

The image shows a modern, multi-story brick apartment building with a series of cantilevered balconies. The building is situated along a canal. In the foreground, a dark blue narrowboat is moored on the water. The sky is overcast. A teal-colored text box is overlaid on the left side of the image.

grainger plc

**EPRA
Sustainability
Performance
Measures
2024**

EPRA Sustainability Performance Measures

This report covers EPRA Sustainability Performance Measures for the period 1st October 2023 - 30th September 2024, based on the fourth version of the EPRA Sustainability Best Practices Recommendations Guidelines (2024).

The EPRA sBPR compliance tables below provide an overview of the EPRA sustainability performance measures that Grainger is able to report on, and an explanation of where data cannot be reported.

Environmental Sustainability Performance Measures

This year we are able to report on all Sustainability Performance Measures for all portfolios. We are reporting on an operational control approach, in line with our Streamlined Energy and Carbon Report in our Annual Report and Accounts. We are not reporting on any energy or water purchased and consumed by our tenants, as this is outside our Scope 1 and 2 boundaries, and data protection regulation makes gathering this data challenging. However we do report on electricity obtained by our landlord and supplied to us on a non-submetered basis for our offices and communal heating purchased by Grainger.

Environmental Sustainability Performance Measures compliance table

| EPRA Sustainability Performance Measure | | Property investment portfolio | | Offices | Where measure is reported |
|---|---|-------------------------------|------------------|-----------------------|---------------------------|
| | | PRS assets | Regulated assets | Own office occupation | Pages |
| Elec-Abs | Total electricity consumption | ✓ | ✓ | ✓ | 6, 8 |
| Elec-LfL | Like-for-like total electricity consumption | ✓ | ✓ | ✓ | 6, 8 |
| DH&C-Abs | Total district heating & cooling consumption | ✓ | N/A | N/A | 8 |
| DH&C-LfL | Like-for-like total district heating & cooling consumption | ✓ | N/A | N/A | 8 |
| Fuels-Abs | Total fuel consumption | ✓ | ✓ | ✓ | 6, 8 |
| Fuels-LfL | Like-for-like total fuel consumption | ✓ | ✓ | ✓ | 6, 8 |
| Energy-Int | Building energy intensity¹ | ✓ | ✓ | ✓ | 6, 8 |
| GHG-Dir-Abs | Total direct greenhouse gas (GHG) emissions² | ✓ | ✓ | ✓ | 6, 8 |
| GHG-Indir-Abs | Total indirect greenhouse gas (GHG) emissions³ | ✓ | ✓ | ✓ | 6, 8 |
| GHG-Int | Greenhouse gas (GHG) emissions intensity⁴ | ✓ | ✓ | ✓ | 6, 8 |
| Water-Abs | Total water consumption⁵ | ✓ | ✓ | ✗ | 10 |
| Water-LfL | Like-for-like total water consumption | ✓ | ✓ | N/A | 10 |
| Water-Int | Building water intensity⁶ | ✓ | ✓ | ✗ | 10 |
| Waste-Abs | Total weight of waste by disposal and diversion routes⁷ | ✓ | N/A | ✓ | 11 |
| Waste-LfL | Like-for-like total weight of waste | ✓ | N/A | ✓ | 11 |
| Cert-Tot | Type and number of sustainably certified assets | ✓ | ✓ | N/A | 12 |

| | | | | | | | | |
|-------------|----------------|---|--------------------|----|--------------|---|----------------|-----|
| Key: | Fully reported | ✓ | Partially reported | -- | Not reported | ✗ | Not applicable | N/A |
|-------------|----------------|---|--------------------|----|--------------|---|----------------|-----|

¹ The intensity measure used for our property investment portfolio is kWh per m2. The intensity measure used for our own occupied offices is kWh per employee.

² Direct GHG emissions include emissions from fuel combustion from our property investment portfolio and our offices.

³ Indirect GHG emissions include Scope 2 GHG emissions from purchased electricity and Scope 3 GHG emissions from transmission and distribution losses associated with purchased electricity and well-to-tank emissions.

⁴ Greenhouse gas intensity from building energy includes Scope 1 and 2 GHG emissions only. The intensity measure used for our property investment portfolio is kg/CO2e per m2. The intensity metric used for our own occupied offices is kg/CO2e per employee.

⁵ Water consumption is not gathered for our own offices due to landlord metering arrangements.

⁶ The intensity metric used for our property investment portfolio is m3 per m2.

⁷ Waste generation is only reported where Grainger is responsible for the waste management at the asset, which only applies to a small proportion of the portfolio.

Methodology for Environmental Sustainability Performance Measures

We have reported on all EPRA Sustainability Performance Measures, using the EPRA Best Practices Recommendations on Sustainability Reporting Fourth edition, the main requirements of the GHG Protocol Corporate Standard (revised edition) and emissions factors from the UK Government's Conversion Factors for Company Reporting 2024.

We have used the GHG Protocol's location-based methodology for conversion factors for Scope 2 emissions. Emissions using the market-based methodology are provided in our Streamlined Energy and Carbon Report (SECR) in our Annual Report and Accounts. Our Scope 3 emissions relate to the transmission and distribution losses from electricity and well-to-tank emissions. Emissions from other Scope 3 sources are reported in our SECR report. Greenhouse gas emissions are reported as metric tonnes CO2 equivalent (t CO2e) and greenhouse gas intensity is reported as kilogrammes of CO2 equivalent (kg CO2e).

Like-for-like measures include all assets held for the full two-year period from 1st October 2022 - 30th September 2024. Any exclusions from absolute and like for like measures have been reported in the data notes accompanying the EPRA tables.

Full details on our methodology and data coverage for each Sustainability Performance Measure is provided alongside our EPRA tables in this document.

Social and Governance Sustainability Performance Measures

We are able to report on all Social and Governance Performance Measures, covering all Corporate Sustainability Performance Measures and all Assets Sustainability Performance Measures for all portfolios.

