Strategic objectives and key performance indicators

How we performed

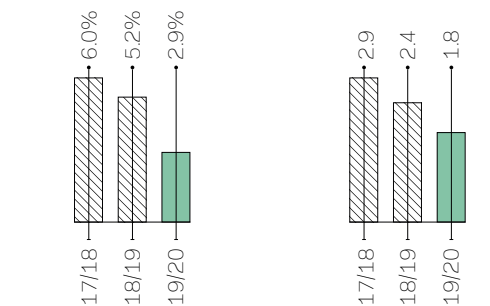| Strategic objectives	**Actively manage our assets to drive sustainable outperformance against our commercial targets**	**Nurture a high-performance culture and reputation as a 'Brilliant place to work'**
Why this is important to us	Under the Crown Estate Act 1961, we have a duty to maintain and enhance the value of our portfolio and the return obtained from it, with due regard to the requirements of good management. We have two key commercial targets, agreed with the Treasury, which underpin our strategy and support this obligation. They are measured through net revenue profit growth and outperformance of our peers on a total return basis.	Understanding the drivers of our people's satisfaction and delivering against these is vital to attracting and retaining the best talent. Our annual One Voice survey tracks employee engagement, enabling us to identify success as well as areas for improvement.
Capitals	Financial resources, Physical resources and Our know-how	Our people
Our 2019/20 targets	– 4% annualised growth in net revenue profit on three-year rolling basis – Outperform our MSCI bespoke total return benchmark on an annualised three-year rolling basis.	– Outperform the UK national benchmark* for employee engagement of 78% (2019). * Provided by Willis Towers Watson.
KPIs – How did we perform this year?		

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2.9% (M)

Three-year rolling growth in net revenue profit on an annualised basis

6.0% | 5.2% | 2.9%
17/18 | 18/19 | 19/20

Read more on page 39

1.8 percentage points (A)

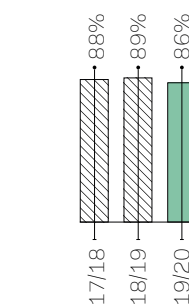Relative outperformance on three-year rolling annualised basis (percentage points) of bespoke total return benchmark

2.9 | 2.4 | 1.8
17/18 | 18/19 | 19/20

Read more on page 07

86% (A)

Our people who consider The Crown Estate to be a 'Brilliant place to work'

88% | 89% | 86%
17/18 | 18/19 | 19/20

Read more on page 28

| **Priorities for 2020/21**** | – Work with our customers, stakeholders, partners and supply chain to navigate the impact of COVID-19 and economic uncertainty
– Continue the review of our purpose and strategy
– Review our development pipeline to ensure it creates value for our customers, stakeholders and wider society in the years ahead
– Conclude tender process for Offshore Wind Leasing Round 4
– Agree and meet short term target for net revenue profit and outperform our MSCI bespoke total return benchmark. | – Outperform the UK national benchmark for our employee engagement survey as a 'Brilliant place to work'
– Continue to enhance the experience we offer our people, especially in wellbeing and flexible working practices
– Grow our understanding and commitment to the opportunity that diversity and inclusion brings to the workplace and business success
– Leverage the opportunities that new skills and expertise in the workforce bring to our delivery capability. |

**Our corporate strategy is being reviewed. Read more on page 10.

Key:

(A) Achieved

(O) On track

(M) Missed

△ Independent limited assurance (see inside front cover)

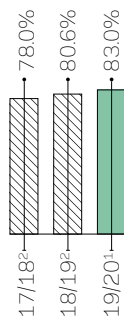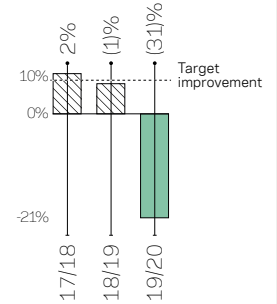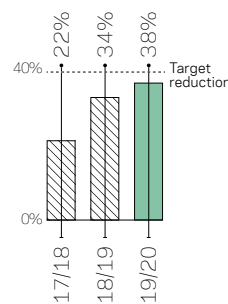| Strategic objectives	**Build ever stronger relationships through high levels of customer and partner satisfaction, loyalty and recommendation**	**Be a leading responsible and resilient business which thinks long term**
Why this is important to us	We are committed to delivering high levels of customer satisfaction and to being a leader in our sector. This is a measure that is fundamental to our business success. We undertake regular customer engagement to understand our customers' needs and anticipate future trends. We work alongside everyone in the end-to-end value chain to implement our priority findings.	We aim to create value beyond financial return by acting responsibly and sustainably in everything we do. That means balancing the needs of all of our stakeholders and improving the way we operate to create an environment and culture where our people, customers, supply chain and visitors feel supported, safe and secure. As part of our climate agenda, reducing carbon emissions is critical to how we address global warming and related impacts. We believe that businesses like ours have a responsibility to be part of the solution to how society meets this challenge.
Capitals	Our networks	Natural resources and Our people
Our 2019/20 targets	– Outperform the Institute of Customer Service benchmark of 76.9% (January 2020).	– Reduce carbon emissions intensity by 40% against the 2012/13 baseline for property under direct control, by 2022 – 10% year-on-year improvement in Incident Severity Score (incidents and significant near misses) against a three-year rolling average.

KPIs – How did we perform this year?

83% (A)

Customers who are 'satisfied' or 'very satisfied'

1 Central London and Regional customers were surveyed.
2 Central London, Regional, EMI and Rural customers were surveyed.

📖 Read more on page 32

38% (O)

Reduction in carbon emissions intensity against 2012/13 baseline, a 6.1%△ year-on-year improvement in the indexed score

📖 Read more on page 37

-31%△ (M)

Underperformance against the Health and Safety Incident Severity Score (ISS) target, a 16%△ deterioration on the 2018/19 score

📖 Read more on page 28

Priorities for 2020/21**

– Consistently deliver the experience our customers value across all our operations
– Continue to build the capabilities and culture both across The Crown Estate and within the end-to-end value chain to deliver excellent experience for our customers
– Outperform the Institute of Customer Service benchmark
– Support customers throughout the COVID-19 crisis, assisting with the remobilisation of their businesses and implementation of rebuild plans.

– Set our net zero carbon agenda and enhance our ambition for how we work with partners, customers and suppliers to address climate change
– Ensure demonstrable leadership in health and safety along with clear leadership accountabilities across The Crown Estate. All portfolios to commit to achieving continual improvement through capturing lessons learnt, knowledge sharing and new innovation throughout the supply chain.

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