



Grosvenor Gender and Ethnicity Pay Gap Report 2022

This report provides an analysis of Grosvenor's gender and ethnicity pay relating to UK based employees.



Foreword

Grosvenor's purpose is to deliver lasting commercial, social and environmental benefit. Our international activities are ambitious and wide ranging, spanning urban property, food and agtech, rural estate management and support for philanthropic initiatives. So attracting and retaining a high-performing, motivated team with a diverse range of skills and perspectives is fundamental to our long-term success.

We believe in creating a healthy, productive and inclusive culture where every individual is able to fulfil their potential and be everything they are. And over time, we also aim to have a workforce which is more representative of the national population. To hold ourselves to account, we choose to go beyond our statutory gender pay reporting obligations and also publish our ethnicity pay gap.

Throughout 2022, we have continued to take action to build a balanced and inclusive culture across our teams. This activity is focused on themes such as education, career development, flexible working and supporting families.

While there is clearly a lot more to do across our organisation, we are making significant progress across several areas. This is most noticeable in our UK Property business where the pay gap has been significantly reduced thanks to what is now a near even split of employees by gender, and an executive team where seven out of eight members are female. A really positive shift in a property sector which, whilst changing, has traditionally attracted fewer women.

We are living through a time of enormous social change, and I believe it incumbent on business to lead and help drive action that will positively impact people's lives, both within and outside the workplace.

Looking forward, we are focused on the actions we need to take to offer rewarding and varied career opportunities, support a progressive and motivating workplace, and better reflect the communities we serve.

This report reviews our gender and ethnicity pay gaps as of April 2022 and outlines our approach to achieving pay parity over time.

Mark Preston
Executive Trustee & CEO, Grosvenor

What is a pay gap?

A gender pay gap shows the difference in the average pay between all men and women in a workforce.

We ask employees to identify their gender and see this as a non-binary choice. Employees who identify as a gender other than male or female are not included in the results, however, we review and compare their pay to ensure parity.

The mean pay gap shows the difference in the average hourly rate of pay between men and women. This is calculated by adding up all the base salaries (hourly rate) of all men and all women separately and dividing them by the number of men and women respectively, to get an average for each group.

To calculate the median pay gap, all male employees and separately all female employees, are listed in order of pay. The median compares the pay of the man or woman in the middle of their respective lists.

We recognise that there are people of various backgrounds in our communities who are underrepresented and for simplicity of reporting our ethnicity pay gap, we have chosen to use the term 'ethnically diverse' to represent employees of non-white backgrounds. An ethnicity pay gap shows the difference in the average pay between white employees and those from ethnically diverse backgrounds.

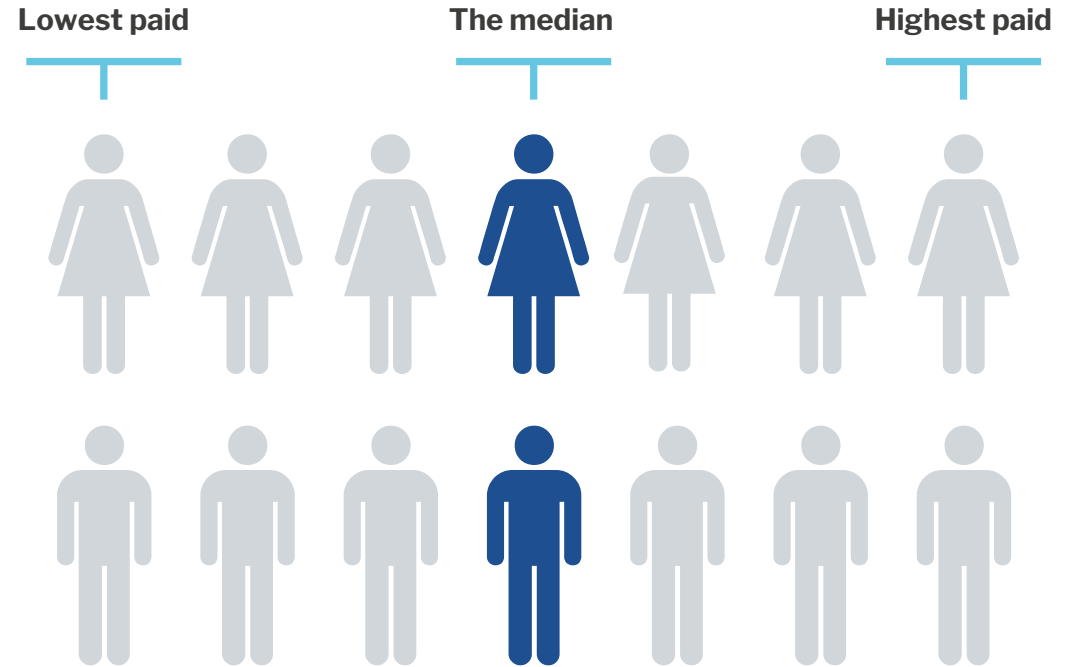
We have followed the statutory gender pay reporting methodology when calculating our ethnicity pay gap. However, unlike gender, employee ethnicity data is not compulsory, and the disclosure rate is not 100%. This means that any employees with undisclosed ethnicities are excluded from our calculations. In 2022, our disclosure rate was 88% in Grosvenor Estate Management Limited (GEML) which includes three of Grosvenor's UK Operating Companies and 62.5% across Grosvenor in the UK.