Social and Governance Performance Measures compliance table

| EPRA Sustainability Performance Measure | | Corporate | Assets | | | Where measure is reported |
|---|--|-----------|------------|------------------|-----------------------|---------------------------|
| | | | PRS assets | Regulated assets | Own office occupation | Pages |
| SOCIAL PERFORMANCE MEASURES | | | | | | |
| Diversity-Emp | Employee gender diversity | ✓ | N/A | N/A | N/A | 13 |
| Diversity-Pay | Gender pay ratio ⁸ | ✓ | N/A | N/A | N/A | 13 |
| Emp-Training | Employee training and development | ✓ | N/A | N/A | N/A | 14 |
| Emp-Dev | Employee performance appraisals | ✓ | N/A | N/A | N/A | 14 |
| Emp-Turnover | Employee turnover and retention | ✓ | N/A | N/A | N/A | 14 |
| H&S-Emp | Employee health and safety | ✓ | N/A | N/A | N/A | 15 |
| H&S-Asset | Asset health and safety assessments | N/A | ✓ | ✓ | ✓ | 15 |
| H&S-Comp | Asset health and safety compliance | N/A | ✓ | ✓ | ✓ | 15 |
| Comty-Eng | Community engagement, impact assessments and development programs ⁹ | N/A | ✓ | ✓ | ✓ | 16 |
| GOVERNANCE PERFORMANCE MEASURES | | | | | | |
| Gov-Board | Composition of the highest governance body | ✓ | N/A | N/A | N/A | 17 |
| Gov-Selec | Process for nominating and selecting the highest governance body | ✓ | N/A | N/A | N/A | 17 |
| Gov-COI | Process for managing conflicts of interest | ✓ | N/A | N/A | N/A | 18 |

Key: Fully reported ✓ Partially reported -- Not reported ✗ Not applicable N/A

⁸ We have reported on Diversity-Pay in alignment with our voluntary gender pay gap reporting to the UK Government, which uses data as at the 5th April each year. The data provided is the most recently published data, for the 5th April 2024.

⁹ Grainger has a corporate level community programme which is applied to all assets under management. In addition, larger assets and developments have asset-specific community programmes and details of these are provided in this document.

Overarching Recommendations

Organisational boundary

We have used the Operational Control boundary approach for all Sustainability Performance Measures. This includes all real estate assets owned or managed by Grainger plc, with a market value of £3,207 million. We include assets owned within a Joint Venture which are within Grainger's operational control. Data is reported for our property investment portfolio and separately for our own occupied offices.

Coverage

Where we are not able to include 100% of all assets within our operational control in our reporting for a Sustainability Performance Measure, we have specified the level of data coverage, using number of properties and number of meters for environmental performance measures. We are unable to specify coverage using floor areas as common parts floor areas are not routinely available for residential properties.

Estimation of landlord-obtained utility consumption

Where data for Grainger-obtained utility consumption is missing or unreliable, we have used the following estimation methodology to fill gaps following periods of known consumption:

1. the daily average of available data (requiring a minimum of 90 days) from the current calendar year is used; or
2. the daily average of available data (requiring a minimum of 90 days) from the previous calendar year is used; or
3. where insufficient previous data was available, we have excluded the property from reporting.

We have disclosed the proportion of total disclosed data that is estimated in each of the tables reported below for each Performance Measure.

Third party assurance

EcoAct has analysed and verified the data reported in the Environmental Sustainability Performance Measures. The verification statement for Grainger's GHG emissions data is available on the company website at: <https://corporate.graingerplc.co.uk/investors/governance/policies-and-statements?tab=reports>

Boundaries – reporting on landlord and tenant consumption

Grainger only reports on landlord-obtained energy, water and waste consumption, and includes electricity provided by our landlord on a non-submetered basis for our London Bridge and Newcastle offices. Data on tenant consumption is not available due to data privacy requirements, however we report estimated tenant GHG emissions in our Streamlined Energy and Carbon Report in our Annual Report & Accounts.

Normalisation

The denominators used are floor area m² for our property investment portfolio and number of employees for our own offices. These intensity metrics have been chosen to align with what we report in the strategic report in our Annual Report and to align to industry practice. For our property investment portfolio, we have chosen to use residential gross internal area (common parts area plus net lettable area) as this is considered to be the most appropriate metric to compare changes in our business output, and because we have a mix of energy and water supplied only to common areas (usually electricity supplying lighting and building services) and to the whole building (usually fuels supplying heating and hot water to tenanted areas).

Segmental analysis

For asset-level performance measures, to align with our financial reporting, we report our performance segmented by our two property portfolio types (Private Rented Sector - PRS portfolio and Regulated tenancy - Regulated portfolio).

Disclosure on own offices

Disclosure on office occupation is reported separately. Grainger has five offices, two multi-occupied offices where Grainger is a tenant and three where it is the landlord. Grainger-obtained energy and energy sub-metered to Grainger by its landlord is included. For offices where Grainger is a tenant, data on energy obtained by the landlord and provided to Grainger on a non-submetered basis is available and has been reported.

Narrative on performance

Where appropriate, we have provided narrative on our performance alongside the relevant performance measure in this document.

Reporting period

The reporting period aligns to the period used for Grainger's financial statements. Like-for-like performance measures have been reported for the two most recent years:

2024: 1st October 2023 - 30th September 2024

2023: 1st October 2022 - 30th September 2023

Restatements

We have recalculated all 2023 energy data to improve the accuracy of reporting, taking into account data received in 2024 for consumption that took place in 2023.

Materiality

Grainger has identified the following as our most material issues, based on extensive sustainability materiality reviews:

| Material issue | Explanation of why issue is material | Grainger's position on the issue |
|---------------------------------|--|--|
| Energy, carbon & climate change | Energy, carbon and climate change is consistently stated as one of the priority ESG issues for Grainger's investors and is a priority area for national and local regulation affecting development, existing buildings and corporate reporting, with expected future increases in compliance costs and taxes. Although environmental issues are not currently key drivers of resident decision-making, our customer research identified the most material ESG concern is energy costs. | Grainger is committed to supporting the UK's transition to a net zero carbon economy and has set out a commitment to 'Achieve net zero carbon for the operation of our buildings by 2030.' |
| Community engagement | Community engagement is important to customers and is a driver for customer retention. It is a growing area of interest for Grainger's investors. Grainger has always had a strong social purpose and giving back to the communities where we operate is particularly important to our employees. | Grainger is investing in our communities for the long-term, and we believe that creating thriving communities within and around our assets helps our residents put down roots in an area, driving engagement and integration between our residents and other local stakeholders which supports resident retention. Grainger has a long-term commitment to 'Measure and deliver positive social value contribution to our customers and local communities' by 2025. |
| Diversity & Inclusion | Diversity is an important ESG issue for Grainger's investors and our employees. Grainger's customer base is very diverse and inclusion is becoming a much more important focus for our customer base. We believe considering diversity and inclusion in how we operate our buildings is key to Grainger's approach as a responsible landlord. | Grainger believes a diverse workforce is critical to delivering the best customer service to our diverse customer base. It ensures we have the workforce in place to deliver our strategy and is an important factor in attracting and retaining talent. It also supports resident attraction and retention. Grainger has a long-term commitment to 'Ensure Grainger's workforce is reflective of society' by 2025. |

Other material issues rated highly are waste and resource management, resident and employee health, safety and wellbeing, affordable housing and corporate governance. Our materiality reviews include peer review and benchmarking, political and legislative analysis, and stakeholder engagement, with employees, investors, customers and suppliers. Our most recent review found that most sustainability issues covered by the EPRA Sustainability Performance Measures are highly material to the organisation. In particular, energy, waste, diversity and community engagement are priority material issues for Grainger's sustainability strategy. Water has not been identified as material and landlord-obtained water consumption is minimal, however we are required to measure and report this data for other benchmarks and so have included this data within our EPRA Sustainability Report.

