

# *People. Planet.* **Positive**

2023 Progress Report  
Grosvenor Property UK





# Welcome

↳ We are delighted to share our progress in delivering our environmental and social sustainability goals, as well as our lessons learnt.

We have a near 350-year history of pioneering new ways of thinking about property and places, and innovating to meet the changing needs of our customers and society.

Being a privately owned business we are also able to think long-term. We are proud to have some of the industry's most stretching environmental targets and an approach to social impact that

focusses on improving real life outcomes for the many different communities in our places – including businesses, residents, workers, as well as our employees and supply chain.

These priorities provide a framework to ensure that every decision we make – about a prospective development or investment, or the day-to-day management of a neighbourhood – considers the environmental and social impact, as well as commercial outcomes.

We call this approach People Planet Positive, and this report shares our progress in delivering it in 2023.

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# Foreword

“We are proud of the rapid progress we have made, but we know there is more to do. To truly safeguard our planet and positively impact people and livelihoods for centuries to come, we are taking accountability and acting now.”

↘ We are facing multiple environmental and social crises. These threaten our planet, people, and our collective prosperity. Playing a part in the global response must be a strategic imperative for any organisation that wants to thrive in the long term. We hope that by sharing our contribution, together with our successes and challenges, we can inspire others to help create a more sustainable future too.

We are four years into a business-wide transformation programme, with sustainability at the core of our vision to create places better for the next century, not just this one. We recognise that action, not just words, is paramount. With this principle at its core, this report serves two purposes:

**To Present Our Progress:** We showcase the positive impact of our sustainability efforts across our operations, supply chain, and communities, highlighting key performance indicators, best practices, and case studies.

**To Share Our Learnings:** We share our successes and setbacks. We believe we are on track to deliver our ambitious commitments – however, we acknowledge that progress will become incrementally more challenging. We have three over-arching lessons from our progress to date: 1) Clear and specific aims drive action; 2) Making sustainability a part of everyday culture requires sustained effort; 3) Proportionate asks of partners and supply chain increase engagement. By sharing our lessons, we aim to foster a culture of continuous improvement and transparency.

Across our seven pillars, we are on track for our 2030 goals. Most notably, we have achieved a 26% reduction in our carbon emissions, which means we are well on track for at least 52% by 2030. We believe we have some of the industry’s most stretching targets and our early commitment to action has helped us iterate, hone and improve our delivery.

Our investment in innovation and collaboration is indicative of the commitment we have to the transformation of our business and the wider sector. In 2023, we announced a new global carbon commitment across all of our operating companies, which I am leading. We are taking our learnings from our UK business and applying them to other Grosvenor businesses – maximising our impact and helping to accelerate progress. The challenges ahead require a new level of collective ambition and action.

We believe that integrating environmental and social considerations into our decision making is not only the right thing to do, but also helps build long-term commercial value.

To be a sustainable business, we recognise we must improve the lives of people, as well as protect the planet. Increasingly, it also means to maximise the intersection of our social and environmental aims, so that we can help accelerate a sustainable future that is both people and planet positive.

Thank you for being a part of our journey.

**Tor Burrows,**  
Group Sustainability Director



# About Grosvenor Property UK

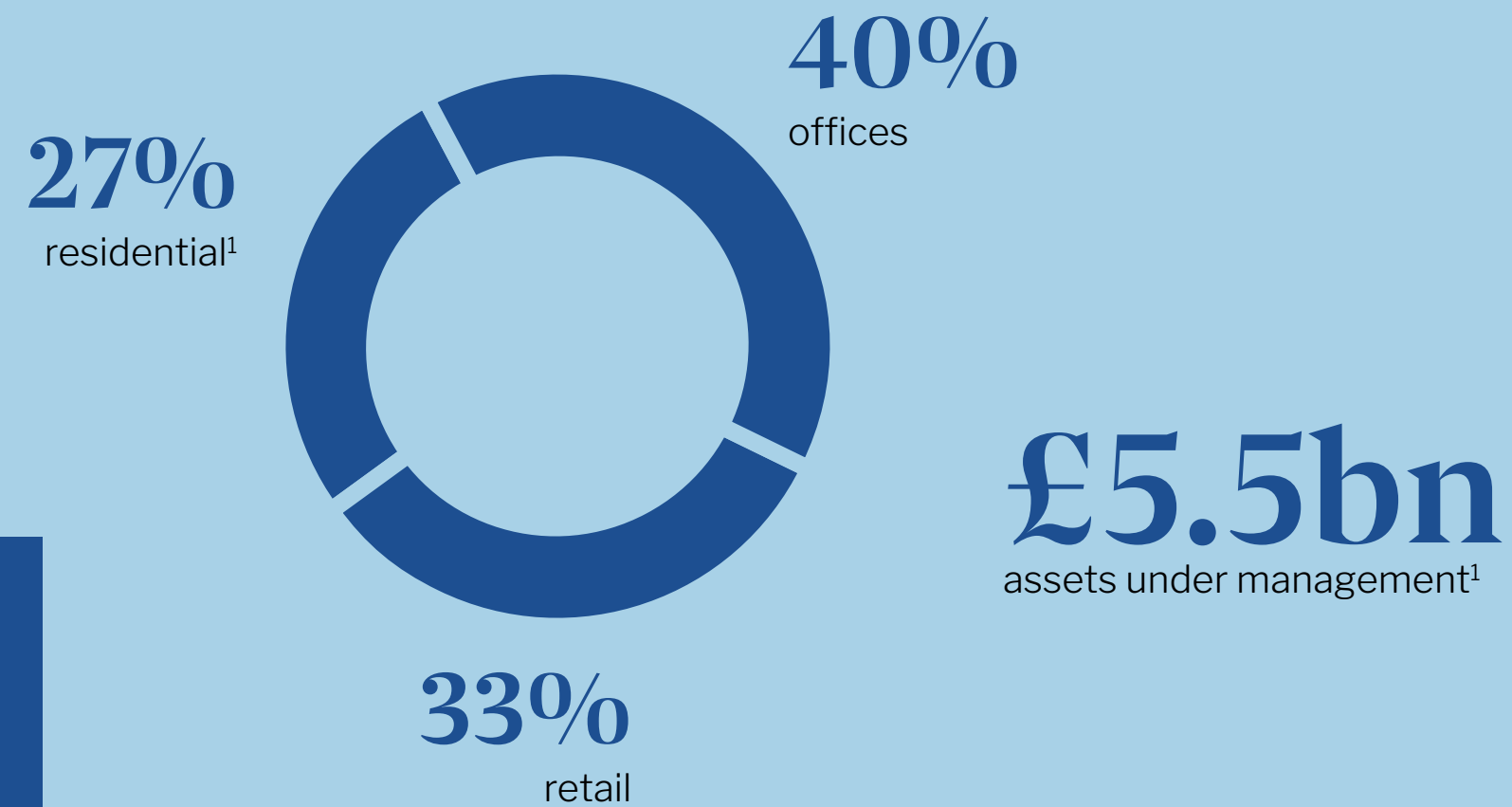
Our goal is to create sustainable places where business, communities and nature thrive. Places better for the next century, not just this one. For over 300 years we have been pioneering new ways of thinking about property and innovating to meet changing needs and demands.

Today we are redefining the relationship between property owners, occupiers, and communities, based on a model of mutual success, and offering transformational leadership on the environment.

We own almost 1,250 assets within primarily the office, retail, hospitality and residential sectors. We play many different roles: place manager, partner, investor and developer. Our central London portfolio supports c. 1,000 businesses, 11,000 residents, 56,000 workers and hosts almost 5 million visitors every year. Through our £900m regional investment portfolio, we also support housing supply across the UK, actively manage a high-quality office portfolio and co-own and manage Liverpool ONE, the major retail and leisure destination.

This diversity, coupled with a genuinely long-term mindset offers a significant opportunity to have a positive impact.

## GPUK in numbers



## Our London portfolio



## Liverpool ONE

**42 acre**  
retail and leisure  
destination

**c.4,700**  
jobs supported

**29m**  
visitors annually<sup>5</sup>

## Regional offices

**500,000 sq ft**  
portfolio in 4 cities<sup>2</sup>

**£35m**  
improvement programme<sup>2</sup>

[Find out more on our website](#)

1. 2023 Annual report  
2. As of Jan 2024  
3. New era for London's West End as works commence on South Molton  
4. South Molton  
5. Liverpool ones transformative impact over the last 15 years

People. Planet. Positive

# 2023 Highlights

## 26%

carbon reduction from 2019,  
across scope 1, 2 and 3<sup>1</sup>

## 1 million

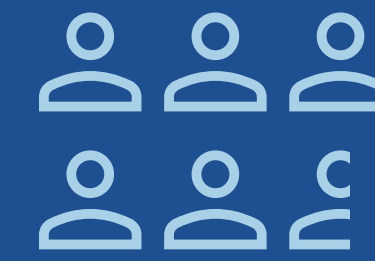
sq ft retrofitted since 2020

## 3.7%

Biodiversity Net Gain from 2021<sup>2</sup>

## 27%

of spend with local businesses in 2023



## 77%

community satisfaction with  
our engagement approach



## 64%

development waste  
reused or recycled



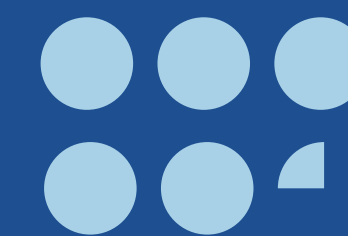
## 3,390

hours volunteered  
delivered since 2021



## £1.1m

contributed to The  
Westminster Foundation



## 51

unemployed Westminster  
residents training funded



## 4 awards

sustainability awards won

1. Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organisation (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles). Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Scope 3 emissions are the result of activities from assets not owned or controlled by the reporting organisation, but that the organisation indirectly affects in its value chain. (EPA)

2. Biodiversity Net Gain (BNG) ensures habitats for wildlife are left in a measurably better state than before. In our managed estate, we achieve this through habitat enhancement, asset management interventions, and designing multifunctional green assets. These efforts help mitigate flood risk, reduce urban heat island effects, and strengthen people's connection with nature.

