

# Responsible Business Committee report



**Madeleine McDougall** Chair of the Responsible Business Committee

## 2026 focus areas

- Deepen understanding of employee needs by reviewing and responding to the 2025 Employee Survey
- Track impact of new 'Rewards and Recognition' initiative and launch new mentor programme
- Receive regular progress updates on the Group's Net Zero Carbon Pathway
- Continue to monitor the Group's community and charitable initiatives
- Monitor the Group's progress on disability and accessibility in line with the Business Disability Forum

## Committee membership during 2025

	Independent	Number of meetings	Attendance <sup>1</sup>
Madeleine McDougall	Yes	2	100%
Mark Breuer	Yes	2	100%
Cilla Snowball <sup>2</sup>	Yes	1	100%
Emily Prideaux	No	2	100%
Paul Williams <sup>3</sup>	No	1	50%
Carys Grieve	Employee	2	100%
Amy Hulbert	Employee	2	100%
Bryan Vasquez	Employee	2	100%
William Waples	Employee	2	100%

1 Percentages are based on the meetings entitled to attend for the 12 months ended 31 December 2025.

2 Cilla Snowball stepped down from the Board at the AGM on 16 May 2025.

3 Paul Williams was unable to attend the meeting in May due to his involvement in the Remuneration Policy consultation.

Dear Shareholder,

I am pleased to present a report on the Responsible Business Committee's focus areas and activities during the year. This is my first report as Chair, since succeeding Dame Cilla Snowball on 16 May 2025.

## Diversity and inclusion

The Committee continues to be proud of the Group's progress in relation to diversity and inclusion and throughout the year has received regular updates on the activities of the Diversity & Inclusion (D&I) Working Group. For further information see page 170.

A key focus of the D&I Working Group has been the resubmission of the Group's Disability Smart Audit Self-Assessment, completed in June 2025. It was pleasing to see the significant progress that has been made over the last two years and the Group's ongoing commitment to disability and accessibility working in conjunction with the Health, Safety and Accessibility Working Group.

The Board has continued to engage in the importance of diversity through the targets set by the FTSE 350 Women Leaders Review, the Listing Rules and the Parker Review (see page 141). In accordance with the latest Parker Review recommendations, the Board has previously set a challenging target for 15% of the senior management team self-identifying as being of an ethnically diverse background. The Company continues to voluntarily report progress against this target and as at 31 December 2025 8% of senior management self-identify as being of an ethnically diverse background. The target remains sensitive to changes in the composition of senior management and the size of the business.

## Our stakeholders

The Committee has continued to receive regular updates on community engagement, with the Group's ongoing commitment to the Community Fund having resulted in 200 projects and initiatives invested in across the portfolio since 2013. The Committee also discussed the ongoing role of ESG through the lens of our occupiers and investors; with an in-depth discussion around the importance of responsible developments, and the growth of the circular economy initiative.

## Employee engagement

The sixth biennial employee survey was rolled out during October and received a pleasing 86% response rate. The employee members of the Committee have initiated a series of structured focus groups to engage employees in meaningful dialogue and gathered additional insights. Alongside HR, the employee members will address feedback and drive continuous improvement across the Group during 2026.

## Net Zero Carbon Pathway

The Group remains committed to being a net zero carbon business. During the year, the Committee reviewed the significant progress that has been made over the last five years and discussed the longevity of the targets through the updated Net Zero Carbon Pathway, as it is recognised that the Group's responsibility of net zero carbon extends further than 2030 (see pages 69 to 73).

## Circular economy

The objective of the circular economy initiative is to reuse and repurpose materials through developments and refurbishments. The Committee has continued to discuss the progress made to date on the circular economy and the benefits being achieved. To further the initiative, a focus for 2026 is to consistently report on the role of the circular economy initiative and better quantify the costs, savings, value and carbon impact being created.

## Further engagement

If you wish to discuss any aspect of the Committee's activities, I will be attending the forthcoming AGM on 15 May 2026 and would welcome your questions. I am also available via our Company Secretary, David Lawler.