Environmental Performance Measures

Absolute Energy, Building Energy Intensity, GHG Emissions and GHG Intensity for Own Office Occupation

| Absolute and like-for-like energy and Building Energy Intensity for Own Office Occupation (kWh) | | | 2023 | | | | 2024 | | | | Absolute trend | Like-for-like trend |
|--|-----------------------|---|----------------------|-------------------------------|---------------------------|-------------------------------|----------------------|-------------------------------|---------------------------|-------------------------------|----------------|---------------------|
| | | | Absolute Consumption | Coverage of applicable meters | Like-for-like consumption | Coverage of applicable meters | Absolute Consumption | Coverage of applicable meters | Like-for-like consumption | Coverage of applicable meters | | |
| Elec-Abs, Elec-LfL | Own Office Occupation | Total electricity submetered to Grainger by its landlord | 336,063 | 10 of 10 | 215,448 | 7 of 7 | 345,835 | 10 of 10 | 200,724 | 7 of 7 | 3% | -7% |
| | | Total electricity provided (on a non-submetered basis) to Grainger by its landlord | 169,900 | 4 of 4 | 61,853 | 1 of 1 | 112,002 | 4 of 4 | 68,266 | 1 of 1 | -34.1% | 10.4% |
| | | Proportion of electricity from renewable sources | 84% | - | 75% | - | 85% | - | 75% | - | - | - |
| Total energy consumption from fuels submetered to Grainger by its landlord | | 226,819 | 2 of 2 | 198,407 | 1 of 1 | 187,102 | 1 of 1 | 187,102 | 1 of 1 | -17.5% | -5.7% | |
| Total energy consumption from fuels provided (on a non-submetered basis) to Grainger by its landlord | | 202,606 | 1 of 1 | 202,606 | 1 of 1 | 179,704 | 1 of 1 | 179,704 | 1 of 1 | -11.3% | -11.3% | |
| Proportion of fuels from renewable sources | | 100% | - | 100% | - | 100% | - | 100% | - | - | - | |
| Energy - Int | | Building Energy Intensity for all energy submetered to Grainger by its landlord (kWh per employee per year) | 1,513 | 12 of 12 | 1,113 | 8 of 8 | 1,452 | 11 of 11 | 1,057 | 8 of 8 | -4% | -5% |
| Estimation | | % of energy and associated GHG estimated | 0.0% | - | 0.0% | - | 1% | - | 1% | - | - | - |

| Absolute GHG emissions for Own Office Occupation (tonnes CO2e) | | | 2023 | | 2024 | | Absolute trend |
|--|-----------------------|--|----------------------|-------------------------------|----------------------|-------------------------------|----------------|
| | | | Absolute Consumption | Coverage of applicable meters | Absolute Consumption | Coverage of applicable meters | |
| GHG-Dir-Abs | Own Office Occupation | Total direct GHG emissions (GHG Protocol Scope 1) | 0.05 | 2 of 2 | 0.04 | 1 of 1 | -11.8% |
| GHG-Indir-Abs | | Total indirect GHG emissions (GHG Protocol Scope 2) | 70 | 10 of 10 | 72 | 10 of 10 | 3% |
| | | Total indirect GHG emissions (GHG Protocol Scope 3) | 119 | 17 of 17 | 96 | 16 of 16 | -19% |
| GHG-Int | | Building GHG Intensity (GHG Protocol Scopes 1 and 2) (kg CO2e per employee per year) | 187 | | 195 | - | 4% |

Data coverage notes for office occupation:

Absolute and like-for-like energy and GHG emissions: All of Grainger's occupied offices have been included in the absolute energy and GHG figures reported. Grainger's Birmingham office relocated during the 2023 reporting year and the London Bridge office relocated during the 2024 reporting year. These offices have been excluded from the like-for-like figures. Electricity obtained by the landlord but consumed by Grainger on a non-submetered basis at its London Bridge and Newcastle offices is reported. 1% of absolute energy and associated GHG emissions have been estimated this year. In addition, the recalculation of 2023 emissions has reduced the proportion of estimation to 0%, as actual data across all meters had become available.

Energy and GHG intensity: All of Grainger's occupied offices have been included in the intensity figures reported. The intensity figures relate to energy obtained by Grainger's landlord on a sub-metered basis. The intensity figure excludes Scope 3 emissions from Well-to-Tank or Transmission and Distribution.

Narrative on performance:

Absolute and like-for-like energy and GHG emissions:

Electricity - Consumption of electricity sub-metered to Grainger by its landlords has stayed largely consistent, showing a slight increase of 3%. On a non-submetered basis electricity consumption has reduced significantly, which is largely due to changing London office locations. Scope 2 emissions have slightly increased overall, in line with the overall increase in sub-metered electricity consumption as stated.

Fuel - Consumption of fuels sub-metered to Grainger by its landlords has reduced by 17.5%. This can largely be attributed to the closure of our Birmingham office, which was previously one of two offices using natural gas, leaving just a single office using natural gas for heating. On a non-submetered basis fuel consumption has also reduced on the one meter, which is associated with our Newcastle office, which underwent major refurbishment work during the previous reporting period.

Scope 3 - Emissions have significantly decreased overall, primarily due to non-submetered energy use which falls under our Scope 3 reporting. In addition, emissions from WTT and T&D have decreased year-on-year, in line with the overall reduction in energy use across our offices.

Energy and GHG emissions intensity:

Energy and GHG emissions intensity: GHG emissions intensity per employee has increased by 4% between 2023 and 2024 due to the combination of the 3% overall Scope 1 and 2 emissions increase detailed above, whilst the number of employees has slightly decreased from 2023.

Absolute and Like-for-like Energy, Building Energy Intensity, GHG Emissions and GHG Intensity for owned assets by portfolio

We report on Grainger-obtained electricity, fuel and water consumption for applicable properties with common areas; the proportion of estimation and exclusions due to missing data are listed in detail below. Grainger does not report on energy or water purchased and consumed by tenants as we are not able to obtain this due to privacy laws. All annual consumption is reported as the portfolio stood at year end for the period from 1 October 2023 to 30 September 2024.