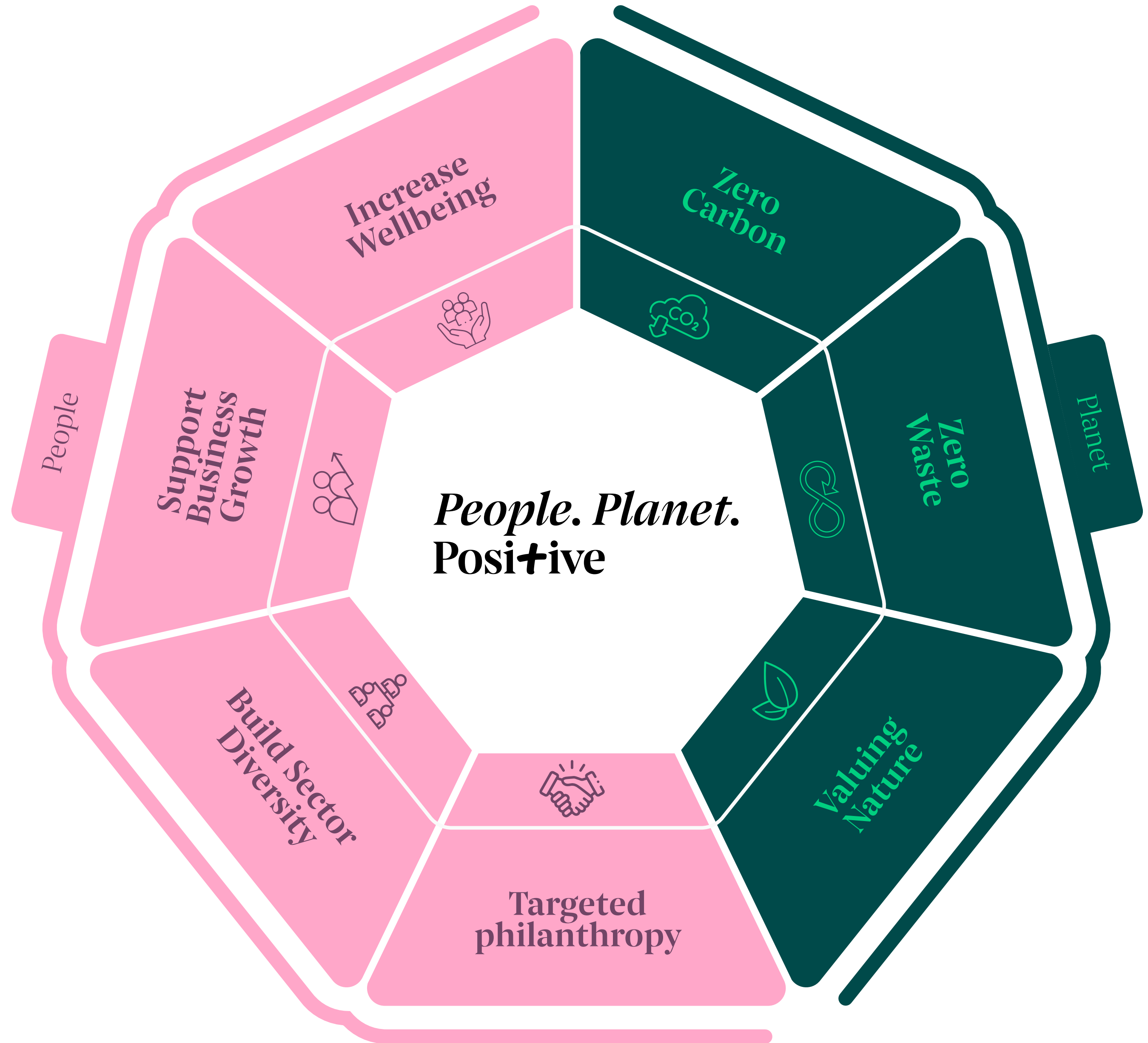
## Our sustainability strategy

To be a sustainable business, we must maximise the intersection of our environmental and social aims.

Doing so not only benefits our business, but our customers, partners and the wider communities we serve. It means more resilient economies, which are home to energy efficient buildings, richer natural resources and diverse businesses. It means healthier places, which support wellbeing, biodiversity and mitigate against climate risks, improving the local environment for everyone.

But we cannot do this alone. Through transformative partnerships, we can deliver on our aims and help create a sustainable future that is both people and planet positive.

➤ For our full pathways and strategies, see here



# Progress Overview

## Planet



Zero Carbon

**26%** reduction from 2019 across scope 1, 2 and 3 (c. 15,600 tonnes).

Overall, we remain below our Net Zero Carbon Pathway and are on track to deliver our Science Based Target. We have reduced our carbon emissions by 26% from 2019 across scope 1, 2 and 3 (c. 15,600 tonnes).

This has been driven primarily by a 40% reduction in supply chain emissions and the retrofitting of 1 million sq ft of space, as part of our £90m Energy Savings Fund.

In 2023 we saw a 13% year-on-year reduction in our operating emissions. This was countered by our development activity, which resulted in an expected 8% year-on-year increase in overall emissions.



Zero Waste

**43%** of projects achieving our 2030 waste volume targets.

We are transitioning from a linear 'Make, Use, Dispose' model to a 'Circular' system, which is integral to our 2030 goals.

Although all on-site projects in 2023 were designed before our new circularity tools were implemented, early results are promising with **43%** of projects achieving our 2030 waste volume targets. As we further embed new circularity tools we expect to see accelerated performance.

Our corporate facilities have achieved a 64% recycling rate, a 17-percentage point increase from last year.



Valuing Nature

**3.7% uplift** in Biodiversity Net Gain in our managed spaces across London.

We are reporting a 3.7% uplift in Biodiversity Net Gain in our managed spaces across London. Contributing to this is a new 2.4km<sup>2</sup> wildflower meadow and orchard in Belgrave Square.

## People



Increase Wellbeing

**77%** of communities were satisfied with our engagement approach.

Our wellbeing framework ensures an evidence-based approach to understanding local need.

In 2023, we implemented action plans on four priority issues for each neighbourhood. **77%** of communities were satisfied with our engagement approach.

Together with The Crown Estate we also led an industry working group and the development of tools to encourage inclusive design.



Support Business Growth

**27%** of our 2023 spend was with local businesses.

In 2023, we re-defined our local economies aim to be more actionable.

This focused on the role of our spaces, spending and skills in supporting socially positive businesses to grow and succeed. As part of this we have adopted a 'place-first approach to procurement', to help prioritise spend with local SMEs and organisations that are part of the social economy. **27%** of our 2023 spend was with local businesses and **28%** was with SMEs.



Build Sector Diversity

**188** students reached as part of our efforts to support diversity and inclusion in the property sector.

By championing a diverse and inclusive working environment and increasing the number of students we reach from local communities, we put ourselves in the best possible position to build a more diverse workforce - one which reflects the communities in which we operate.

In 2023, we continued to make good progress and reached **188** students as part of our efforts to support diversity and inclusion in the property sector.



Targeted Philanthropy

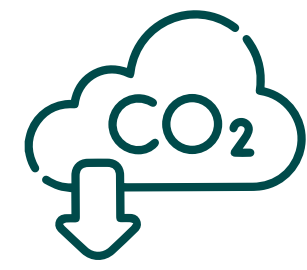
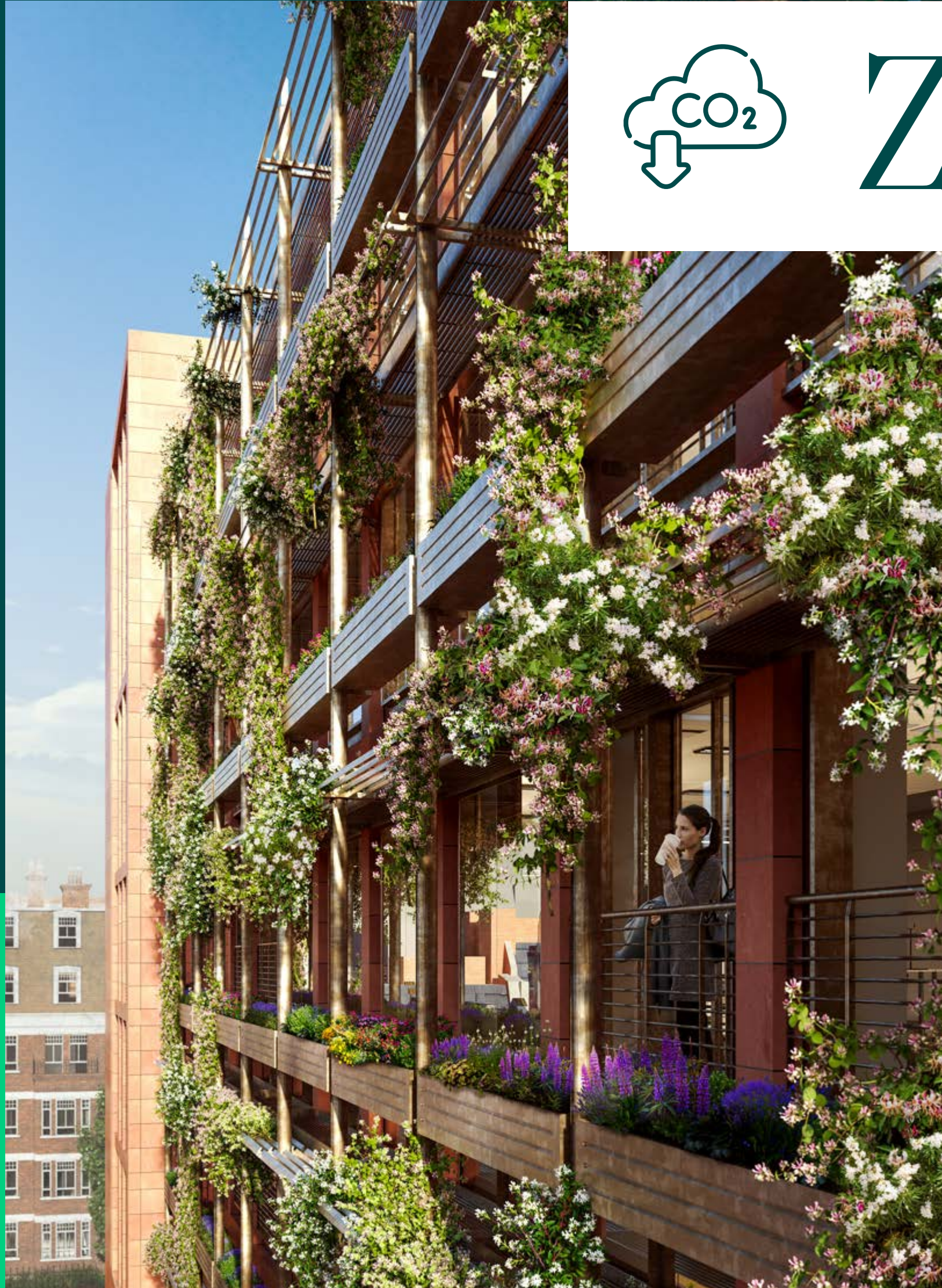
**£1.1 million** contributed to the Westminster Foundation.