Telephone: **+44 (0)20 7659 3000** or  
Email: [company.secretary@derwentlondon.com](mailto:company.secretary@derwentlondon.com)

### Madeleine McDougall

Chair of the Responsible Business Committee

25 February 2026

## Committee composition and performance

During 2025, our Committee consisted of Madeliene McDougall (Non-Executive Director), Mark Breuer (Chairman), Paul Williams (Chief Executive) and Emily Prideaux (Executive Director) as well as four employee members. At the request of the Committee, members of the Executive Committee, senior management team, other Board members and external advisers were invited to attend all or part of any meeting, as and when appropriate. During the year under review, the Committee held two formal meetings in May and December (2024: two meetings).

The 2025 evaluation of the Board, its committees and individual Directors was externally facilitated by Independent Audit Limited, in accordance with our three-year cycle of evaluations (see page 137). The review raised no significant matters or areas of concern in respect to the operation of the Committee.

The Committee's role and responsibilities are set out in the terms of reference, which were last updated in December 2025 and are available on the Company's website at: [www.derwentlondon.com/investors/governance/board-committees](http://www.derwentlondon.com/investors/governance/board-committees)

## Employees on the Responsible Business Committee

Having employee members on a Board level committee enables the diverse voice of our employees to be brought directly into our boardroom, providing invaluable insight and feedback.

During the year, the employee members were fully engaged in all aspects of the Committee's activities, with regular updates provided on the proposals for, and implementation, of key initiatives. The valuable work of the Committee was communicated to the wider workforce through the issue of two newsletters.

A key focus of the employee members during the year was to respond to the feedback received from the 2024 'pulse survey'. As a result of this, a new initiative was launched with a focus on rewarding employees who have gone above and beyond to achieve the Group's values and to further encourage collaboration. Additionally, the Group's Long Service Policy was reviewed and annual leave entitlements updated for eligible long-serving employees.

A key focus of the employee members for 2026 will be to respond to the feedback received from the 2025 employee survey and, alongside HR, conduct focus groups to delve deeper into the themes that have arisen.



**Carys Grieve**  
**Senior Financial Accountant**

Joined Derwent London: 2021  
Appointed to the RBC: Q1 2025



**Amy Hulbert**  
**Assistant Company Secretary**

Joined Derwent London: 2021  
Appointed to the RBC: Q1 2025



**Bryan Vasquez**  
**Data Lead Analyst**

Joined Derwent London: 2022  
Appointed to the RBC: Q1 2025



**Will Waples**  
**Associate, Asset Manager**

Joined Derwent London: 2020  
Appointed to the RBC: Q1 2025

## Responsible Business Committee report continued

# Key activities of the Committee

During 2025, the Committee continued to monitor and have oversight of the responsible business practices of the Group, prioritising employee wellbeing and engagement with key stakeholders.

## Responsible business

### ESG and diversity and inclusion through the lens of Investors

The Committee reviewed the role of ESG and diversity and inclusion (D&I) from the perspective of UK investors, noting how sustainability is embedded in the Group's processes from development to leasing and portfolio management.

### Net Zero Carbon Pathway

The Group continues to recognise its responsibility to commit to net zero carbon and the impact on our occupiers, assets and employees.

During the year, the Committee reviewed the Group's progress to achieve net zero carbon by 2030, and approved the new net zero carbon targets and updated Net Zero Carbon Pathway. The updated Pathway reflects that the Group's commitment does not stop at 2030 and therefore a series of longer term goals have been proposed.

### Circular economy

Continued to monitor progress on the circular economy initiative, aimed at extending, reusing and repurposing materials through developments and refurbishments. Further discussion outlined the benefits and outcomes being realised from this initiative.

### Supply Chain Responsibility Standard

The Supply Chain Responsibility Standard (the Standard) sets out the principles for environmental, social, ethical and governance expectations within our supply chain. During the year the Standard was reviewed to ensure our expectations are clearly communicated as well as being updated to introduce a confidential reporting line to our existing suppliers as a means to report any concerns of wrongdoing or breaches of the Standard anonymously.

### Modern slavery

During the review of the Standard a thorough review was conducted on the modern slavery section to ensure the Group's position on modern slavery is clearly communicated to the supply chain.

