

Modern Slavery and Human Trafficking Statement **Financial Year 2020 (January – December 2020)**

Slavery, human trafficking and child labour and any other form of human rights abuse have no place in our business and at Grosvenor Group (the “Group”) 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. We commit to responsible business practices including full and active support for the aims of the UK Modern Slavery Act 2015.

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 2020 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

There were no significant changes in business, structure, personnel or supply chains since our last statement for Financial Year 2019 (issued in June 2020).

Business and Structure

Grosvenor Group is a privately-owned international property organisation. With a track record of over 340 years, we develop, manage and invest with a purpose of improving property and places to deliver lasting commercial and social benefit. We are active in 58 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 Europe, North and South America, Australia and Sub-Saharan Africa.

Employees

As at 31 December 2020, the Group employed 585 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, Japan, Luxembourg, Spain, Sweden and the United States of America.

These employees consisted of executives, property professionals (investment, asset and property, development, financing, construction and project management) and sustainability, 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 2020, 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 engaged temporary staff via 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 and rely on measures implemented by our tier 1 suppliers to mitigate risks of modern slavery and human trafficking in their supply chains.

For more information about us, our business and our structure, please visit www.grosvenor.com.

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. Our policy makes clear that all forms of slavery and human trafficking are unacceptable to us and requires that steps be taken to ensure these do not occur in our businesses and supply chains. It applies to all of the Group's personnel and businesses. In response to this Policy, the Operating Companies and Indirect Investment have all implemented measures to prevent modern slavery and human trafficking informed by their assessed risk (as described in the later sections of this statement).

We continue to progress our 3-year anti-modern slavery plan with the support of the Group Executive Committee. This plan is designed to review the breadth, depth and quality of the Group's efforts to prevent modern slavery and human trafficking and ensure these are appropriate to its activities. During 2020, the Group Executive Committee evaluated the work undertaken by Grosvenor Britain & Ireland (our UK Operating Company) last year and agreed to expand initiatives relevant to the prevention of modern slavery across all of our Operating Companies and Indirect Investment as explained in later sections of this statement.

More generally:

- We maintain 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 2020, these continued to meet or exceed applicable employment laws and standards.
- Grosvenor Britain & Ireland sought assurance from most of its suppliers that they would work in a manner consistent with its Supply Chain Charter. The Supply Chain Charter includes, amongst other things, commitments and expectations for suppliers 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-Modern Slavery and Human Trafficking Policy requires each Grosvenor 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.

We continued to consider the risk of modern slavery and human trafficking occurring within the Group's own workforce to be negligible in FY2020 given its size, skills and professional nature. Aside from some of our school/internship programmes, our personnel are paid above the UK living wage (or equivalent outside of the UK).

Outside of our own workforce, we continued to recognise that there is in general a higher risk of slavery and human trafficking in real estate industry supply chains, for example:

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

However, in FY2020 we continued to consider that the risks for our supply chains are lower than the risks for general real estate industry supply chains. This is because at Grosvenor we typically work with contractors and third-party partners who have similar ethical values, reputational concerns and obligations to comply with local regulations and who use known personnel and subcontractors, and generally do not rely on lowest cost as a procurement criteria. These factors continued to apply during the COVID 19 pandemic and as a result, although there was some impact on the volume of our activities, we did not identify any significant increase in modern slavery risk in our supply chains during FY2020.

Section 4: Due Diligence, Prevention and Mitigation

The Anti-Slavery and Human Trafficking Policy requires appropriate due diligence of new suppliers. Taking account of the relatively low risks identified, Group companies continued to meet this requirement in FY2020 in one or more of the following ways:

- Incorporating anti-modern slavery and human trafficking into their existing procurement policies / processes and asking our new suppliers to confirm their anti-slavery and human trafficking practices for all material value engagements. In common with many organisations, our Group companies use standard spend thresholds to identify 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.

During 2020, we continued our ongoing efforts to ensure our supply chains implement reasonable measures to prevent modern slavery:

- Grosvenor Britain & Ireland continued to pilot its supplier risk indicators and due diligence questions with significant existing suppliers through its Supply Chain Charter initiative.
- In line with our 3 year anti-modern slavery plan, the Group Executive Committee considered Grosvenor Britain & Ireland's pilot and agreed a new commitment that all Operating Companies and Indirect Investment would incorporate: regional indicators designed to identify their suppliers at higher risk of modern slavery more accurately; and regional due diligence questions designed to identify their higher risk suppliers' preventative measures more easily, into their procurement processes in 2021.
- We also started work on a set of Group-wide Supply Chain Principles, including commitments relating to prevention of modern slavery, which we hope to launch in 2021.

We did not detect any impact on our ability to apply our policies and procedures as a result of the COVID-19 pandemic during FY2020.

We also continued to 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) continue to be used to measure the effectiveness of anti-modern slavery and human trafficking measures:

- Our employee compliance training includes 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.

As part of our 3-year modern slavery plan, this year each Operating Company and Indirect Investment also agreed to implement a new KPI in 2021:

- % of our higher risk suppliers which have confirmed they have appropriate modern slavery measures (based on their responses to the due diligence question referred to in Section 4).

Grosvenor Britain & Ireland monitored due diligence responses from an increasing number of significant suppliers in FY2020 (following its successful pilot last year) and expects to incorporate the due diligence questions into our general UK supplier management processes in 2021.

Section 6: Training and Capacity

A specific modern slavery training module continued to be available in our employee online learning platform. It continues to be mandatory for employees and was included in induction training for new joiners). We expect our suppliers to also provide appropriate training to their workforce as part of their contractual commitment to provide reasonable preventative measures. If suppliers wish to do so, they can use the user-friendly guidance on modern slavery that Grosvenor Britain & Ireland has secured on their behalf as part of its membership of the Supply Chain Sustainability School. Other Operating Companies and Indirect Investment have also committed to start offering voluntary access to industry / NGO training to higher risk small and medium suppliers without existing training, where appropriate and available, in 2021.

Our Group Data Protection and Compliance Officer 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.

Mark Preston

Group Chief Executive, Grosvenor Group Limited

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

30 June 2021

* 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 2020. 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