

Modern Slavery and Human Trafficking Statement **Financial Year 2018 (January – December 2018)**

Our purpose at Grosvenor Group (the “Group”) is to improve properties and places to deliver lasting commercial and social benefit. In fulfilling this purpose we commit to responsible business practices including full and active support for the aims of the UK Modern Slavery Act 2015.

Slavery, human trafficking and child labour and any other form of human rights abuse have no place in our business and we recognise the important part we can play in helping to ensure that our properties, places and supply chains are free from such abuse. We continue to believe that by creating a culture of awareness within our own organisation and by actively requiring and supporting transparency and preventative measures through our business relationships, we can help prevent such abuses.

In publishing this annual statement, we, as Grosvenor Group Limited, are pleased to outline the structure of the Group and its supply chains and explain the steps that the Group has taken during financial year 2018 to prevent slavery and human trafficking in our business and supply chains. This statement is aligned with the Ethical Trading Initiative’s [Modern Slavery Statements Evaluation Framework](#).

Section 1: Business, Structure, Personnel and Supply Chains

Business and Structure

Grosvenor Group is one of the world’s largest privately-owned property businesses. We develop, manage and invest in property in more than 60 cities around the world. This activity is initiated independently or jointly with third party partners. The Group consists of four regional Operating Companies and an Indirect Investment business:

Operating Companies

Grosvenor Britain & Ireland, Grosvenor Americas, Grosvenor Asia Pacific and Grosvenor Europe develop, manage and invest in property assets predominantly in the retail, residential and office sectors. They operate within a devolved model, each being responsible for its own property strategies, which enables the Group to diversify by geography, sector, activity, currency and management team.

Indirect Investment

Our Indirect Investment business further diversifies the Group’s property interests by backing specialist third-party management teams. It invests Grosvenor’s capital in Africa, Australia, Europe and North and South America.

There have not been any significant changes in structure since our statement for Financial Year 2017 (issued in June 2018). For more information about us, our business and our structure, please visit www.grosvenor.com.

Employees

As at 31 December 2018, the Group employed 565 people. The majority of these people were located in the United Kingdom, primarily at 70 Grosvenor Street, London. The remaining people worked from offices in Canada, China, France, Hong Kong, Japan, Luxembourg, Spain, Sweden and the United States of America.

These employees consisted of directors, property professionals (investment, asset and property, development, construction and project management) and finance, treasury, tax, legal, company secretarial, information technology, human resources, strategy and research, marketing and communications, personal assistant and office management professionals.

As suggested by the Ethical Trading Initiative's Framework, we also note that there are no worker representative organisations applicable to Grosvenor's employees due to the size, constitution and/or choice of its workforce.

Supply Chains

In 2018, we continued to source a wide range of contractors and materials to support our global real estate businesses.

These contractors and material suppliers generally fell within the following areas: Agents, Valuers, Repairs and Maintenance, Facilities, Cleaning, Security, Architects, Construction, General Contractors, Designers, Electrical, Engineers, Decorators, Landscape / Garden, Environmental, Health and Safety, Marketing, Travel, Events, Research, Auditors, Lawyers, Accountants, Advisors and Consultants, IT Hardware, Software & Services, Recruitment, Training and Other HR Related, Subscriptions, Professional Associations & Publications, Office Consumables, Utilities, Local Authorities, Banks and Insurance. We also occasionally employed temporary staff from a small number of trusted recruitment agencies.

In terms of our visibility of our supply chain, we maintain records of our direct contractors and material suppliers ('tier 1'). Below this, we also know the identity of the significant sub-contractors used by our Repairs and Maintenance, Facilities and Construction/Development contractors ('tier 2'), as well as significant indirect material suppliers used in our main construction / development projects. Contractors in these areas do not generally subcontract without our written permission. However, like most companies, we recognise that we are less aware of the identity of sub-contractors and indirect material suppliers to the extent they are used outside of these areas.

Section 2: Modern Slavery and Human Trafficking Policies

The Group has a specific Anti-Slavery and Human Trafficking Policy. This sits within a broader framework of policies that support ethical behaviours and cultures within the Group. The policy makes clear that all forms of slavery and human trafficking should be opposed and requires that steps are taken to ensure these do not occur in our businesses and supply chains. It applies to all of the Group's personnel and businesses and was communicated again to employees in 2018 as part of our compliance training programme.