2025 marked 10 years since the Modern Slavery Act (the Act) was enacted. The Act has played an important role in raising awareness and driving greater corporate accountability.

**44%**

average retention and reuse on site across completed refurbishments as part of the circular economy initiative

## Stakeholder engagement

### Occupier engagement

The 'You Hold the Power to Save' occupier campaign was launched in September 2025, with 60% of occupiers having actively engaged during the year.

### Employee engagement

A 'meet the Board' event was arranged with employees from across the business on 22 September 2025 as the importance of building relationships and enhancing employee engagement continues to be recognised.

All employees were invited to participate in a new initiative 'lunchtime conversations with the Directors' with the aim of encouraging open informal discussions between our Directors and employees.

### Local community engagement

£450,000 has been committed to the Community Fund for three years, shared equally between the Community Fund West and Community Fund East.

During the year, the Committee has continued to receive regular updates on the Group's community initiatives and engagement, including, but not limited to:

- participation in Resurgo's Spear programme, an employment support programme focused on providing 16 to 24 year olds with the vital skills needed to succeed in long-term employment; and
- a new initiative supporting charities by offering space at the DL/Lounges for meetings or events, with £25,000 allocated to fund this initiative.

### Sponsorship & Donations Committee

The Sponsorship & Donations Committee ensures that the decisions and commitment to invest in stakeholders and the communities surrounding our buildings is aligned with the Group's values. £350,000 was committed in 2025 with a focus of supporting homeless charities within the portfolio as a key priority.

The Sponsorship & Donations Committee will continue its strong support for communities by ensuring ongoing commitment for vital causes.

**86.5%**

of employees said they were overall satisfied with working at Derwent London

## Diversity and inclusion

### D&I Working Group

The D&I Working Group focuses on encouraging an inclusive culture that attracts talented individuals and celebrates the diverse voice of all employees.

The D&I Working Group is comprised of 15 members, with four new members welcomed to the D&I Working Group in December.

The importance of D&I has been well communicated across the business through town halls, inductions, and the intranet. Additionally, D&I newsletters were circulated to raise awareness of D&I in the workplace and has covered the following topics:

- Nurturing young talent
- Disability and long-term conditions in the workplace
- Business Disability Forum Self-Assessment
- Supporting parents in the workplace
- 'Understanding Autism' training
- Creating inclusive spaces across our portfolio

### Business Disability Forum (BDF)

In June, the Business Disability Forum self-assessment was resubmitted, with a score of 58.39% achieved which is a 27.51% increase from the Group's first self-assessment submission in June 2023.

The Health, Safety and Accessibility Working Group continues to work collaboratively with the D&I Working Group to further the Group's commitment to disability and accessibility.

### National Equality Standard

Following the Group's reaccreditation of the National Equality Standard, a 'deep dive' into the experience of a number of volunteer ethnically diverse employees was conducted in June.

### Work experience programme

Derwent London continued to operate work experience programmes and in particular supported the EY Foundation's Real Estates Futures programme, offering two candidates a week's work experience as well as support from two mentors for a period of six months.

**83%** of employees agree that their team provides an inclusive environment where everyone's views are valued

## Employees

### Employee survey

The sixth biennial employee survey was rolled out to all employees during October and received an 86% response rate. The Committee received an overview of the results and discussed the timetable moving forward to respond to the feedback.

### Employee members

The Responsible Business Committee continues to include four employee members in its composition to enable the voice of employees to be heard in the boardroom.

The Committee's employee members continue to play an active and critical role in the Committee's activities and facilitate engagement between the wider workforce and the Board.

### Employee initiatives

During the year, a new 'Rewards and Recognition' initiative was rolled out following feedback from the 2024 pulse survey. The initiative aims to recognise employees who have embodied Derwent London's values and to encourage cross-team collaboration.

Additionally, the Group's Long Service Policy was reviewed during the year and resulted in enhancements to annual leave entitlements for eligible long-serving employees.

### RBC and D&I newsletters

RBC and D&I newsletters were rolled out across the business throughout the year to ensure employees remain up to date on initiatives, including sharing employee lived experiences around long-term conditions/disabilities.