| Absolute and like-for-like energy and Building Energy Intensity for owned assets (kWh) | | | 2023 | | | | 2024 | | | | Absolute trend | Like-for-like trend |
|---|------------------|--|-------------------------|-------------------------------------|------------------------------|-------------------------------------|-------------------------|-------------------------------------|------------------------------|-------------------------------------|-------------------|------------------------|
| | | | Absolute Consumption | Coverage of applicable meters | Like-for-like consumption | Coverage of applicable meters | Absolute Consumption | Coverage of applicable meters | Like-for-like consumption | Coverage of applicable meters | | |
| Elec-Abs, Elec-LfL | PRS | Grainger obtained electricity | 4,393,923 | 275 of 275 | 3,645,225 | 214 of 214 | 5,247,761 | 270 of 270 | 3,553,303 | 214 of 214 | 19% | -2.5% |
| | | Proportion of electricity from renewable sources | 90% | - | 95% | - | 95% | - | 99% | - | | |
| | | % of electricity estimated | 0.5% | - | 0.5% | - | 1% | - | 1% | - | | |
| Grainger obtained District Heat | | 25,539 | 2 of 2 | 25,539 | 2 of 2 | 10,826 | 2 of 2 | 10,826 | 2 of 2 | -58% | -58% | |
| Proportion of district heat from renewable sources | | 0% | - | 0% | - | 0% | - | 0% | - | | | |
| % of district heat estimated | | 0% | - | 0% | - | 3% | - | 3% | - | | | |
| Fuels-Abs, Fuels-LfL | | Total energy consumption from Grainger obtained fuels (natural gas and biomass) | 8,272,523 | 15 of 15 | 8,127,042 | 10 of 10 | 8,435,351 | 16 of 16 | 8,099,563 | 10 of 10 | 2% | -0.3% |
| | | Proportion of fuels from renewable sources | 57% | - | 57% | - | 64% | - | 65% | - | | |
| | | % of fuels estimated | 2% | - | 2% | - | 1% | - | 1% | - | | |
| Elec-Abs, Elec-LfL | Regulated | Grainger obtained electricity | 832,500 | 127 of 127 | 800,731 | 114 of 114 | 786,336 | 117 of 117 | 783,952 | 114 of 114 | -6% | -2% |
| | | Proportion of electricity from renewable sources | 96% | - | 96% | - | 97% | - | 97% | - | | |
| | | % of electricity estimated | 1% | - | 0% | - | 2% | - | 2% | - | | |
| Fuels-Abs, Fuels-LfL | | Total energy consumption from Grainger obtained fuels (natural gas and biomass) | 1,095,439 | 8 of 8 | 895,051 | 7 of 7 | 1,260,950 | 7 of 7 | 1,260,950 | 7 of 7 | 15% | 41% |
| | | Proportion of fuels from renewable sources | 62% | - | 76% | - | 100% | - | 100% | - | | |
| | | % of fuels estimated | 0% | - | 0% | - | 1% | - | 1% | - | | |
| Elec-Abs, Elec-LfL | Grand Total | Grainger obtained electricity | 5,226,423 | 402 of 402 | 4,445,957 | 328 of 328 | 6,034,097 | 387 of 387 | 4,337,255 | 328 of 328 | 15.5% | -2.4% |
| | | Proportion of electricity from renewable sources | 91% | - | 95% | - | 95% | - | 98% | - | | |
| | | % of electricity estimated | 0.5% | - | 0.5% | - | 1% | - | 1% | - | | |
| Fuels-Abs, Fuels-LfL | | Total energy consumption from Grainger obtained fuels (natural gas and biomass) | 9,367,962 | 23 of 23 | 9,022,093 | 17 of 17 | 9,696,301 | 23 of 23 | 9,360,513 | 17 of 17 | 4% | 3.8% |
| | | Proportion of fuels from renewable sources | 58% | - | 58% | - | 69% | - | 70% | - | | |
| | | % of fuels estimated | 1% | - | 2% | - | 1% | - | 1% | - | | |
| Energy - Int | Energy Intensity | Building Energy Intensity for all Grainger-obtained building energy kWh per residential gross internal area (m²) | 19.7 | - | - | - | 19.2 | - | - | - | -2.9% | |

| Absolute GHG emissions and GHG intensity for owned assets (tonnes CO2e) | | | 2023 | | 2024 | | Absolute trend |
|---|-------------|---|----------------------|-------------------------------|----------------------|-------------------------------|----------------|
| | | | Absolute Consumption | Coverage of applicable meters | Absolute Consumption | Coverage of applicable meters | |
| GHG-Dir-Abs | PRS | Total direct GHG emissions (GHG Protocol Scope 1) | 637 | 15 of 15 | 402 | 16 of 16 | -37% |
| GHG-Indir-Abs | | Total indirect GHG emissions (GHG Protocol Scope 2) | 914 | 277 of 277 | 1088 | 272 of 272 | 19% |
| | | Total indirect GHG emissions (GHG Protocol Scope 3) | 543 | 292 of 292 | 557 | 288 of 288 | 3% |
| GHG-Dir-Abs | Regulated | Total direct GHG emissions (GHG Protocol Scope 1) | 75 | 8 of 8 | 0.3 | 7 of 7 | -100% |
| GHG-Indir-Abs | | Total indirect GHG emissions (GHG Protocol Scope 2) | 172 | 127 of 127 | 163 | 117 of 117 | -6% |
| | | Total indirect GHG emissions (GHG Protocol Scope 3) | 88 | 133 of 133 | 77 | 124 of 124 | -12% |
| GHG-Dir-Abs | Grand Total | Total direct GHG emissions (GHG Protocol Scope 1) | 712 | 23 of 23 | 402 | 23 of 23 | -44% |
| GHG-Indir-Abs | | Total indirect GHG emissions (GHG Protocol Scope 2) | 1087 | 404 of 404 | 1251 | 389 of 389 | 15% |
| | | Total indirect GHG emissions (GHG Protocol Scope 3) | 631 | 425 of 425 | 634 | 412 of 412 | 1% |
| Estimation | | % of GHG estimated | 1% | - | 1% | - | - |
| GHG-Int | Grand Total | GHG intensity for all Grainger obtained building energy (Scopes 1 and 2) kg Co2e per residential gross internal area (m²) | 2.4 | - | 2.0 | - | -17.1% |

Data coverage notes for owned assets:

Absolute energy and Scope 1 and 2 GHG emissions:

Fuel - We have been able to report consumption - and associated Scope 1 GHG emissions - across all 23 of the meters for which we purchase fuels.

District Heating - We have been able to report consumption - and associated scope 2 GHG emissions - for the 1 property (2 meters) for which we procure district heating.

Electricity - We have been able to report consumption - and scope 2 GHG emissions - across all 387 of the meters for which we purchased electricity. Scope 2 emissions are presented here as location-based emissions.

Like-for-like energy: We have been able to report like-for-like energy performance for all applicable properties which have been owned and operated by Grainger for the complete 24 month reporting period.

Absolute scope 3 emissions: Scope 3 emissions relate to transmission and distribution losses and well-to-tank emissions associated with Grainger's purchased electricity and fuels. Tenant consumption and emissions are not accounted for here but are estimated and reported in the Streamlined Energy and Carbon Report in Grainger's Annual Report & Accounts (see page 111).