In 2023, we contributed £1.1m to the Westminster Foundation, an independent organisation representing the charitable activity of the Duke of Westminster and Grosvenor businesses.

We also opened Fivefields, providing co-working and flexible spaces crafted for charitable and social impact organisations supporting children and young people.

We also exceeded our £1m target investment in Greener Futures, a community investment programme creating training and jobs in the green economy.





# Zero Carbon

## Aim

**Become a net zero carbon business across all our activities in line with limiting global warming to 1.5 °C**

## Goals

By 2030, achieve at least a 52% reduction in our absolute carbon emissions across Scope 1, 2 and 3 and 90% by 2040 (vs. 2019)

By 2025, 100% of developments must be less than 500kgCO<sub>2</sub> e/m<sup>2</sup> on completion, achieve net zero carbon pathway compliant EUI targets and be all-electric

By 2030, 40% of suppliers by emissions will have a Science Based Target

By 2025, be carbon neutral across our whole value chain

Undertake periodic climate risk assessments to ensure our portfolio is resilient to climate change, in line with the Taskforce for Climate Related Financial Disclosures

## 2023 Progress

26% reduction

4 of 5 developments completed in year below 2025 target

60%

Offsets purchased in preparation

Annual risk assessment conducted, see annual review

## Goal Status



On track



Work in progress



On track



On track



On track

65 Davies Street, London (CGI)



# 2023 Carbon Pathway Update

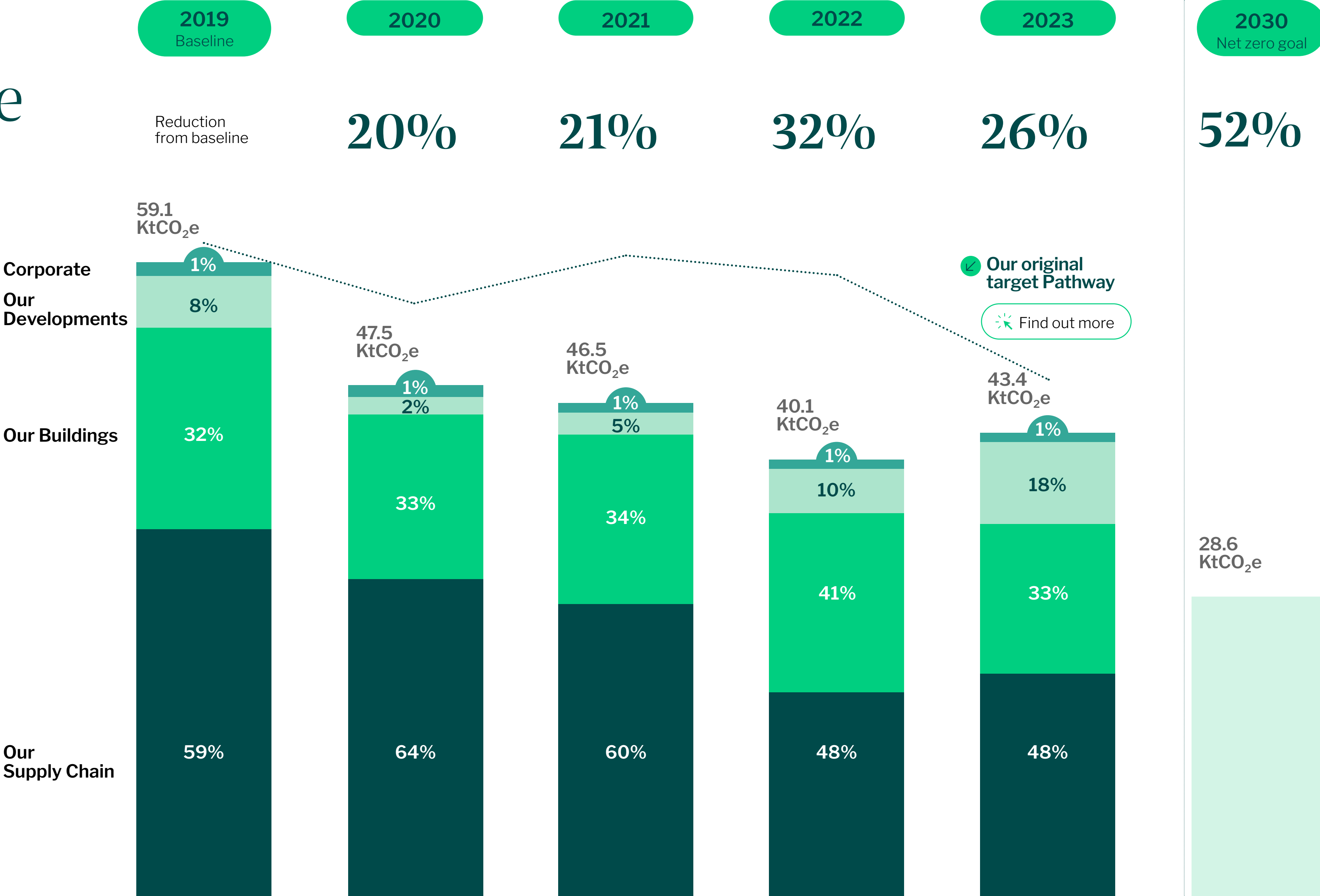
2023 sees a continued meaningful reduction in our emissions against our baseline, with a 26% reduction (c. 15,600 tonnes) since 2019.

This progress, particularly driven by a 40% reduction in our supply chain emissions and 23% reduction in our building emissions, means we are well below our pathway target.

In 2023, we achieved a 13% year-on-year reduction in our operating emissions. This was countered by our development activity, which resulted in an expected 8% (c. 3,600 tonne) year-on-year increase in emissions. Our supply chain emissions also increased by 10% due to increased retrofit activity.

Overall, our early action means we remain well on track to achieve our at least 52% reduction target by 2030 as per our original pathway.

[Click here for prior reports](#)



Our original target Pathway  
[Find out more](#)



# Our Buildings

## Progress highlight

**23%**

reduction in overall emissions (c. 4,400 tCO<sub>2</sub>e) since 2019.

## Key levers

**£90m**

**retrofit programme:** a dedicated fund to improve the energy efficiency of existing buildings.

## Heritage & Carbon

**campaign:** Together with National Trust and other partners, we continue to champion the need for a progressive approach to ensuring our heritage buildings are fit for the future.

↘ Across our buildings we have successfully reduced our emissions by 23% since 2019 and are on track for our 2030 goal. Year-on-year we saw a 13% reduction of c.2,100 tCO<sub>2</sub>e from 2022.

Our £90 million retrofit programme is a key lever to decarbonise our portfolio, especially through the transition from gas to electricity. From 2022, we drove a 17% reduction in our gas (scope 1) emissions. This has been reflected in the increase in scope 2 electricity, which we continue to procure 100% of through renewable sources.