A gender and an ethnicity pay gap differs from an equality pay gap. In the UK, it has been a legal requirement for companies to pay men and women, and people of different backgrounds, equally for doing work of equal value since 1970.

Employees across Grosvenor are paid fairly and equally for doing the same job. We know this because we annually benchmark the base pay of all our roles, both externally and internally.

What this report covers

To meet statutory requirements this report discloses our gender pay for all Grosvenor entities employing more than 250 employees in the UK. This includes three operating companies and is referred to as GEML. For completeness, we have also reflected all UK-based employees.



Our gender pay results

Grosvenor Estate Management Limited (GEML)

The overall gender pay gap of GEML in April 2022 was 35.8% on a mean basis (average) and 28.2% on a median basis (middle), in favour of men.

There are two main factors affecting this gender pay gap: the first is that we have more women than men in the lower quartile of earnings. The second is that we have more men than women in the upper quartile. Our upper quartile has a large pay gap because the very highest earners in this quartile – our Chief Executives and Executives in the UK – are mostly men.

In 2022 compared with 2021, our mean pay gap has decreased by 3.7% and our median pay gap has decreased by 7.4%.

While the overall picture remains broadly similar, we are making significant progress in some areas of our organisation. This is most noticeable in our UK Property business where the pay gap has significantly reduced. This operating company now includes a near even split of employees by gender, and an executive team where six out of seven members are now female.

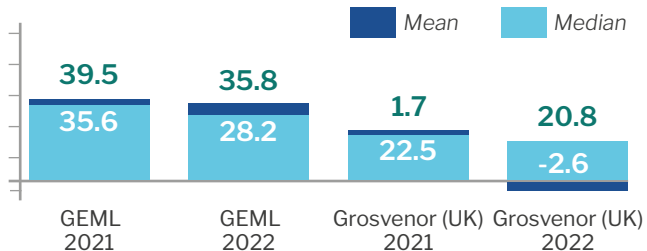
Across Grosvenor (UK only)

The overall gender pay gap of all UK-based Grosvenor employing entities in April 2022 was 20.8% on a mean basis, in favour of men. The median basis in April 2022 was -2.6% in favour of women.

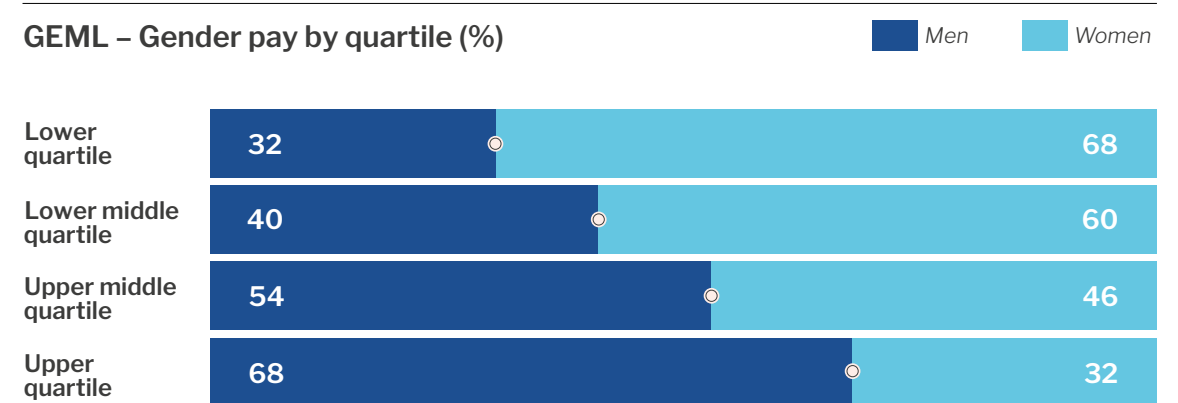
Compared to April 2021 our mean pay has decreased by 1.7% and our median pay gap has decreased by 4.3%.

The main factor affecting our mean gender pay gap across Grosvenor is that we have more men than women in the upper quartile of earnings. The median is lower than reported for GEML, as there are also more men working in the lower quartile across the wider business.

