosvenor Trustees

- Duke of Westminster**
Chair of the Trustees
- Mark Preston**
Executive Trustee & Chief Executive, Grosvenor
- Michael McLintock**
Trustee, Grosvenor
Chair, Group Investment Committee
- William Kendall**
Trustee, Grosvenor
- Dame Fiona Reynolds DBE**
Trustee, Grosvenor
- Alex Scott**
Trustee, Grosvenor

Group Investment Committee

- Michael McLintock**
Chair, Group Investment Committee
Trustee, Grosvenor
- Duke of Westminster**
Chair of the Trustees
- Mark Preston**
Executive Trustee & Chief Executive, Grosvenor
- Jonathon Bond**
Chief Investment Officer, Grosvenor
- Robert Davis**
Chief Financial Officer, Grosvenor
- William Kendall**
Trustee, Grosvenor
- Dame Fiona Reynolds DBE**
Trustee, Grosvenor
- Alex Scott**
Trustee, Grosvenor
- Chris Pratt**
Independent Adviser
- Sir Philip Dilley**
Independent Adviser


Group Executive Committee

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Chair, Group Executive Committee
Executive Trustee & Chief Executive, Grosvenor
- Jonathon Bond**
Chief Investment Officer, Grosvenor
- Robert Davis**
Chief Financial Officer, Grosvenor
- Benjamin Cha**
Chief Executive, Grosvenor Property Asia
- Nicholas Dobbs**
Head of Family Office & Rural Estates
- Anthony James**
Managing Partner, Grosvenor Food & AgTech
- Sara Lucas**
Chief Executive, Grosvenor Property Europe
- Ian Mair**
Group Services Director, Grosvenor
- Steve O’Connell**
Chief Executive, Grosvenor Property Americas
- James Raynor**
Chief Executive, Grosvenor Property UK
- Chris Taite**
Chief Executive, Grosvenor Diversified
Property Investments



Boards and Committees

Significant responsibilities are devolved to boards/teams across our operating businesses/entities.

 Find out more about the people on our Boards and Committees at grosvenor.com/ourpeople

Grosvenor Property Americas Board

- Sarah Morgan-Silvester**
Non-Executive Chair
- Steve O’Connell**
Chief Executive, Grosvenor Property Americas
- Colin Shepherd**
Non-Executive Director
- Ellen Hall**
Non-Executive Director
- Jonathon Bond**
Chief Investment Officer, Grosvenor
- Robert Davis**
Chief Financial Officer, Grosvenor
- Graham Drexel**
Executive Vice President & Chief Financial Officer, Grosvenor Property Americas
- James Patillo**
Executive Vice President & Chief Development Officer, Grosvenor Property Americas

Grosvenor Property Asia Board

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Non-Executive Chairman
- Benjamin Cha**
Chief Executive, Grosvenor Property Asia
- Cordelia Chung**
Non-Executive Director
- Yoshikazu Kato**
Non-Executive Director
- Jonathon Bond**
Chief Investment Officer, Grosvenor
- Robert Davis**
Chief Financial Officer, Grosvenor
- Kozo Hiratani**
President, Japan, Grosvenor Property Asia
- Tim Jowett**
Managing Director, Head of Greater China, Grosvenor Property Asia
- Lawrence Tsang**
Chief Financial Officer, Grosvenor Property Asia

Grosvenor Property Europe Board

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Non-Executive Chairman
- Sara Lucas**
Chief Executive, Grosvenor Property Europe
- Patricia Abril**
Non-Executive Director
- Olivier Piani**
Non-Executive Director
- Jonathon Bond**
Chief Investment Officer, Grosvenor
- Robert Davis**
Chief Financial Officer, Grosvenor
- Sebastien Hyst**
Chief Financial Officer, Grosvenor Property Europe

Grosvenor Property UK Board

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Non-Executive Chair
- James Raynor**
Chief Executive, Grosvenor Property UK
- Dawn Airey**
Non-Executive Director
- Alistair Elliott**
Non-Executive Director
- Sir Stephen Lovegrove KCB**
Non-Executive Director
- Jonathon Bond**
Chief Investment Officer, Grosvenor
- Robert Davis**
Chief Financial Officer, Grosvenor
- Roger Blundell**
Executive Director of Finance, Grosvenor Property UK

Grosvenor Diversified Property Investments Board

- Jonathon Bond**
Chairman, Grosvenor Diversified Property Investments
Chief Investment Officer, Grosvenor
- Chris Taite**
Chief Executive, Grosvenor Diversified Property Investments
- Mark Preston**
Executive Trustee & Chief Executive, Grosvenor
- Robert Davis**
Chief Financial Officer, Grosvenor
- Tim Budden**
Chief Financial Officer, Grosvenor Diversified Property Investments
- Andy Yates**
Chief Investment Officer, Grosvenor Diversified Property Investments

Grosvenor Food & AgTech Board

- Alex Scott**
Chairman, Grosvenor Food & AgTech Trustee, Grosvenor
- Anthony James**
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Non-Executive Director
- Kevin Lane**
Non-Executive Director
- William Kendall**
Trustee, Grosvenor
- Mark Preston**
Executive Trustee & Chief Executive, Grosvenor



A brief history of Grosvenor

A long history, a proud heritage and an exciting future





Glossary

Assets under management

The total investment in property assets managed by the Group, including the future costs of committed developments.