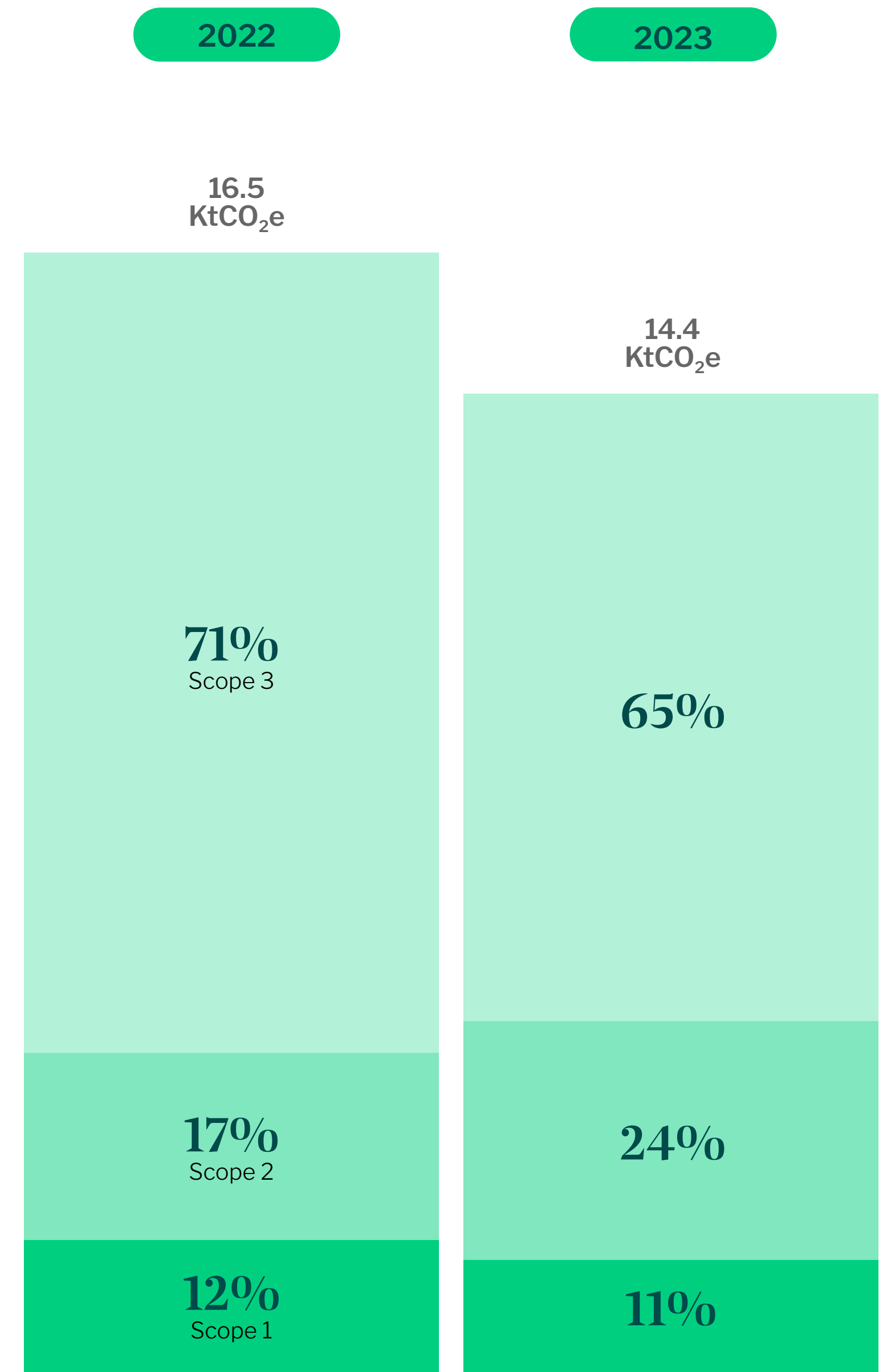
This progress is supported by our commitment to the Global Cooksafe Coalition, a campaign to promote an acceleration in switching from cooking with fossil fuels to healthier, affordable and safer electric kitchens – powered by renewable energy.

We have also seen significant energy reductions through greater use of building optimisation technology and insight. Across our tenanted areas (i.e., scope 3) we have seen a 21% year on year reduction. This is partly driven by the deployment of innovative tools, including Demand Logic, which have enabled us to save energy for our customers by deploying more targeted energy management practices.

Accessing accurate energy data continues to be challenging and we rely on benchmark estimates for significant areas of our portfolio. These are generally higher than actual emissions.

To tackle this, we have accelerated the use of technologies to give us more accurate, actual data for our landlord and tenant areas. For example, we are rapidly deploying smart meters to ensure that we have correct and timely data for the areas where we procure energy.

We are also increasingly capturing actual emissions data across our office and retail portfolio. This represents a step-change in our insight, and we will continue to invest in the necessary innovations to drive further emissions reductions.







# Spotlight: 1 million sq ft retrofit milestone

↘ In 2023, we reached a significant milestone of completing the retrofitting of over 1 million sq ft of space across our London portfolio. This effort is part of our £90 million commitment to enhance the environmental performance of our properties and support our goal of reaching net zero carbon emissions.

Since launching our latest retrofit programme in 2020, we have transformed more than 360 offices, shops, and homes to optimise energy efficiency. The retrofits include installing LED lighting, double-glazed windows, and insulation, as well as replacing 55 boilers with fossil fuel-free alternatives, leading to a 40% reduction in gas usage.

✦ [For more information, please click here](#)

“Simple, cost-effective changes can significantly reduce energy demand and improve a building’s sustainability. Acting now to make straightforward, low-cost changes is a more effective approach than postponing activity until a full building refurbishment may be possible.”

Andy Sharpe  
Director of Project Management  
Grosvenor Property UK





South Molton, London, UK

Progress highlight

4 of 5

projects delivered in 2023 below our 2025 embodied carbon target of 500 kgCO<sub>2</sub>e/m<sup>2</sup>.

1st Place

Holbein Gardens wins UKGBC Building of the Year Award.

Key levers

**Material reuse:** 70 tonnes of steel were reused in Holbein Gardens saving 60 tonnes of carbon.

Sustainable Development Brief:

Details requirements for our development projects, based on best-in-class industry practice, emerging standards and our own delivery experience.

# Our Developments

As expected in our pathway, emissions from our developments increased in 2023. Across the year, we completed five projects and we are encouraged emissions for all but one (which was already at the planning stage before we adopted our 2019 net zero goals) were below our 2025 embodied carbon target.

To ensure we reach our targets, we are committed to innovation in our developments. For example, Holbein Gardens reused 70 tonnes of steel which saved 60 tonnes of embodied carbon. As one of the first UK projects to trial this innovation it was a contributing factor in the project winning UK Green Building Council's Building of the Year Award. We are now working with partners and other major property owners to scale up steel reuse across developments in London.



Holbein Gardens, London (CGI)

Progress highlight

40%

reduction in overall emissions (c.13,900 tCO<sub>2</sub>e) since 2019.

60%

of suppliers by emissions have a science-based carbon reduction target.

Key levers

**Supplier mentoring programme:** This award-winning programme enabled 29 of our SME partners to analyse and decrease their carbon emissions, leading to a recognised Science Based Target.

## Our Suppliers

Our suppliers and partners are a key lever in our decarbonisation journey, constituting the largest proportion of our emissions. We have lowered emissions by 40% within our supply chain since 2019 – with 60% of our suppliers by emissions now having a science-based target.

This represents a significant improvement from last years' 53% and well above our 2030 target of 40%. Furthermore, 46% of our supply chain's emissions are now based on reported data - a notable further improvement from last year.

Year-on-year we have seen a 10% increase in overall emissions from our supply chain. This is predominantly due to increased repairs and maintenance activity, including our retrofitting. Looking forward, we will work with our suppliers to further reduce these emissions in line with our Supply Chain Charter.

We understand that success is not just about setting requirements for suppliers. Acknowledging the obstacles they face; we established a SME Supplier Mentoring Programme in 2022.



# Carbon credits to mitigate our remaining emissions



CO2OL Tropical, Panama

## Progress highlight

**c.8,400**  
offset (tCO<sub>2</sub>e)

## Key levers

**Carbon Offset Strategy:** governs our approach to high quality verified offsets for residual emissions we are yet to eliminate.



Yaeda Eyasi, Tanzania

↘ We continue to purchase carbon credits only as a last resort. These mitigate the emissions we cannot reduce associated with our corporate activities and the embodied carbon associated with all our development activities.

Our ambition is to source only high-quality credits through a rigorous internal due diligence process with a strong preference for nature-based credits supporting the restoration and enhancement of ecosystems that can also provide significant co-benefits.

We are in the process of creating a portfolio of credits from a range of projects with different attributes including: geography, methodology and verifications standards. This portfolio approach helps manage risk, whilst maximising the impact we can have across multiple communities and ecosystems.

This year we have retired<sup>1</sup> credits from two projects:

- Yaeda Eyasi, Tanzania. A Plan Vivo REDD+ project which seeks to protect and restore more than 110,000 ha of native dryland forest in North Tanzania. The scheme won the UN Development Programme Equator Award in 2019, where it was recognised “as an outstanding example of a local, nature-based solution to climate and sustainable development”.
- CO2OL Tropical, Panama. A Gold Standard agroforestry and reforestation project that has helped restore rainforest on c. 13,000 ha of degraded land in Panama for 27 years. The land has been planted with over 7.5 million trees and 20 local species, helping to restore habitats of 15 IUCN red list endangered species. One quarter of the project area is dedicated to a nature reserve, with the remainder enabling agroforestry, creating more than 150 local jobs.

<sup>1</sup> A carbon credit is retired once its benefit has been realised and the carbon reduction has been claimed by the buyer. Once retired, a credit must be removed from the market and marked 'retired' in any records or registry.



# Climate Risk

## Progress highlight

**Business-wide climate risk registers** in place, including existing and planned mitigation activities, with business wide training sessions and risk workshops delivered.

## Key levers

**Climate modelling:** climate scenario modelling tools help us understand physical risk impact with different warming scenarios.

Physical risks to our assets are increasing in likelihood and impact as global temperatures warm. We consider surface water flooding, storm damage, heat stress and subsidence to be the key risks to our portfolio. Whilst climate models show our portfolio is low risk overall, we are proactive in protecting communities and our assets to minimise these risks for the future.

We have been using climate models since 2021 to understand the physical risk implications across our standing portfolio. In 2023, our focus was on taking the lessons learnt from these tools, as well as the experience of our teams, to embed climate risk decision making within all departments. Running risk workshops and creating team specific risk registers has helped raise awareness and embed risk mitigations. This has fed into a central risk register which is reviewed by our Audit and Risk Committee, with key risks reported in our annual accounts.