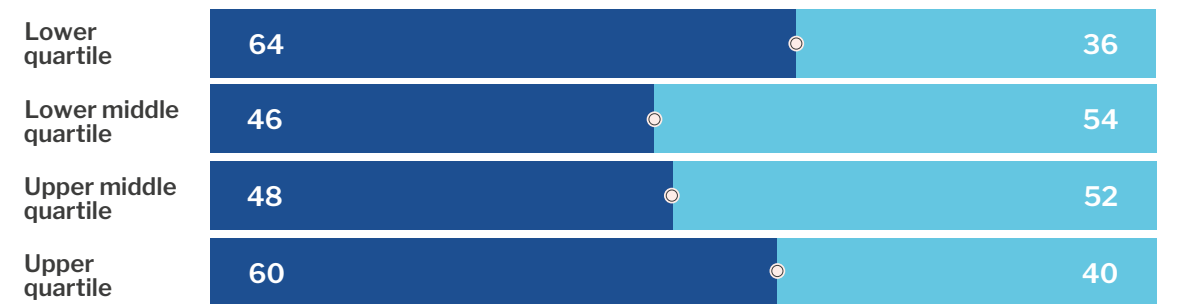
Mean & median pay (%)



GEML – Gender pay by quartile (%)



Grosvenor (UK) – Gender pay by quartile (%)



* GEML (includes three of our UK Operating Companies) and Grosvenor UK (includes all eligible Operating Companies in the UK).

Our gender bonus pay results

Grosvenor Estate Management Limited (GEML)

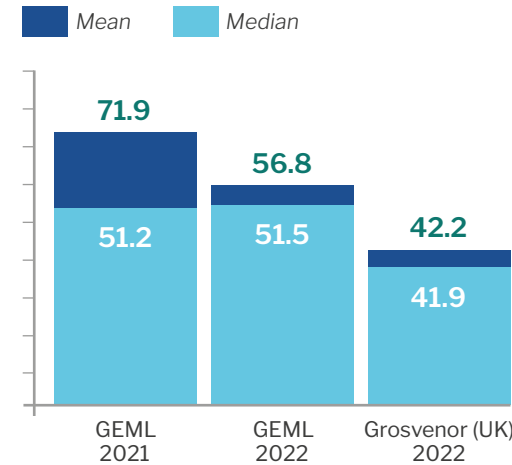
Our bonus pay gap is 51.5% as a mean and 56.8% as a median in favour of men. This is because the highest bonuses are paid to our executives and most senior directors, who currently are predominantly men. Also, the calculation does not allow for prorating of bonuses for part time workers.

Our bonus pay gap has decreased by 20.4% as a mean and 5.6% as a median. This significant decrease is due to the fact that some parts of the business with a greater number of women in senior roles did not pay a bonus for 2021 but have paid a bonus for 2022.

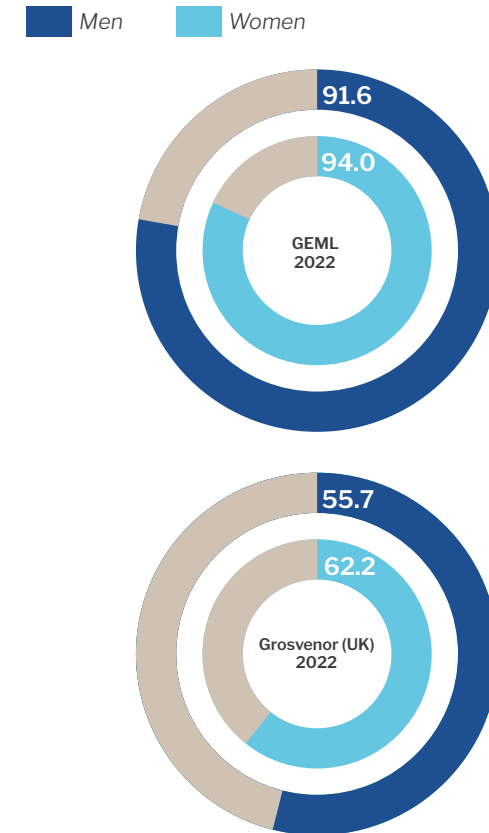
Across Grosvenor (UK only)

Grosvenor's bonus pay gap is 42.2% as a mean and 41.9% as a median in favour of men. This pay gap mirrors the GEML data, because the most senior positions, who are mostly held by men, sit within the GEML entity.