### Health & Wellbeing plan

The 2025 Health & Wellbeing plan included informative sessions on a range of topics:

- Healthcare benefits
- Musculoskeletal health
- Managing anxiety
- Understanding and managing cholesterol

Additionally, all employees were offered one-to-one health checks, which received a positive take-up of 112 employees.

**86%** response rate on the Group's sixth biennial employee survey

## Responsible Business Committee report continued

### Supply Chain Responsibility Standard

The primary purpose of the Supply Chain Responsibility Standard (the Standard) is to clearly set out our principles and expectations in terms of the environmental, social, ethical and governance issues which relate to our supply chains. The Standard renews our commitment to ensuring our supply chain remains as engaged as we are in setting the highest standards.

A review of the Standard was conducted to ensure its continued relevance, leading to an updated version issued in 2025. Using a risk-based approach, work was conducted with departments to ensure effective circulation to key suppliers working in our portfolio. The fundamental principles of the Standard are detailed in the table below and a copy is available to view at: [www.derwentlondon.com/responsibility/environmental](http://www.derwentlondon.com/responsibility/environmental)

It is our standard practice that all new suppliers must read, acknowledge and adhere to these standards. We conduct risk reviews every two years, focusing on suppliers with an annual spend of over £20,000 and may ask these suppliers to complete a more detailed questionnaire on key risk areas. All responses are reviewed to ensure compliance, and we provide additional support to suppliers if needed to improve their controls.

#### Responsible payment practices

Responsible payment practices remain an area of important focus for the Group as we are committed to being clear, fair and collaborative with our suppliers. The Fair Payment Code (the Code) replaced the Prompt Payment Code in December 2024, with the new Code intended to set higher standards, and to create a more robust approach to compliance. During the year, the Group completed the application process and achieved the Bronze level accreditation. As the Group continues to enhance its reporting systems, we will have the ability to report upon additional elements required to achieve a higher level accreditation, further demonstrating the Group's commitment to the prompt and fair payment of suppliers.

### Supplier whistleblowing line

During the year, significant work has been completed in respect to the new legislation under the Economic Crime and Corporate Transparency Act 2023. Further information is on page 137.

A key element of this is the communication of fraud prevention policies internally and externally. This communication includes the Supply Chain Responsibility Standard where the Group's zero tolerance to fraud is referenced. As a result of this, our whistleblowing reporting line has been extended to enable third parties to also submit any concerns anonymously. The Supply Chain Responsibility Standard was updated to include details of both the third party whistleblowing line as well as requiring suppliers (who are subject to regulatory requirements) to commit to, or have ambitions of, having their own whistleblowing system in place for the reporting of wrongdoing or misconduct.



Network W1

#### Fundamental principles of the Supply Chain Responsibility Standard

Fundamental principles	Minimum standard
<b>Governance</b>	We will not tolerate any form of fraud, corruption, bribery or anti-competitive behaviour/ actions in our supply chain
<b>Information security and data protection</b>	Suppliers to have a comprehensive set of IT governance policies and procedures that are communicated to all employees through periodic training on data privacy and protection
<b>Employment and labour practices</b>	Suppliers to comply with relevant employee-based legislation
<b>Modern slavery</b>	Suppliers to comply with the Modern Slavery Act 2015
<b>Diversity and inclusion</b>	Suppliers to comply with the Equality Act 2010
<b>Payment practices</b>	To aim to pay our suppliers within 30 days or in accordance with specified contract conditions
<b>Health, safety and wellbeing</b>	Suppliers to annually review their Health and Safety Policy Statement and management systems
<b>Environmental and social</b>	Suppliers to have robust environmental management policies and procedures in place appropriate to the nature and scale of their business

### Modern slavery

Preventing modern slavery from all supply chains is vital and we remain committed to eradicating any possibility of modern slavery or human trafficking occurring in our operations.

2025 marked 10 years since the Modern Slavery Act (the Act) was passed. Not only has the Act raised awareness, it has formed the groundwork for continued progress driving businesses to take greater responsibility for their supply chains. To ensure organisations remain progressive, there has been a call for businesses to understand, on a deeper level, how to prevent modern slavery. As a result new statutory guidance has been published, 'Transparency in Supply Chains', with key updates addressing enhanced due diligence, transparency, accountability, an increased focus on supplier collaboration and greater alignment with global standards. In response, we will continue to work with our supply chain to understand how best to work towards continuous improvements in line with the new guidance.