For more information, see our Financial Statements







# Zero Waste

|                    | Aim                                 | Goals   | 2023 Progress                 | Goal Status    |
|--------------------|-------------------------------------|---|-------------------------------|----------------|
| Avoid<br>Reduce    | <b>Total waste reduction</b>        | 6.5 tonnes/100m <sup>2</sup> for large developments by 2030<br><br>3.5 tonnes/100m <sup>2</sup> for small developments / refurbishments by 2030                   | 43% projects achieved targets | ✓+<br>On track |
| Reuse<br>Recycle   | <b>Maximise reuse and recycling</b> | 85% development waste reused or recycled by tonnage by 2030<br><br>75% recycling rate for corporate facilities by 2030  | 64%<br><br>64%                | ✓+<br>On track |
| Recover<br>Dispose | <b>Divert waste from landfill</b>   | >99.5% non-hazardous development waste to be diverted from landfill by 2030<br><br>100% non-hazardous waste diverted from landfill for corporate facility by 2030 | 98.3%<br><br>100%             | ✓+<br>On track |

First Mile Recycling





South Molton, London, UK

Progress highlight

64%

reuse and recycling rate on developments, keeping us on track to reach our 85% target.

64%

operational recycling rate at our head office, a 15% improvement from 2022.

# Maximise reuse and recycling

↘ Where we cannot yet eliminate waste, we have set ourselves stretching goals to reuse materials. We are aware of the innate value of the materials of our buildings, especially in our heritage assets, and are looking to retain and reuse as much as possible.

In 2023, we reused or recycled 64% of development waste, close to our 2030 goal of 85%. This has been driven by the selection of waste processors who have demonstrated high levels of recycling, with an average rate of 48.5%, and the manual reporting of specific reuse examples by suppliers.

In our head office, we are focused on reducing overall waste through removing unnecessary materials while increasing recycling rates. By improving communication around separation, we have seen a 17% year-on-year uplift in recycling in 2023.

Key levers

**Contractor selection:** Supplier recycling rates incorporated into procurement selection process.

**Materials Data Register:** Supports the procurement of materials with recycled content and those able to be reused or recycled.



Portland Stone preserved for reuse at South Molton

Progress highlight

43%

of projects achieved 2030 waste volume targets.

Key levers

**Pre-Design Materials Audit:** Identifies retainable materials to reduce waste.

**Circularity Checklist:** Captures circularity-related opportunities across RIBA development stages.

# Total waste reduction

↘ Designing out waste is the most impactful lever to reduce total waste. All on-site development projects were designed prior to introducing waste reduction and retention tools to our Sustainable Development Brief, and so data on waste volumes and treatments are not yet fully benefitting from embedded circularity principles.

We have now introduced Pre-design Materials Audits and a Circularity Checklist to all new projects, which will help ensure we maximise the opportunity to reduce waste in our developments going forward. We look forward to reporting our progress.





Construction teams using a new materials and waste tracking platform

#### Progress highlight

# 98.3%

of non-hazardous waste from developments diverted from landfill.

# 100%

of operational waste from our corporate facilities diverted from landfill.

#### Key levers

##### **Real-time, actionable waste management data:**

Tracks material provenance and waste treatment routes.

##### **Materials Schedule:**

Lists prohibited materials or chemicals to help eliminate hazardous materials within our buildings, and in turn our requirement for landfill disposal.

# Divert waste from landfill

↳ We have successfully diverted all operational waste from landfill and are working hard to eliminate it from our developments.

Our progress on developments has been supported by our innovative approach to data collection and insights, including third-party waste audits and real-time tracking through investment in technology. Better on-site data, through the platform Qflow, enables us to course-correct in real time rather than relying on a post project review and learnings.

The introduction of a Materials Schedule in the Sustainable Development Brief will further improve our diversion rate as it helps teams to specify materials that can be recycled at end-of use while screening out hazardous or banned materials.

In our corporate facilities, our waste management provider avoids landfill disposal completely, allowing us to achieve our target and focus on increasing recycling rates well ahead of our goal.



# Spotlight: Billiards Building, Birmingham

Billiards Building, an 83,000 sq ft office in the heart of Birmingham's business district and one of seven assets in our regional office portfolio, underwent a substantial refurbishment in 2023 to provide best-in-class office space supported by enhanced environmental performance.

Better data is key to our progress on all waste generating activities, helping to increase transparency of material flows both into and out of our properties and developments.

Using data platform Qflow, the project team were able to log all material deliveries and waste collections, providing increased transparency over waste targets, material provenance and compliance.

This represents a step-change in the management of materials data, moving from physical tickets to digitised data which can be analysed at a portfolio level, alongside receiving real-time insights as opposed to post-project audits, empowering us to course-correct during construction.

The project also achieved a 4 t/100m<sup>2</sup> waste intensity, well below the target of 6.5 t/100m<sup>2</sup>, a 47.5% recycling rate and a 100% diversion from landfill rate. The Environmental Performance Certificate also increased from an E to an A.

[For more information, please click here](#)







# Valuing Nature

## Aim

**By 2030, we will have achieved a significant biodiversity net gain, responding to the need to halt the decline of the UK's wildlife and restore ecosystems**

## Goals

By 2030, 20% biodiversity net gain in our managed space across London

By 2030, 35% biodiversity net gain in Liverpool ONE

100% biodiversity net gain in urban development projects from 2025

## 2023 Progress

3.7% uplift

With co-investors, we are reviewing this goal

Goal to be reported on from 2025

## Goal Status



On track



Work in progress

N/A

[🔗 For more information, please click here](#)





Belgrave Square Forest School, London

# Targeting a 20% uplift in our managed space across London

## Progress highlight

**3.70%**

uplift in our existing assets. This puts us on track to meet our 2030 goal of 20% uplift.

## Key levers

**Biodiversity Buffet:** We created a guide to help our teams better understand how to increase greening and planting to maximise climate resilience and biodiversity.

[Find out more here](#)

↳ The uplift we have achieved across our London portfolio was delivered through changes in how we manage our green spaces – for example transitioning previously managed lawns into species rich, wildflower meadows. A large focus of our improvements so far has been in Belgrave Square, which included the introduction of a new orchard with wildflower underplanting.

However, we acknowledge that it is important to not only measure habitat change but to also measure species and genetic diversity. To measure species diversity, we are now conducting surveys every two years and using innovations such as sound technology<sup>1</sup>.

Our most recent survey found a total of sixteen bird and two bat species, including four priority bird species (lesser black-backed gull, woodpigeon, wren, and herring gull). We are pleased to see an increase from 2018, although we had our best year in 2021 (21 bird and 4 bat species). We are aware that further work is necessary to protect key species in our places and are including specific actions in the coming years to support these species.

<sup>1</sup> Sound technology involves placing a sound recorder in a habitat to track animal sounds e.g. bird song to identify which species are present.





# *Spotlight:* Innovations to track pollinators

↳ Since 2022, we have been using AgriSound to measure insect diversity in some of our central London squares and gardens.

It uses a non-invasive sensor designed to mimic a flower and will attract insects, particularly bees, that visit plants to collect nectar and pollen.

The sensor has tiny microphones to listen to the sounds of nature. It uses complex sound analysis techniques to detect the presence of bees and other pollinators visiting the device and transmits data to an online database for analysis.

Trials have been conducted in Belgrave Square Garden and Mayfair, with initial results indicating that newly created meadows are enhancing the number of insects.




“These insights allow us to understand where we need to prioritise new habitats to enhance biodiversity. The data is key but it’s also a great talking point and helps engage garden visitors on the importance of biodiversity.”

Andrew Maskell  
Green Infrastructure Manager  
Grosvenor Property UK





# Increase Wellbeing

| Aim  | Goals   | 2023 Progress  | Goal Status   |
|--|---|--|---|
| <b>Increase wellbeing in our properties and places</b> | Measure and respond to identified priorities and drivers of community wellbeing                               | Wellbeing priorities identified for each neighbourhood and local action plans underway                         | <br>On track         |
|  | Provide a meaningful voice for communities with more than 75% endorsing our approach to community engagement  | 77% community satisfaction   | <br>On track         |
|  | Ensure our properties and places consider inclusive design and are accessible to people with a range of needs | Accessibility information published for 163 venues in London, and 1,400 sq ft of public space in Liverpool ONE | <br>Work in progress |



# Measure and respond to identified priorities and drivers of community wellbeing



Belgrave Square Forest School, London

## Progress highlight

Measurable wellbeing priorities identified for each London neighbourhood and action plans in place to respond to target issues.

Wellbeing is widely considered the most important measure of societal value and makes up the basis of many internationally recognised frameworks such as the Human Development Index and the Sustainable Development Goals.

Our research programme and accompanying wellbeing framework draws on established ONS measures and additional benchmarkable data sources to demonstrate how the places we are active in perform against comparable places, the local authority, region and nationally.

We measure over 20 wellbeing drivers across four categories: community, enterprise & employment, empowerment and environment. By choosing to take an evidence-based approach to wellbeing and listening closely to what communities tell us, we can direct our resources more effectively to deliver maximum local impact.

## Key levers

**Wellbeing Action Plans:** Targeted interventions to address priority issues in our places, based on data-led insights from our biannual research programme.

In 2023 we focused on developing and implementing action plans which responded to the priority issues identified through our baseline research in 2021/22 for each neighbourhood.

Wellbeing Action Plans were created using Theory of Change principles<sup>1</sup> and community input. The actions ranged from targeted community engagement programmes to increasing access to spaces we manage and greater stakeholder involvement on issues such as safety.