Narrative on performance:

Absolute energy:

PRS - Total Grainger obtained electricity for PRS properties has increased by 19%. This is primarily due to the change of property makeup within PRS, with acquisitions and divestments representing 63% of the change in electricity consumption. However, when viewing electricity consumption on a like-for-like basis, electricity consumption has slightly decreased, by 2.5% due to energy efficiency initiatives. This year we introduced a new energy champions network and progressed the roll-out of smart meters and building management systems for communal heating systems to remaining sites on our portfolio. Grainger obtained fuel consumption for PRS properties has largely remained consistent year-on-year, with a 2% absolute increase, or 0.3% decrease on a like-for-like basis.

Regulated - Grainger obtained electricity for regulated properties has reduced by 6%, which is due to a combination of property disposals and improved energy efficiency of existing properties. Fuels obtained by Grainger for regulated properties has increased by 15%. This increase is primarily due to issues relating to meter replacements at two properties which led to some potential overstatement of consumption.

Absolute GHG emissions: Grainger obtained Scope 1 GHG emissions have decreased this year, by 44% despite only a minor increase in fuel consumption. This is because the majority of our properties have now been moved onto a central biogas contract, replacing the previous natural gas supply. Grainger's Scope 2 emissions have increased by 15%, primarily due to increased electricity consumption as the emissions intensity of UK electricity has remained consistent year-on-year. Scope 3 emissions have increased overall by 9%, due to the increased consumptions across the portfolio as described above.

Like-for-like energy: This comparison shows that electricity consumption has reduced by 2.4% overall for properties that were active across both reporting periods, due to energy efficiency measures, whilst fuel consumption has increased by 3.8% due to the meter replacement issues reported above.

Energy and GHG emissions intensity: We have used residential total gross internal area (m²) as our main intensity Performance Measure, which has increased by 11% this year compared to the previous year. As a result of this, coupled with the trends observed above, Grainger's energy intensity has reduced by 3% whilst emissions intensity has decreased by 17%.

Absolute and like-for-like water consumption and Building Water Intensity for owned assets by portfolio

| Absolute and like-for-like water for owned assets | | 2023 | | | | 2024 | | | | Absolute trend | Like-for-like trend |
|---|----------------------|----------------------|-----------------------------------|---------------------------|-----------------------------------|----------------------|-------------------------------|---------------------------|-------------------------------|----------------|---------------------|
| | | Absolute Consumption | Coverage of applicable properties | Like-for-like consumption | Coverage of applicable properties | Absolute Consumption | Coverage of applicable meters | Like-for-like consumption | Coverage of applicable meters | | |
| Water (m3) | PRS | 23319 | 44 of 44 | 19392 | 35 of 35 | 24859 | 46 of 46 | 22506 | 35 of 35 | 6.6% | 16.1% |
| | Regulated | 255 | 2 of 2 | 255 | 2 of 2 | 253 | 2 of 2 | 253 | 2 of 2 | -0.8% | -0.8% |
| | Grand Total | 23574 | 46 of 46 | 19648 | 37 of 37 | 25112 | 48 of 48 | 22759 | 37 of 37 | 6.5% | 15.8% |
| | % of water estimated | 25% | - | 26% | - | 18% | - | 20% | - | - | - |
| Water intensity (m3) | Water intensity (m3) | 0.03 | 46 of 46 | 0.03 | 37 of 37 | 0.03 | 48 of 48 | 0.03 | 37 of 37 | -4.0% | 4.4% |

Data coverage notes for owned assets:

Absolute water: We have been able to report water usage for all properties for which we collect water data

Like-for-like water: We have excluded any properties bought or sold during the reporting period from like-for-like data. In addition, properties for which Grainger began to collect water data within the 2-year period are excluded from reporting.

Narrative on performance:

Absolute and like-for-like water: All water is municipal potable water discharged from taps in the communal areas of Grainger properties. There is minimal landlord obtained water across Grainger's portfolio and as the business does not operate in water-stressed locations, water consumption is not considered material. Despite this, Grainger has undertaken steps to identify and bring more meters within the reporting scope. As such, Grainger has reported this year on 46 meters, with 35 being active across both years. PRS property water consumption has increased overall during this period, with a larger increase in like-for-like water consumption. This can be attributed to a combination of an increased number of meters reported, alongside better overall data coverage meaning a reduction in estimated data. For Regulated properties there was a slight reduction across the 2 meters on both an absolute and like-for-like basis.

Water intensity: We have used residential total gross internal area (m²) as our main intensity Performance Measure. Grainger's absolute water intensity has decreased over the 2-year period, due to a combination of a 6.5% increase in water usage - as described above - and an 11% increase in residential total gross internal area.

Total weight of waste by disposal and diversion routes and like-for-like total weight of waste by disposal and diversion routes for office occupation and owned assets

| Total weight of waste by disposal route and like-for-like total weight of waste by disposal route for owned assets | | 2023 | | | | 2024 | | | | Absolute trend | Like-for-like trend |
|--|---|-----------------|----------------|----------------------|----------------|-----------------|----------------|----------------------|----------------|----------------|---------------------|
| | | Absolute tonnes | Abs Proportion | Like-for-like tonnes | LfL proportion | Absolute tonnes | Abs Proportion | Like-for-like tonnes | LfL proportion | | |
| PRS | Total | 915.7 | 100% | 916 | 100% | 984 | 100% | 947 | 100% | 7.4% | 3.4% |
| | Recycled | 423.1 | 46% | 423 | 46% | 526 | 53% | 489 | 52% | 24.4% | 15.6% |
| | Incineration (with and without energy recovery) | 385.1 | 42% | 385 | 42% | 350 | 36% | 350 | 37% | -9.1% | -9.1% |
| | Landfill (non hazardous) | 107.4 | 12% | 107 | 12% | 107 | 11% | 107 | 11% | 0.0% | 0.0% |
| | Hazardous Waste Treatment Facility | - | - | - | - | - | - | - | - | - | - |
| | % of waste estimated | 84% | | 84% | | 100% | | 100% | | - | - |
| | Coverage of applicable properties | 12 of 13 | | 12 of 13 | | 14 of 15 | | 12 of 13 | | | |
| Grand total | Total | 915.7 | 100% | 916 | 100% | 984 | 100% | 947 | 100% | 7.4% | 3.4% |
| | Recycled | 423.1 | 46% | 423 | 46% | 526 | 53% | 489 | 52% | 24.4% | 15.6% |
| | Incineration (with and without energy recovery) | 385.1 | 42% | 385 | 42% | 350 | 36% | 350 | 37% | -9.1% | -9.1% |
| | Landfill (non hazardous) | 107.4 | 12% | 107 | 12% | 107 | 11% | 107 | 11% | 0.0% | 0.0% |
| | Hazardous Waste Treatment Facility | - | - | - | - | - | - | - | - | - | - |
| | % of waste estimated | 84% | | 84% | | 100% | | 100% | | - | - |
| | Coverage of applicable properties | 12 of 13 | | 12 of 13 | | 14 of 15 | | 12 of 13 | | | |
| Own office occupation | Total | 9.6 | 100% | 6 | 100% | 11.8 | 100% | 6 | 100% | 23.8% | 5.7% |
| | Recycled | 2 | 23% | 1 | 23% | 3.9 | 33% | 1 | 23% | 74.2% | 51.8% |
| | Incineration (with and without energy recovery) | 7 | 77% | 5 | 77% | 7.9 | 67% | 5 | 77% | 8.4% | -2.9% |
| | Landfill (non hazardous) | 0.00 | 0% | 0.00 | 0% | 0.0 | 0% | 0 | 0% | - | - |
| | Hazardous Waste Treatment Facility | - | - | - | - | - | - | - | - | - | - |
| | % of waste estimated | 13.3% | | 21.3% | | 29.0% | | 29.0% | | - | - |
| | Coverage of applicable properties | 5 of 5 | | 3 of 3 | | 5 of 5 | | 3 of 3 | | | |