Mean & median bonus pay (%)



Number of people receiving a bonus (%)

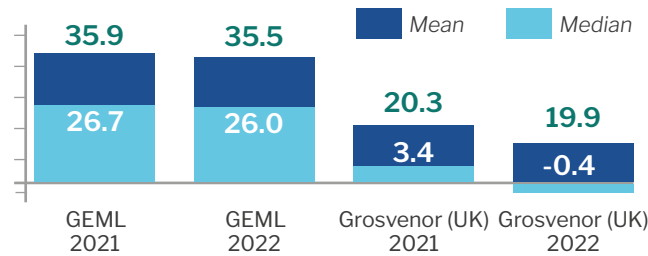


Our ethnicity pay results

Grosvenor Estate Management Limited (GEML)

The ethnicity pay gap for GEML in April 2022 was 35.5% on a mean basis and 26% on a median basis, in favour of white employees. The main factor affecting our ethnicity pay gap is that the most senior positions are held by white employees.

Mean & median pay – in favour of white employees (%)

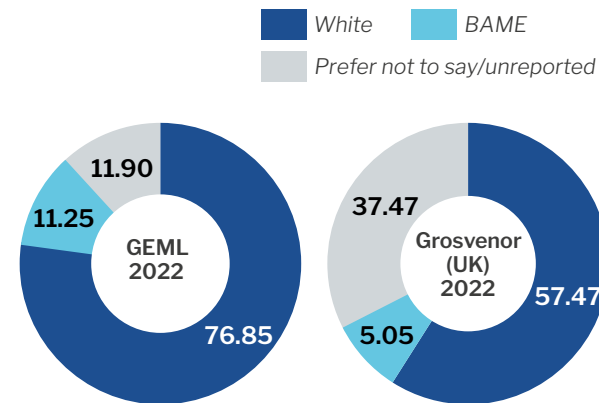


Across Grosvenor (UK only)

The ethnicity pay gap for Grosvenor in April 2022 was 19.9% on a mean basis in favour of white employees and -0.4% on a median basis in favour of BAME employees. The main factor affecting our ethnicity pay gap is that there are more white employees in both the upper and lowest quartiles.

We did not have sufficient data to report an ethnicity bonus pay gap.

Percentage reporting ethnicity data (%)



GEML – Ethnicity pay by quartile (%)



Grosvenor (UK) – Ethnicity pay by quartile (%)



Improving balance across all pay levels

We believe that the best way to improve gender and ethnicity pay parity at Grosvenor is as part of our wider diversity and inclusion strategy.

Our strategy focuses on creating an equal playing field so that gender, ethnicity, religion, social background, disability, or sexual orientation present no barrier to being appointed, or to progressing a career, within Grosvenor.

Target setting is not a part of Grosvenor's strategy, as we do not believe in using positive discrimination as a substitute for fixing underlying causes of imbalance. We will always recruit the best talent for the job, regardless of gender or background. However, we do aim to be as representative of the communities we operate in as possible. With a UK context we use [UK ethnicity statistics](#) to benchmark ourselves.

This is an issue we are wholeheartedly committed to and one that remains high on our agenda as part of our programme to improve all areas of diversity. To achieve this, we must continue to expand the pool of talent from which we recruit for roles, ensuring people from different backgrounds have equal opportunities.

Our new recruitment platform, implemented in 2020, has enabled us to reach more diverse candidates than ever before, and we remain focussed on supporting new recruits, and employees at all stages of their careers, so that we can attract and retain top talent.





Diversity and inclusion in action

Each of the businesses and significant non-commercial entities within Grosvenor has a dedicated diversity and inclusion plan of which gender and ethnicity equality forms a key part.

These strategies are focused on themes such as education, creating opportunities, flexible working and supporting families.

Education

- Employee led culture networks including Pride, Disability, Race Equality and Understanding Faith, developed to raise awareness and encourage practical change
- Inclusive awareness training for all
- Hosting events that aim to change the way our towns and cities are designed and shaped, ensuring our places are reflective of their diverse communities

Supporting families

- A Menopause Policy to support and retain female employees during this transitional time
- Maternity coaching to help make the transition back to work as easy and successful as possible
- Growing use of shared parental leave

Creating opportunities

- Reverse mentoring to help our leaders understand the obstacles that junior or minority employees perceive
- Increasing the number of recruitment partners to access different pools of talent
- Offering new apprenticeship and internships to a wider pool of candidates than before
- Participation in industry networks such as Women Ahead, which aim to increase female representation on boards and senior management teams
- Signed up to the Race at Work Charter
- Signed up to Menopause Workplace Pledge

Flexible working

- A Hybrid Working Policy, which helps employees balance work and family life

Appendix 1

Reporting change

Following independent guidance, we have recalculated our Ordinary Pay Gap data shared in 2021. This is to include our Short-Term Incentive Plan (STIP), which is paid in April, in our Ordinary Pay Gap calculations. The inclusion of the STIP within the calculations has had the following influence on our data from 2021. We will continue to include our STIP, and any bonus payments made within the month of April, in our Ordinary Pay calculations for future reporting.

Mean & median bonus pay (%)