Specific successes include our ongoing efforts to improve access to green space in Belgravia. For example, our initiatives with local schools and community organisations, most notably the creation of a Forest School in Belgrave Square, have opened up green spaces to over 900 young people in 2023.

## Wellbeing Drivers



<sup>1</sup> Theory of Change principles outline the steps and conditions required to achieve long-term goals by linking actions to desired outcomes. Various elements were considered when shaping the wellbeing action plans, including resources and levers available to address priority issues, target beneficiaries, and interim outputs and metrics.



# Provide a meaningful voice for communities



Community consultation, Grosvenor Square, London

## Progress highlight

77%

community satisfaction with our engagement approach.

## Key levers

**Community Engagement Charter:** Aims to set a consistently excellent standard for public engagement across our business and ensure communities have a meaningful voice in the future of their neighbourhoods.

**Digital engagement:** We have invested in a digital engagement platform, Commonplace, to gather greater insights on issues including community wellbeing and satisfaction.

Our Community Engagement Charter, Positive Space, was launched in 2021 and has helped set ambitious standards amongst employees and the wider sector for meaningfully engaging communities, particularly under-represented groups. Working with Commonplace, a digital engagement platform, we have also expanded on our approach to consulting stakeholders through accessible, online surveys.

To ensure employees are equipped with the skills to engage meaningfully, we developed Positive Space in Practice, a training programme that helps build our employee's confidence and knowledge. We also launched a Positive Space toolkit with guides, case studies, and engagement templates.

For more information, please click here



Grosvenor Square, London

# Ensure our properties and places incorporate inclusive design

## Progress highlight

163 venues

We have mapped the accessibility of 163 venues across Mayfair and Belgravia, and 1,400 sq ft of public space in Liverpool ONE.

## Key levers

**Communicating accessibility information:** We have partnered with Sociability to map the accessibility of our key streets, helping members of the disabled community find accessible places.

**Inclusive Design Brief:** An open-sourced document to support the development of inclusive design standards.

When we started to explore accessibility in 2022, we discovered both a surprising lack of existing guidance, and a groundswell of interest in it. We have since made significant progress in developing tools to enhance inclusive design and promote their use across the wider industry.

Working with The Crown Estate, we convened an industry working group setting out five commitments to inclusive, accessible places and spaces –Listen to and involve lived experience, Measure, Communicate, Exceed, Collaborate and educate. For each commitment, we have created a supporting tool. For example, to guide industry partners, and ourselves, in how to improve on existing building regulations, we have created an Inclusive Design Brief.

For more information, please click here



# Spotlight: Community building in Mayfair

Helping to build a sense of community is a priority for us in the places we manage, particularly in Mayfair where belonging was identified as a key issue impacting local wellbeing. This focus provides opportunities for interaction and for people to create shared experiences as well as offering greater ownership of local initiatives.

In 2023, we delivered eight free events in Grosvenor Square, including educational workshops with the London Wildlife Trust, attended by 300+ people. During the Spring we also engaged people in the preparations for the King's Coronation Garden Party in the square. Collaborative community event planning and delivery helps maximise impact by fostering a sense of ownership and collective decision making. Ideas shared through a workshop and online survey were incorporated into the celebrations, including discount vouchers for residents and local workers, free family-friendly activities and more community stalls, which generated revenue for local causes.





# Support Business Growth

## Aim

**Help socially positive businesses to grow and succeed**

## Goals

Spaces to suit different types and sizes of business

Spend prioritised with smaller, local suppliers and with the social economy<sup>1</sup>

Skills developed in our communities to improve access to good work opportunities

## 2023 Progress

26% leased by SMEs across our commercial portfolio

27% GPUK spend with local businesses, 28% with SMEs

£1 million spend with organisations in the social economy<sup>1</sup>

88 people upskilled in our communities, including 37 apprenticeships supported

## Goal Status



On track



Work in progress



Work in progress

1. A supplier is part of the social economy if they are a voluntary and community sector organisation, charity, social enterprise, community interest company, cooperative or employee-owned company.



# Spaces to suit different types and sizes of business

## Progress highlight

**26%**

of our commercial occupiers in 2023 were small and medium sized companies, with 15% being small businesses.

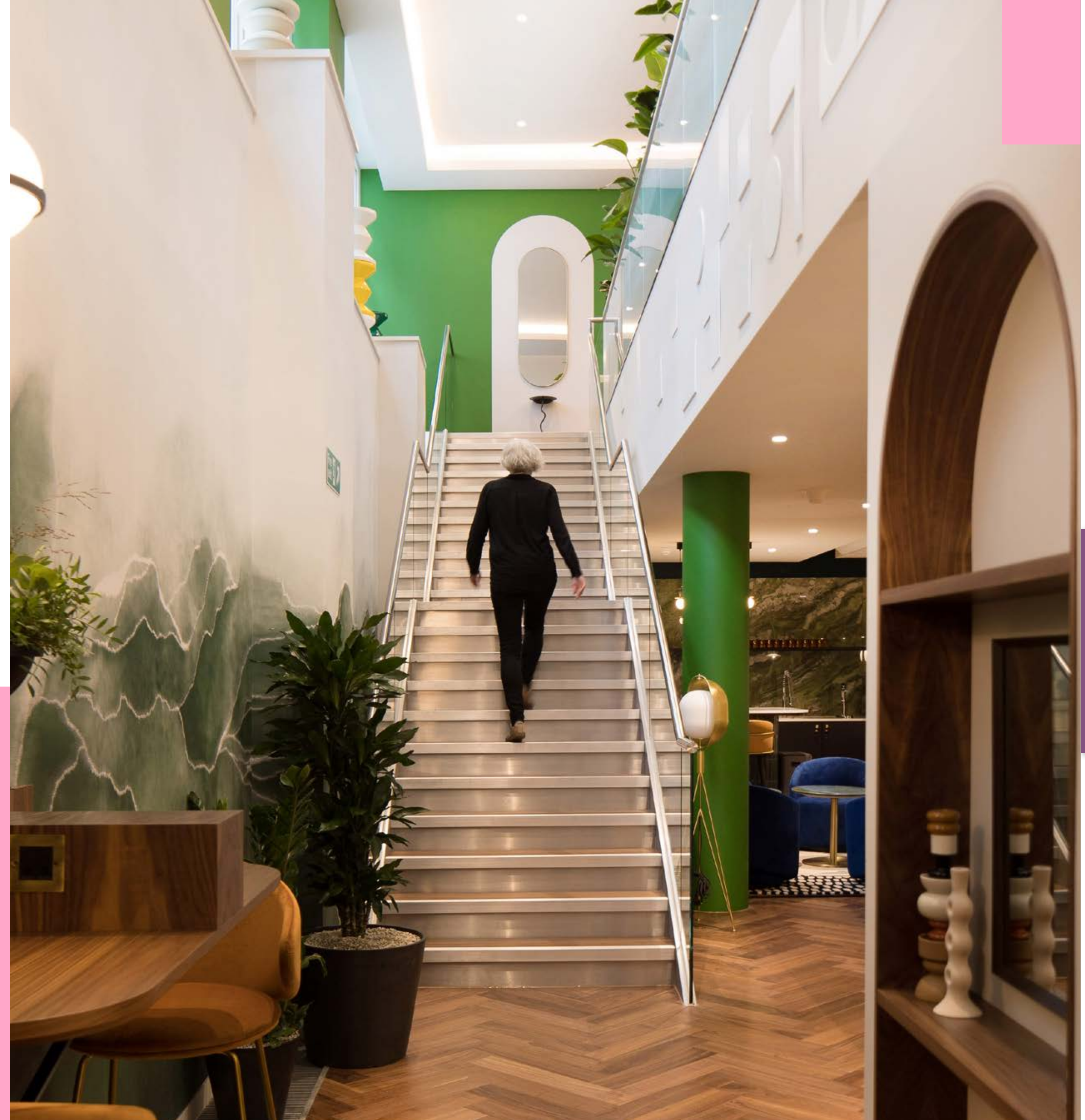
## Key levers

**Flex office portfolio:** We are converting up to 20% of our UK office portfolio into flexible office space. The simple and short-term membership options that are integral to this offer, together with a wide range of spaces, help businesses scale their office environment to their needs.

∨ In 2023, we further diversified our portfolio to suit different types and sizes of business.

This included starting on site with our £500m South Molton development in Mayfair which will deliver new office and retail space, a £35m capital investment programme to transform our regional office portfolio into workspaces with leading amenity provision, and the launch of our flex office portfolio. This includes Fivefields, an inclusive workspace and co-working community designed primarily for charities and social impact organisations.

Working with smaller and independent businesses helps create distinctive places that leave a lasting positive legacy for communities. 15% of our occupiers in 2023 were small and 10% were medium sized businesses.



150 Grosvenor Hill, London





# Spotlight: Fivefields

↳ Leveraging Grosvenor's expertise in property along with the philanthropic aims of the Westminster Foundation, Fivefields redefines flexible workspace for charities and social impact organisations.

Located in London's Victoria, this sustainable and highly inclusive development provides c. 30,000 sq ft of co-working and flexible offices. The pioneering space, a joint project between the two organisations, supports 28 charities and provides the opportunity for like-minded organisations to grow, network and collaborate with each other.

Managed by B Corp x+why it allocates two-thirds of the building to charities, with the remaining one third offering private offices and enterprise suites on the open market, giving preference to entities whose objectives align with the members of the charity sector where possible.



## Progress highlight

27%

GPUK spend locally<sup>1</sup>,  
28% with SMEs.

£1m

of spend with  
organisations in the  
Social Economy<sup>2</sup>.

## Key levers

**Place-first procurement approach:** encourages employees to prioritise goods and services from smaller, local suppliers where appropriate.