Building Research Establishment Environmental Assessment Method (BREEAM)

A method of assessing, rating and certifying the sustainability of buildings. Originated in the UK, but used in over 70 countries.

Capitalisation rate

The rate of return on a real estate investment property based on the income that the property is expected to generate. It is calculated by dividing the net operating income by the property asset value.

CGI

Computer-generated image.

Co-investment

Where Grosvenor invests equity in joint ventures or fund vehicles alongside third parties.

Development exposure

Indicates the level of committed development activity, expressed as a proportion of total property commitments.

Development pipeline

The development programme, including proposed projects that are not yet committed but are likely to proceed.

Development property

A property that is being developed for future use as an investment property.

EBIDTA

A measure of financial operating performance, presenting earnings before interest, taxes, depreciation and amortisation.

Financial capacity

Wholly-owned unrestricted cash and undrawn committed facilities.

Gearing

Total short- and long-term borrowings, including bank overdrafts, less cash and cash deposits, as a percentage of Shareholders’ funds.

Grazier

A person who raises cattle or sheep for market.

Group

Grosvenor Group Limited and its subsidiary undertakings.

Indirect investment

Grosvenor capital invested with third-party specialists who are responsible for the day-to-day management and business plan delivery of the opportunity.

Investment property

A property that is held for the purpose of earning rental income or for capital appreciation or both.

Joint venture

An entity in which Grosvenor invests and which it controls jointly with other investors.

Leadership in Energy Environmental Design (LEED)

A rating system devised by the US Green Building Council to evaluate the environmental performance of a building. Can be used worldwide.

Like-for-like

A portfolio of assets that has been in our management control for two years or more.

London estate

Grosvenor’s portfolio of properties in the Mayfair and Belgravia areas of London’s West End.

Net zero carbon

Grosvenor’s international property company has adopted the World Green Building Council’s definition of net zero, which means that we have committed to own and manage buildings which have zero operational carbon in use.

Occupancy rate

The average occupancy by floor area for the relevant year.

Operating Companies (OpCos)

Grosvenor’s regional investment and development businesses.

Property assets

Investments in property and property-related instruments: comprises investment properties, development properties, trading properties, mezzanine loans and equity investments in property companies.

Proportional

The total of the Group’s wholly-owned and its share of jointly-owned property assets or net debt as accounted for on an IFRS basis.

Revenue profit

Profit before tax, excluding profits on the sale of investment properties, gains or losses on other non-current investments, revaluation movements, major refurbishment costs and derivative fair value adjustments.

SBTi

The Science Based Targets initiative drives ambitious climate action in the private sector by enabling organisations to set science-based emissions reduction targets.

SBTi FLAG

The SBTi Forest, Land and Agriculture project is focused on the development of methods and guidance to enable companies within the food, agriculture, and forest sectors to set science-based targets that include land-related emissions and removals.

Scope 1 emissions

All direct emissions from owned or controlled sources.

Scope 2 emissions

All indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company.

Scope 3 emissions

All other indirect emissions that occur in a company's value chain.

Shareholders’ funds

The balance sheet value of the Shareholders’ interest in the Group.

Speculative exposure

Projected gross rental income on committed development projects that have not been pre-sold or pre-let; expressed as a percentage of total current gross rental income.

Structured development finance

Lending to property developers that is subordinated to senior lending in return for a profit share in the completed development.

Total return

Revenue profit before financial expenses but after major refurbishments, plus the net gain on revaluation and sale of investment properties and other investments and including fair value adjustments and exchange movements recognised in reserves, as a percentage of average property assets (before current year revaluations) and cash. Joint ventures and associates are treated proportionally for the purposes of this calculation.

Trading property

Property held as a current asset in the balance sheet that is being developed with a view to subsequent resale.

Value-add

Above-market increase in value as a result of active management (e.g. change of use or refurbishment).

Westminster Foundation

An independent organisation representing the charitable activity of The Duke of Westminster and Grosvenor businesses that provides long-term sustainable help and direction to children and young people early in life (aged 0-25).



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