Data coverage notes for owned assets:

Absolute and like-for-like waste: Hazardous waste is not applicable. Waste data is gathered for all properties in the portfolio where Grainger has waste management contracts in place, excluding Bethnal Green where it was not possible to obtain the necessary information to calculate weights.

Waste weight in metric tonnes is calculated from bin volume in litres using the WRAP waste conversion factor for mixed municipal waste, rather than actual weight measurements at each property. Proportion of waste by disposal and diversion route is based on statistics for each applicable waste management contractor as a whole and is not specific to Grainger properties. Because of this, there is no narrative on performance available.

Data coverage notes for occupied offices:

Absolute and like-for-like waste: Data was available for Grainger's primary offices - London and Newcastle. No waste data is currently collected at the Birmingham, Salford and Aldershot offices, which have only a small number of employees. To address this gap, waste data from the London and Newcastle offices was used as a proxy and scaled based on headcount.

Narrative on performance:

Owned Assets: Waste consumption increased marginally from 2023 to 2024. This is partially due to Grainger taking on responsibility for paying for additional bin collections at some locations, which means more waste has falling under our reporting responsibility.

Offices: Waste consumption increased this year. This is primarily due to increase in estimated waste from our London office, which moved location during the reporting year. It should be noted however, that waste is estimated overall based on Grainger's relative occupancy by floor area of a wider office building and therefore is affected by waste generation outside of Grainger's influence.

Type and number of sustainably certified assets

Cert-Tot (Type and number of sustainably certified assets)

| Type of certification | | 2023 | | | | | | 2024 | | | | | |
|--------------------------|---|--------------------------------|----------------------------------|-----------------------------------|--------------------------------|----------------------------------|-----------------------------------|--------------------------------|----------------------------------|-----------------------------------|--------------------------------|----------------------------------|-----------------------------------|
| | | PRS | | | Regulated | | | PRS | | | Regulated | | |
| | | Number of certified properties | Percentage of UK units certified | Coverage of applicable properties | Number of certified properties | Percentage of UK units certified | Coverage of applicable properties | Number of certified properties | Percentage of UK units certified | Coverage of applicable properties | Number of certified properties | Percentage of UK units certified | Coverage of applicable properties |
| Mandatory certifications | EU energy performance certificate | 8,069 | 100% | 8,069 of 8,070 | 1,370 | 98% | 1,370 of 1,398 | 9,157 | 100% | 9,157 of 9,157 | 1,127 | 100% | 1,127 of 1,130 |
| Voluntary certifications | Code for Sustainable Homes Level 3 / 4 | 338 | 4% | 338 of 1,452 | - | - | 0 of 0 | 338 | 4% | 338 of 1,796 | - | - | 0 of 0 |
| Voluntary certifications | BREEAM Domestic Refurbishment Outstanding | 192 | 2% | 192 of 192 | - | - | 0 of 0 | 192 | 2% | 192 of 192 | - | - | 0 of 0 |

Data coverage notes

Mandatory certifications are EU energy performance certificates, which are not mandatory for all of Grainger's properties because they are only mandatory for buildings which are marketed or sold, or those that have been recently constructed. Coverage of certificates for Grainger's portfolio has increased significantly due to a strategy to increase coverage of certifications prior to the application of Minimum Energy Efficiency Standards (although it should be noted that these Regulations do not apply to a significant proportion of Grainger's properties including most regulated tenancies).

Voluntary certifications include Code for Sustainable Homes certifications for PRS properties developed and retained by Grainger. This certification was abolished in 2015, and so it is now unlikely that any newly completed developments will have attained certification. The voluntary certifications figure for Code for Sustainable Homes includes Code level 4 certifications for PRS assets Abbeville Apartments and Argo Apartments, and Code level 3 certifications for units at Grainger's Berewood development which completed between 2017 and 2019. We have also included our Tribe Apartments acquisition which was refurbished to BREEAM Outstanding. All new developments completed in 2024 and 2025 were not eligible to achieve Code for Sustainable Homes. All regulated tenancy properties were built prior to sustainability certifications coming into existence and these are therefore not applicable to this portfolio.

Social Performance Measures

Employee gender diversity

Employee Gender Diversity

| Impact Area | EPRA Code | Units of measure | Indicator | 2023 | | 2024 | |
|---------------------------|---------------|------------------------------|--|--------|------|--------|------|
| | | | | Female | Male | Female | Male |
| Employee gender diversity | Diversity-Emp | % of male & female employees | Employees in the organisation's Board of Directors | 42% | 58% | 42% | 58% |
| | | | Employees in the organisation's senior management | 29% | 71% | 35% | 65% |
| | | | All employees | 57% | 43% | 57% | 43% |

Employee Age Distribution

| 2024 | | |
|----------|-------|-----|
| Under 30 | Count | 89 |
| | % | 24% |
| 30-50 | Count | 210 |
| | % | 57% |
| 51+ | Count | 68 |
| | % | 19% |

Narrative on performance:

Grainger believes that a diverse perspective is key to success, and supports the aspiration of the Hampton Alexander Review to promote greater female representation on listed-company boards and in senior leadership teams. Female representation on Grainger's board has remained at 42%. In the 2024 FTSE Women Leaders review, Grainger's position improved from 46th last year to 19th this year, which marks significant progress. We also achieved the National Equality Standard accreditation this year. Grainger considers diversity to be much wider than just gender, and also aligns to the recommendations of the Parker review to increase the ethnic diversity of listed company boards, in addition to considering how we can promote diversity and inclusion in all its forms within our workforce. The Board has now met the Parker review recommendation stating that each FTSE 250 board should have at least one director of colour by 2024. The responsibility for diversity and inclusion across Grainger's wider employee base is within the remit of the Responsible Business Committee. More information on Board diversity can be found on page 82 of the 2024 Annual Report and an update on our approach to diversity and inclusion is provided on pages 40-41. We have commenced reporting on the distribution of employees by age in line with the recommendation in the fourth edition of the EPRA sBPR guidelines.