# Spend prioritised with smaller, local suppliers

↘ We recognise that working with smaller, local suppliers keeps money circulating locally for longer, helping local businesses to grow and succeed and creating more resilient local economies.

In 2023, we baselined our direct spend with local SMEs and organisations that are a part of the social economy for the first time, confirming that 28% of our direct spend was with SMEs and 27% was with local suppliers. Building on this, we are developing a place-first approach to procurement, designed to help increase awareness amongst employees of the role our choices can play in supporting socially positive businesses to grow and succeed.



↗ Motcomb Street, London

1. A supplier is defined as local if they have physical premises within the same London borough, or city authority area if outside of London, as where their work is being delivered.  
2. A supplier is part of the Social Economy if they are a voluntary and community sector organisation, charity, social enterprise, community interest company, cooperative or employee-owned company.



↗ Grosvenor volunteers at The Big Help Out

## Progress highlight

37

apprenticeships were  
supported by our  
activities.

## Key levers

**Sharing our Apprenticeship Levy:** we share up to 25% of our Apprenticeship Levy with Westminster-based businesses looking to grow and develop their workforce.

# Skills developed in our communities

↘ Our employability work aims to both benefit local people through increased access to good work opportunities, and local businesses by supporting their operational needs and local impact.

In 2023, we supported 88 people with developing the skills necessary to access good work opportunities. 37 apprenticeships were supported by our activities, including eleven employed by Grosvenor and seven in growing SMEs within the communities where we work. Through **Greener Futures**, our community investment programme, we also funded six-month training placements for 51 unemployed Westminster residents, with 28 going on to secure long-term employment.





# Spotlight: Supporting local suppliers

“As a local SME, Estilo Interiors prides itself on our strong ties to the local business community. Working with Grosvenor, we can deliver tailored services and leverage local suppliers, helping to keep the economic benefits of Grosvenor’s investment circulating locally for longer.”

Estilo

↳ One way our regional office portfolio supports our impact is by working with local suppliers like Estilo Interiors, who were appointed on our retrofit of the Billiards Building in Birmingham. This project improved the building’s sustainability and quality of office space for local businesses, whilst also creating economic opportunities for local communities.

As part of the refurbishment, Grosvenor also sponsored an apprentice, Taylor, to work with Estilo. Taylor’s tuition was paid for by Grosvenor, allowing her to work directly on the Billiards Building while studying part-time at Aston University. She had a significant impact on the project, assisting with estimation, interim valuations and ongoing operations and maintenance.





# Build Sector Diversity

## Aim

Help build a more diverse sector

## Goals

Reach 500+ students from local communities between 2023-25

Increase all forms of diversity in our workforce

Our people have the skills and knowledge to maximise social impact in their roles

## 2023 Progress

188 students reached

46% of our people are women and 13% are from ethnically diverse backgrounds

85% of our people know how to contribute to our social impact goals

78% of employees have completed social impact E-learning module

## Goal Status



On track



Work in progress



On track

[For more information, please click here](#)



Progress highlight

188

students directly engaged on a career in property in 2023.

Key levers

Local partnerships:

Programmes and outreach delivered in collaboration with youth organisations, schools and charities helps us to inspire local students to consider a career in property, whilst also enabling us to engage more people from underrepresented backgrounds.

Voice. Opportunity. Power

is a free youth engagement toolkit, we created with Sport England, The TCPA and ZCD Architects, to help professionals engage with young people. We apply its principles to the way we engage with local students on employability initiatives to ensure they are meaningful and inclusive.



Mastering my future programme 2023

# Reach 500+ students from local communities

Our goal is to raise awareness and influence young people to understand the variety of opportunity and choose property as a career.

In 2023, we reached 188 students through our next generation work aiming to broaden the pipeline of talent entering real estate. This has included inviting 28 students, 63% of whom were female and 46% were from diverse backgrounds to a week-long work experience programme and hosting a Reading Real Estate Foundation Intern.

Progress highlight

46%

of our employees are women, with a majority female Executive, and 13% are from ethnically diverse backgrounds<sup>1</sup>.

92%

of our employees report they feel they can be themselves at work.

Key levers

**Inclusive leadership and talent management strategies** help to develop and support a diverse workforce.

**Moving Ahead:** An employee-led mentoring programme focused on advancing diversity and inclusion for underrepresented groups.

<sup>1</sup> 1.18% of the UK population belongs to a Black, Asian, Mixed or other ethnic group (2021 Census data).

# Increase all forms of diversity in our workforce

We are making good progress in creating an inclusive culture and building all forms of diversity within our business but recognise there is still work to do.

In 2023, 92% of our people felt they could be themselves at work. This was achieved through employee led culture networks, our Speak Up programme for confidentially reporting concerns, building knowledge and empowering individuals to act as active bystanders. We also promote inclusive leadership, talent management strategies and support for ethnically diverse and female employees through partnerships including the Moving Ahead mentoring programme. We are now focussed on developing a pipeline of talent especially mid-level roles, and ensuring we apply diverse recruitment practices including sourcing and bias training.

We believe that supportive workplace policies, such as hybrid working and family-friendly policies, enable our talent. We have a majority-female Executive, have increased our female representation at senior levels and continue to work on reducing our gender pay gap.

For more information, please click here





➤ Grosvenor Staff at The Big Help Out

# Our people have the skills and knowledge to maximise social impact in their roles

## Progress highlight

**85%**  
of our people know how to contribute to our social impact goals.

## Key levers

**Sustainability Roadmaps:** expanded to encompass our social impact goals, ensuring teams are clear on the actions they can take to help achieve our aims.

**Social impact training** is integrated into learning and development, supported by targeted resources and content to ensure every employee has a clear understanding of our goals and their role in achieving them.

↘ Our people are key to maximising our social impact through the decisions they take and contributions to our culture.

We provide learning programmes to support their knowledge and empower action. Our bespoke introductory e-module on social impact was completed by 78% of staff. This is now part of all new joiner training.

Through brokering new connections with organisations which can help us learn and achieve our goals and by helping employees to get to know our communities, we ensure that everyone has a clear understanding of our goals and their role in achieving them.



*Spotlight:*

# Structured work experience opportunities

↳ In 2020, we transitioned to a structured, twice-yearly work experience programme, and have targeted this at the wider communities we are a part of, including those unfamiliar with property careers.

By raising awareness of the variety of opportunities offered by real estate, we hope to inspire young people to explore a career in property. Students aged 16+ are recruited through partnerships like Reading Real Estate Foundation's Pathways to Property and Construction Youth Trust.

In 2023, we had 28 participants, 63% of whom were female and 46% were from diverse backgrounds. The week-long programme offers hands-on experience, career insights, and workshops on skills like CV writing and interviewing. Feedback has been excellent, with one student subsequently accepted to study architecture at the University of Manchester.

We also hosted a Reading Real Estate Foundation intern and will welcome nine interns as part of an expanded programme in 2024, including students from the 10,000 Black Interns programme.




📍 Mayfair Youth Forum, London







# Targeted Philanthropy

| Aim   | Goals  | 2023 Progress   | Goal Status   |
|---|--|---|---|
| <p><b>Targeted philanthropy that responds to local need</b></p>   | <p>We will maximise opportunities for children and young people through our support for the Westminster Foundation</p> | <p>£1.1m given in 2023 to the Westminster Foundation - supporting 20 charities and 7,600 children and young people in Westminster</p> | <p><br/>On track</p>  |
| <p>Greener Futures: By 2025, employees will deliver 5,000+ volunteering hours</p>                           | <p>Greener Futures: By 2025, employees will deliver 5,000+ volunteering hours</p>                                      | <p>3,390 hours have been delivered against our 2025 target</p>  | <p><br/>On track</p> |
| <p>Greener Futures: By 2025, we will have invested £1m to support communities and the climate emergency</p> | <p>Greener Futures: By 2025, we will have invested £1m to support communities and the climate emergency</p>            | <p>£1,048,130 invested to date<br/><br/>36 community projects funded, benefitting more than 35,000 people</p>                         | <p><br/>On track</p> |
| <p></p>   | <p></p>  | <p>51 unemployed Westminster residents provided with access to training with 28 securing long-term employment</p>                     | <p></p>   |



# Westminster Foundation: Maximise opportunities for children and young people

Our philanthropic activity is largely focused on supporting the Westminster Foundation - an independent organisation representing the charitable activity of the Duke of Westminster and every Grosvenor business.

It provides long term sustainable help and support to children and young people aged 0-25 through opportunities to thrive, build confidence and raise aspirations.

In 2023, Grosvenor Property UK gave £1.1m to the Westminster Foundation which supported 20 charities and 7,600 children and young people in Westminster. The majority of this work focused on supporting young people's mental wellbeing and emotional resilience and supporting young people's access to education and employment opportunities.



Grosvenor staff at The Big Help Out



Grosvenor staff at The Big Help Out

### Progress highlight

# £1m

by 2025 investment target reached.

# 51

unemployed people supported into six-month paid work placements, with 28 going on to secure long-term employment.

### Key levers

**Greener Futures** - our £1m+ community investment programme focussed on communities and the climate emergency.

[Find out more here](#)

# Greener Futures: Deliver 5,000 volunteering hours and invest £1m

In 2023, we reached our target to invest £1m in our Greener Futures programme. Since launching it has supported 38 community groups and charities, with 12 receiving grants totalling over £270,000 in 2023.

Our people also raised over £133,000 for Groundwork, our charitable partner, in 2023 through a variety of fundraising events. This has supported Groundwork's employment programmes, Westminster Wheels and Green Teams, which provide training and wraparound support as a stepping stone into sustainable employment for people with limited qualifications. They are particularly suited to young people and to people with disabilities and long-term health conditions, and through Westminster City Council's Fairer Economy Wage Subsidy Programme, also now support people with learning or physical disabilities.