More generally:

- We reiterated our long held commitment to the values of integrity, respect and trust. All personnel are expected to demonstrate behaviours in line with these values.
- Each part of the Group operates its own recruitment and procurement policy / practices appropriate for its business activities. In 2018, these continued to meet or exceed applicable employment laws and standards.
- Grosvenor Britain and Ireland, the UK Operating Company representing 49% of the Group's property assets and 31% of the Group's revenue, developed a Supply Chain Charter for launch in 2019. The Supply Chain Charter includes, amongst other things, commitments and

expectations relating to the prevention of slavery and human trafficking and, more broadly, the conduct of business in an ethical manner.

Section 3: Risk Assessment

Our Anti-Slavery and Human Trafficking Policy requires each part of Grosvenor's business to consider the appropriateness of its due diligence practices to ensure modern slavery and human trafficking does not form part of Grosvenor's businesses and supply chains. This was considered with the relevant heads of finance and legal for each part of the Group.

We continued to consider the risk of modern slavery and human trafficking occurring within the Group's own workforce to be very low / negligible in FY2018 given its size, skills and professional nature. Our personnel are paid above the relevant living wage (or equivalent outside of the UK).

We recognise the higher risk of slavery and human trafficking in real estate industry supply chains involving:

- Development and construction, repairs and maintenance and event contractors due to the potential use within the industry of low paid, migrant labour and agencies.
- Suppliers of materials from countries with high unemployment, weaker labour laws and/or enforcement.

However, we consider that these risks are lower for our activities. This is because at Grosvenor we typically work with contractors and third party partners who have similar ethical values, reputational concerns and regulatory obligations and who use known personnel and subcontractors, and generally does not rely on lowest cost as a procurement criteria.

Section 4: Due Diligence, Prevention and Mitigation

The Anti-Slavery and Human Trafficking Policy requires appropriate due diligence of new suppliers. Group companies have met this requirement in one or more of the following ways:

- Incorporating anti-modern slavery and human trafficking into their existing procurement policies / processes and asking suppliers to confirm their anti-slavery and human trafficking practices for all material value engagements.
- Including contractual obligations designed to mitigate modern slavery in our supply chain within our new supplier, joint venture, tenancy and other significant commercial agreements and discussing these with suppliers during contractual negotiations.

We consider our general human resource processes and background checks to be sufficient to mitigate risk of modern slavery and human trafficking in our own workforce (which was assessed to be very low / negligible due to the nature and size of our professional workforce).

Section 5: Effectiveness and KPIs

Three Key Performance Indicators (KPIs) were used to measure the effectiveness of anti-modern slavery and human trafficking measures in FY2018:

- Our compliance training programme included questions and assessments to test awareness.

- Our personnel are required to report any instance of modern slavery or human trafficking to management directly or through our whistleblowing hotline.
- Our Anti-Slavery and Human Trafficking Policy contains organisation-wide obligations relating to due diligence requirements, contracts and joint venture agreements. Compliance must be certified by the management of each Operating Company and the Indirect Investment business at the end of each financial year.

Section 6: Training and Capacity

A specific modern slavery training module was rolled out to all Group employees as part of a general compliance training programme. Our employees successfully completed this training module in 2018.

Our Group Data Protection and Compliance Officer (“GDPCO”) joined us in October 2018 and advises the Group on its anti-slavery and human trafficking framework, coordinating with property, human resources, finance and legal teams and taking account of evolving market practice and legislative initiatives in relation to modern slavery. Since joining, in 2018 the GDPCO started to review the Group’s modern slavery framework and devise a 3-year plan to advance the breadth, depth and quality of the Group’s anti-slavery and human trafficking efforts.

Mark Preston

Group Chief Executive, Grosvenor Group Limited

For and on behalf of Grosvenor Group Limited and its Group companies*

13 June 2019

* This statement is in accordance with section 54 of the Modern Slavery Act 2015 and covers Grosvenor Group Limited’s financial year ending 31 December 2018. The statement covers Grosvenor Group Limited and its subsidiaries, including those UK companies with a turnover greater than £36m, being:

- Grosvenor Limited
- Grosvenor West End Properties
- Grosvenor Estate Management Limited