Gender pay ratio

Gender Pay Ratio

| Impact Area | EPRA Code | Units of measure | 2023 | 2024 | |
|-------------------------|---------------|------------------|--|-------|-------|
| Employee gender pay gap | Diversity-Pay | % gender pay gap | Mean (average) percentage by w hich female pay is low er than male pay | 29.3% | 27.0% |
| | | | Median (average) percentage by w hich female pay is low er than male pav | 28.0% | 19.2% |

Narrative on performance:

For all employees of Grainger Employees Limited, Grainger reports its gender pay gap in alignment with its voluntary reporting to the UK Government, and discloses the mean and median percentage pay gap between female and male pay. There is no breakdown by employee category available and for Board members this is not applicable.

In 2024, Grainger reported a reduction in the business's mean and median gender pay gap. Over the last four years, our Gender Pay Gap has reduced by 8.4% across the Grainger Group. We recognise that closing the gap is a long-term commitment and our action plan to reduce our gender pay gap is available on Grainger's website at: <https://corporate.graingerplc.co.uk/people-and-careers/gender-pay-gap>.

Employee training and development and Employee performance appraisals

Employee Training, Development and Performance

| Impact Area | EPRA Code | Units of measure | Indicator | 2023 | 2024 |
|-----------------------------------|--------------|-------------------------|--|-------------|-------------|
| | | | | | |
| Employee training and development | Emp-Training | Average number of hours | Average hours of training undertaken by employees in the reporting period | 15.11 hours | 17.42 hours |
| Employee performance appraisals | Emp-Dev | % of total workforce | % of total employees who received regular performance and career development reviews during the reporting period | 100% | 100% |

Narrative on performance:

Participation in the company's learning and development programme remained high. Training occurred both in person and virtually and included formal leadership development training programmes, digital compliance training and role specific learning hours. All colleagues receive regular training in Health & Safety, compliance and Equality, Diversity & Inclusion. We introduced new bite sized training modules in 2024 which covered effective recruitment, induction and onboarding and performance reviews.

We continued to maintain 100% of employees receiving performance appraisals. Appraisals are undertaken twice per year and consider colleague performance against pre-defined objectives, compliance with company initiatives such as our Live.Safe Health & Safety programme and an assessment of how the employee meets Grainger's company values. Our Career Development Framework which encourages regular reviews of colleague development has been further embedded and rolled out to new departments.

New hires and turnover

Employee Turnover and Retention

| Impact Area | EPRA Code | Units of measure | Indicator | 2023 | | 2024 | |
|---------------------------------|--------------|-----------------------|--------------------|--------|------|--------|------|
| | | | | Number | Rate | Number | Rate |
| Employee turnover and retention | Emp-Turnover | Total number and rate | Employee Headcount | 372 | - | 367 | - |
| | | | New employee hires | 44 | 12% | 33 | 9% |
| | | | Employee turnover | 59 | 17% | 75 | 21% |

Narrative on performance:

We recruited a number of new people into the business during the year, both in our main offices as well as for on-site roles and overall headcount remained consistent as we balance business growth with operational efficiencies delivered through Grainger's market leading fully integrated operating platform. Turnover remained low relative to other organisations in the sector, which is likely due to our talent identification process and succession plans for key colleagues, our leadership and development programmes, the regular reviews of our benefit structure that we take against the external market to ensure we remain competitive and our 'Very Good' rating in our annual employee engagement survey, run by Best Companies.

Employee health and safety

Employee Health & Safety

| Impact Area | EPRA Code | Units of measure | Indicator | 2023 | 2024 |
|----------------------------|-----------|---------------------------|---------------|------|------|
| Employee health and safety | H&S-Emp | Per 100,000 hours w orked | Injury rate | 0.00 | 0.00 |
| | | | Lost day rate | 0.00 | 0.00 |
| | | Days per employee | Absentee rate | 1.53 | 1.74 |
| | | Total number | Fatalities | 0 | 0 |

Narrative on performance:

100% of employees in Grainger's own workforce are protected by Grainger's health and safety management system and Live.Safe programme which have been designed to ensure the highest standards of health and safety which includes compliance with the Health and Safety at Work etc Act 1974 and other relevant UK legislation.

Grainger has specific internal control and management systems to mitigate health and safety risk, including technological solutions and a programme of audit and assurance. We continued to offer bespoke behavioural health and safety training which is being provided to all Grainger employees. All staff undertake an annual Safety Climate survey which helps us to benchmark our performance on embedding health and safety into our organisational culture; this performance has remained consistently strong relative to other organisations completing the survey.

We maintained our record of no RIDDOR reportable health and safety incidents for employees. The absentee rate increased slightly between 2023 and 2024 but this cannot be attributed to a specific cause.

Asset health and safety assessments and compliance

Asset Health & Safety Assessments and Compliance

| | | | | PRS | | Regulated | |
|-------------------------------------|------------|--------------|---|------|------|-----------|------|
| | | | | 2023 | 2024 | 2023 | 2024 |
| Asset health and safety assessments | H&S-Assets | % of assets | % of assets for which H&S impacts are assessed or reviewed | 100% | 100% | 100% | 100% |
| Asset health and safety compliance | H&S-Comp | Total number | Number of incidents of non-compliance with regulations and/or voluntary standards | 0 | 0 | 0 | 0 |

Narrative on performance:

Health and Safety risk assessments are conducted at all assets and Grainger complies fully with all health and safety regulations. The organisation has not identified any non-compliance with regulations and/or voluntary codes. We undertake comprehensive due diligence for new acquisitions, with health and safety considerations embedded in the investment process model. We have a detailed specification for enhanced fire standards and take a proactive risk-based approach to understanding materials specification, ensuring that we take on board the findings of the Hackitt Review. We ensure detailed risk assessments are carried out on properties prior to occupation and take a proactive approach to fire safety throughout the operation of our buildings.

Our Live.Safe Health & Safety programme ensures health and safety compliance is integrated into all areas of Grainger's operations and our comprehensive Health and Safety Management System (aligned to ISO standards) combines policies and procedures with a programme of specific training for every Grainger employee. We have introduced a streamlined accident reporting procedure and incident system and we maintain regular thorough and robust risk assessments of each of our offices and our Build-to-Rent sites which are regularly reviewed and updated.

Community engagement, impact assessments and development programmes

Community Engagement, Impact Assessments and Development Programmes

| | | | | PRS | | Regulated | |
|---------------------------------------|-----------|-------------|---|------|------|-----------|------|
| | | | | 2023 | 2024 | 2023 | 2024 |
| Asset community engagement programmes | Comty-Eng | % of assets | % of assets under operational control that have implemented local community engagement, impact assessments, and/or development programmes | 100% | 100% | 100% | 100% |

Narrative on performance:

Grainger has a corporate community programme that applies across all activities. This includes a community investment programme with two charity partnerships aligned to Grainger's two portfolios - LandAid and Age UK. In 2024, our total community investment was £134,000. This is a slight reduction on our record year of investment in 2023 which included an in-kind donation of homes to six Ukrainian refugee families in Grainger Trust's Poppy Apartments, Millet Place, worth over £150,000.