We made great progress towards our volunteering target in 2023 too, with a company-wide day, The Big Help Out, attended by over 230 employees. This helped us deliver 2,024 hours of volunteering in 2023, meaning we have delivered 3,390 hours of volunteering since launching Greener Futures. The volunteering helped improve over 136,359 m<sup>2</sup> of public space in some of Westminster's most deprived postcodes.





# *Spotlight:* Building pathways to employment

➤ Mark, a resident of the Lisson Grove Estate in Westminster since 1997, has been with Groundwork's Green Team for four and half months.

Before joining the Green Team, Mark had been unemployed for a year and recovering from a recent health scare. Since joining, he has been learning new skills, building his confidence and supporting landscaping projects in and around the very neighbourhood he has called home for the past 20 years.

As part of the programme, Mark has also received help to plan his next step into employment. His placement with Groundwork, funded by our Greener Futures programme, was just the stepping stone he needed to succeed, and he has now gone on to secure a long-term job with Westminster City Council.



# Governance

↳ The governance of sustainability at Grosvenor Property UK enables us to align our strategy, values and operations with our long-term vision of creating and managing sustainable places. It also helps us to engage with our stakeholders, measure our performance, and communicate our progress and impact. Through our governance of sustainability, we can ensure that we are accountable for our actions, rigorous in our reporting, and responsive to the emerging risks and opportunities in our sector and society.

## Responsibilities

Our sustainability governance is based on the principle of transparency and accountability. We have a clear understanding of roles and responsibilities among our Board of Directors, our Executive Committee, our Sustainability Steering Group (SSG) and the sustainability team.

The Executive Committee oversees our sustainability strategy and performance and approves our annual sustainability board report.

The Executive Director for Sustainability, Tor Burrows, sets the direction and tone for our sustainability agenda, and ensures alignment with our business objectives and stakeholder expectations.

The SSG, chaired by GPUK Sustainability Director, monitors and reviews our sustainability progress, risks and opportunities, and provides guidance and recommendations to the Executive Committee to support the organisation's governance of sustainability.

## Roadmaps and Remuneration

Our Sustainability Roadmaps are reviewed annually and outline the strategic objectives and actions we have set for ourselves to achieve our sustainability vision and targets.

In tandem, we have a set of business performance indicators (BPIs) that help us to measure and track our commercial, environmental and social impact progress. The BPIs are aligned with our material issues and stakeholder expectations and are reviewed annually by the remuneration committee. Our performance across our sustainability indicators, as well as our commercial indicators, impacts up to half of our employees' discretionary bonus.

## Climate Risk Disclosure

Managing climate risk is of particular importance to our organisation given our long-term perspective and is essential to meet stakeholder expectations and regulatory requirements. Proactively managing these risks allows us to better navigate the uncertainties of climate change, thereby securing the future success and stability of our business.

Climate risk is jointly managed by the finance and sustainability functions with overall responsibility with the Chief Financial Officer, and ultimately with the Chief Executive. Physical risk and transition risk have both been included in the company risk register since 2019. This is discussed biannually at the Audit & Risk Committee. Climate risk is reviewed at the Executive Committee as part of key decision-making for major investment and development decisions as well as for strategic planning.

The risk profile of the business varies across three main activity types (operations, development, and investment), and as such is managed by the relevant business units. In 2023, the Sustainability team ran workshops with each business unit to deepen understanding, identify climate risks and agree associated mitigants specific to their business activities. Across the business' standing portfolio and business operations, the understanding of key risks has been well established through portfolio and asset-level scenario analysis, including through historic weather events. In development projects, understanding and mitigating climate risk is a core part of our Sustainable Development Brief. With new investments, the business conducts reviews to understand climate risk as part of the acquisition process.

[For more information, please click here](#)



# Our Learnings

▾ We have learnt a lot over the last four years since beginning our sustainability transformation. We continue to learn from ourselves and others and aim to play a key part in accelerating progress across the sector. Reflecting on our journey to date, we have three key learnings.

## *Innovation and strategy:*

Clear and specific aims drive action

## *Partners and peers:*

Proportionate asks of partners and supply chain increase engagement

## *Culture and people:*

Making sustainability a part of everyday culture requires sustained effort



# *Innovation and strategy:* Clear and specific objectives drive action

## Challenge

↳ Setting clear and specific goals has been essential for driving action and measuring outcomes. This was particularly powerful when launching our environmental goals but has been more challenging for social impact goals.

## Action

↳ At the start of our sustainability journey, we established clear and ambitious environmental goals using best practice from the outset. This has spurred innovation as we determine how to achieve them and develop detailed, delivery plans.

For example, in 2022 we launched our biodiversity strategy, Valuing Nature, which set percentage uplifts targets using the new industry standard (biodiversity net gain). This clarity of our goal has enabled a clear roadmap for delivery to be created.

To improve our insight, we continue to invest in innovations. For example, we deploy energy data analysis which links our energy billing management with our decarbonisation and gathers actual data rather than estimated or benchmark data.



27 Eccleston Place, London

The same applied to our management of waste. We now use a platform, Qflow, to ensure we have accurate data on our developments, and the waste coming onto and off site. This has allowed us to prioritise actions and further embed our circular approach.

For social impact, however, we have found it more challenging to set goals with the same clarity. Given its context specific nature, and people focus, nor do we necessarily believe it is right to try and distil such inherently complex goals into a single metric. To enable greater employee engagement and action, this year we have better defined our social impact aims and what that means for delivery. For example, we have evolved our original high-level goal “to help local economies thrive”, to be more specifically about supporting socially positive businesses to grow and succeed in our places, through our spaces, spending and skills.



# *Culture and people:* Making sustainability a part of everyday culture requires sustained effort

## Challenge

↳ Embedding sustainability into our culture has been a key lever. This has not been achieved through one-off actions but is something we continually work at. Employees want to feel empowered to act and equipped to understand the impact of their actions in relation to our goals. It is important that new joiners quickly understand the role they have to play, but repeating the basics regularly is good for everyone too, especially as progress becomes more challenging and conflicts between other business priorities arise.

## Action

↳ We have created specific tools to clarify the role of teams and how they are empowered to drive change.

Every team has a Sustainability Roadmap which breaks down the steps they need to take each year to reach our sustainability goals. This is reviewed annually, and the budget needed for the upcoming year is incorporated into our annual process. These are used to evaluate our progress and calculate employee bonus payments.

We have a Sustainability Steering Group, comprised of senior leaders across the business, who act as ambassadors and role-models for the wider teams. This ensures that sustainability is integrated across the business, preventing it from being siloed.

The sustainability team supports tailored learning and development for each team, which is directed to their needs and challenges, as well as regularly hosting refresher training to keep sustainability front of mind. This also ensures everyone is aware of available tools and how to use them

effectively. We actively ask teams to share learnings through case studies of successes and challenges. Outstanding individual or team performance is recognised and rewarded throughout the year.

To ensure clear implementation, we have clarified governance across our most challenging areas. This clarity has ensured we maintain motivation to achieve these complex goals. Furthermore, it has allowed us to prioritise our actions and drive for the largest impact. For example, since we set up a £90 million retrofit fund, we have retrofitted 1 million sq ft of floor space. However, understanding where we could have the biggest impact was challenging to identify. To combat this complexity, we instigated a new and clear governance structure to accelerate implementation, breaking down the problem into its constituent parts. This included three strategies to lower our buildings' emissions: retrofitting (incl. our 1m sq ft of retrofitted area), building optimisation (i.e., using smart technology to manage energy use), and energy behaviour (i.e., how the building is used). Furthermore, to help prioritise and find deep retrofits, we set annual decarbonisation targets for our asset managers, who then budget for them accordingly.



↳ Staff learning event, London



# Partners and peers: Proportionate asks of partners and supply chain increase engagement



Construction of 27 Eccleston Place, London

## Challenge

↳ Our goals are very dependent on the support and cooperation of our partners, including occupiers, our supply chain and our co-investors. Ensuring everyone is bought into the journey needs clear communication, practical support and simple asks, without a large reporting burden.

## Action

↳ We have always worked closely with our suppliers and aim to provide them with clear guidance on how our supply chain align with our goals, as is outlined in our Supply Chain Charter. However, we recognised that too many reporting requirements were being asked of our suppliers so have recently made this more proportionate to the size of contract value and the most material impacts. We are also identifying the shared value of working together on delivery.

Occupiers are also integral to achieving our aims. We were one of the first to introduce green leases, a key lever for reducing emissions, but we tried to do too much with them initially which made the leases overly complex and demanding. We have since reviewed and refined the process, simplifying the leases and increasing occupier engagement.

To make our credentials clear and standardised for our partners, we are adopting recognised frameworks wherever possible like the Better Building Partnership's green lease toolkit, Westminster City Council's Sustainable City Charter and NABERS UK. This builds on our legacy as the first European property company to set a long-term Science Based Target.



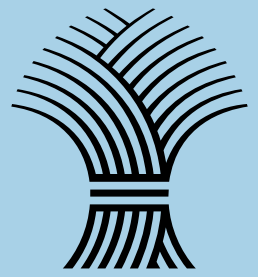
# Reflections

“We are making good progress, but we cannot be complacent. There is still much to do to address the complex and urgent challenges facing our sector, wider society and the planet. We are committed to continuous improvement and innovation, and to being transparent and accountable for our actions. This is the first time we have shared the results of our approach so comprehensively, and we look forward to expanding on this in future years as we also learn and adapt. We hope that this report will inspire you to join us in our journey towards a more responsible and sustainable future.”

Kate Nottidge  
Interim Sustainability Director







GROSVENOR