Community engagement activities are undertaken on key assets and development sites where we have operational control and we undertake community engagement through a variety of means including focus groups, organised events, online consultation platforms, regular newsletters and direct communications with local stakeholders. In the year we introduced a new local community engagement framework at our key operational clusters, partnering with local charity partners and engaging our residents and colleagues with local community stakeholders including food banks and community policing services. More information is reported in our Annual Report on page 43.

All our community initiatives are based on an assessment of the local communities' needs and we conduct social and environmental impact assessments for planning purposes. We provide grievance processes for all residents and other stakeholders, including a formal complaints procedure, and a whistleblowing facility. We employ local people in our Resident Services Teams and take steps to help our residents integrate into local communities, such as providing information about local services and amenities and hosting community events. We also work with local businesses both to signpost them to our residents and to use them for our own sourcing, such as for events held in our buildings. In 2024 we held 598 residents and community events across our portfolio.

Governance Performance Measures

Composition of the highest governance body

Composition of the highest governance body

| Impact Area | EPRA Code | Units of measure | Indicator | 2023 | 2024 |
|---------------------------------------|-----------|------------------|---|---|---|
| Composition of the Board of Directors | Gov-Board | Total numbers | Number of executive board members | 2 | 2 |
| | | | Number of independent / non-executive board members | 5 | 5 |
| | | | Average tenure on the governance body | 4 years 4 months | 5 years 4 months |
| | | | Number of independent / non-executive board members with competencies relating to environmental and social topics | Reported via qualitative information on pages 62-63 in Grainger's 2022 Annual Report & Accounts | Reported via qualitative information on pages 68-69 in Grainger's 2024 Annual Report & Accounts |

Narrative on performance:

Information on the skills and experience of members of Grainger's Board of Directors is reported in Grainger's Annual Report & Accounts. This includes their previous experience, qualifications and other appointments, including competencies relating to environmental and social topics. Mark Clare, the Chairman of the Board, was previously a trustee of the Building Research Establishment and the UK Green Building Council. Carol Hui, the Non-Executive Director who chairs the Responsible Business Committee has substantial non-executive experience with a focus on sustainability and is also the chair of the sustainability committee at Breedon Group plc. Michael Brodtman who was appointed to the Board as a Non-Executive Director in 2023 is a Trustee of Jewish Care, the health and social welfare charity and sits on the Grants and Impacts Committee of LandAid, the property industry charity.

Process for nominating and selecting the highest governance body

Nominating and selecting the highest governance body

| Impact Area | EPRA Code | Units of measure | Indicator | 2023 | 2024 |
|---|------------|-----------------------|---|---|---|
| Nominating and selecting the Board of Directors | Gov-Select | Narrative description | <p>The nomination and selection processes for the Board of Directors and its committees</p> <p>Criteria used for nominating and selecting Board members, including whether and how</p> <ul style="list-style-type: none"> - Stakeholders (including shareholders) are involved - Diversity is considered - Independence is considered - Expertise and experience relating to economic, environmental and social topics are considered | Reported in the Nominations Committee report on pages 82-85 in Grainger's 2023 Annual Report & Accounts | Reported in the Nominations Committee report on pages 80-83 in Grainger's 2024 Annual Report & Accounts |

Narrative on performance:

Before making a new appointment, Grainger puts together a brief of the specific expertise and experience desired for the position and is considerate of the mix of expertise, diversity and inclusivity of the Board in drawing up this brief. Grainger's Nominations Committee ensures that both appointments and succession plans are based on merit and objective criteria and promote diversity of gender, social and ethnic backgrounds and cognitive and personal strengths and works closely with the Responsible Business Committee with regard to the wider diversity and inclusion strategy and agenda.

Process for managing conflicts of interest

Process for managing conflicts of interest

| Impact Area | EPRA Code | Units of measure | Indicator | 2023 | 2024 |
|--|-----------|-----------------------|--|---|---|
| Process for managing conflicts of interest | Gov-Col | Narrative description | Processes to ensure that conflicts of interest are avoided and managed in the highest governance body | <p>Grainger has a Conflicts of Interest Policy that is reviewed by all staff. It requires potential conflicts of interest to be reported by employees to their line manager, referred to the Legal, Risk & Governance team where appropriate and escalated if required.</p> <p>Prior to any new appointment to the Grainger Board of Directors, Grainger requests details of any existing directorships held by the proposed Board member for consideration. Board level conflicts and potential conflicts are disclosed as they arise, and the register of conflicts is reviewed by the Board at least annually, or more frequently if required.</p> <p>The Conflicts of Interest Policy sets out that if anyone serving on the Board of Directors is considering accepting another appointment as a board member of another organisation (including not-for-profit organisations), prior to accepting the appointment, they must always disclose the proposed appointment to a member of the Grainger Board of Directors.</p> | |
| | | | Whether conflicts of interest are disclosed to stakeholders, including: | | |
| | | | <ul style="list-style-type: none"> - Cross-board membership - Cross-shareholding with suppliers and other stakeholders - Existence of controlling shareholder - Related party disclosure | <p>Conflicts of interest are disclosed to stakeholders in Grainger's Annual Report & Accounts. In 2023 there were no conflicts of interest identified.</p> <p>Grainger discloses information on individual members of the Board of Directors on pages 72-73 of the 2023 Annual Report & Accounts. This includes their previous experience and qualifications, and other appointments and directorships. Directors' shareholdings and share interests are reported on pages 106-107. Any Directors' interests in significant contracts are disclosed in the Directors' report on page 112 - in 2023 there were no material interests to disclose.</p> <p>There is no controlling shareholder in Grainger plc. Substantial shareholdings in the organisation are disclosed on page 77 in the Annual Report & Accounts. Related party transactions are reported on page 167.</p> | <p>Conflicts of interest are disclosed to stakeholders in Grainger's Annual Report & Accounts. In 2024 there were no conflicts of interest identified.</p> <p>Grainger discloses information on individual members of the Board of Directors on pages 68-69 of the 2024 Annual Report & Accounts. This includes their previous experience and qualifications, and other appointments and directorships. Directors' shareholdings and share interests are reported on pages 104-105. Any Directors' interests in significant contracts are disclosed in the Directors' report on page 110 - in 2024 there were no material interests to disclose.</p> <p>There is no controlling shareholder in Grainger plc. Substantial shareholdings in the organisation are disclosed on page 74 in the Annual Report & Accounts. Related party transactions are reported on page 163.</p> |

Narrative on performance:

There were no new conflicts of interest identified in 2023 or 2024.