A summary of our key practices to prevent modern slavery is outlined below. Our latest Modern Slavery Statement is available to view on our website: [www.derwentlondon.com/investors/governance/modern-slavery-act](http://www.derwentlondon.com/investors/governance/modern-slavery-act)

<b>Risk</b>	The greatest potential risk exists in the supply chains of our construction contractors as well as the property management suppliers and maintenance contractors used in our buildings.
<b>Governance</b>	The Modern Slavery Act 2015 requires companies with an annual turnover of £36m to provide a modern slavery statement. Where legally required, our suppliers publish a modern slavery statement. Regardless of this threshold we encourage all suppliers to adhere to the Act. Suppliers are expected to provide modern slavery training to employees and ensure they have provisions in place for full compliance.
<b>Policies</b>	We have a number of internal policies that promote an ethical culture and expected behaviours in accordance with the Act's objectives.
<b>Engagement</b>	We are clear on our zero-tolerance position and all suppliers have access to Derwent London's latest Modern Slavery Statement. We endeavour to obtain modern slavery statements from all suppliers, where they are bound by the Act. We expect our main contractors to conduct due diligence within their own supply chains to ensure that the risk of modern slavery and human trafficking is mitigated.
<b>Effectiveness</b>	All new starters are required to complete a 'core skills' programme which includes training on modern slavery risks. Ongoing training initiatives and our mandatory compliance training programme ensures that employees are kept up to date with the latest requirements.

## Community Fund

Derwent London has a dedicated voluntary Community Fund as part of its ongoing sustainability programme and commitment to developing community engagement (see pages 76 and 77).

The Group has previously received feedback from charities expressing a greater need for certainty and continuity in funding for the longer term. The ongoing economic challenges, particularly faced by small charities and community groups, are recognised by the Group and in response to this feedback, it was agreed to introduce the option for charities to apply for multi-year funding.

The Responsible Business Committee continues to oversee the Group's corporate social responsibility activities and provides updates directly to the Board. Overall, it is pleasing to report that £450,000 has been allocated to the Derwent London Community Fund for the period 2025 to 2027, which reinforces the ongoing commitment to social responsibility.

### S.172 factors

C D E



Dende Collective – Community Fund West

## Responsible Business Committee report continued

# Diversity and inclusion

At Derwent London, having a diverse, highly skilled and talented workforce across all levels is integral to our continued success. We believe that fostering diversity and inclusion not only enriches our culture but drives innovation and creativity by welcoming new ideas and perspectives.

### The Diversity & Inclusion Working Group

The Diversity & Inclusion Working Group (the D&I Working Group) consists of 15 members and meets monthly to discuss the progress being made towards the Group's diversity and inclusion vision, strategy and KPIs.

During the year, the Committee received updates from the D&I Working Group on disability and accessibility, wellbeing initiatives, internal communication of D&I, the work experience programme, feedback from the 2025 Employee Survey and actions following the National Equality Standard reaccreditation.

During 2026, the D&I Working Group will focus on:

- launching a new mentoring programme;
- continuing to increase and improve communication around D&I initiatives;
- encouraging employee lived experiences to be shared internally;
- hosting two sessions of the 'lunchtime conversations with the Directors' initiative; and
- continuing to work on the Disability & Accessibility assessment in conjunction with the Business Disability Forum Framework.

The Board has established clear focus areas which aim to build an inclusive culture that promotes, encourages and celebrates the importance of diversity and inclusion.

Diversity and inclusion focus areas	Actions taken during 2025
<b>Attracting diverse, highly skilled and talented employees</b>	
<ul style="list-style-type: none"> <li>▪ Tackle any unconscious bias</li> <li>▪ All shortlists to have due regard for diversity considerations (not limited to gender and ethnicity)</li> <li>▪ Recruit from a wide pool of talent (including parents returning to work)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Worked with EY following the National Equality Standard reaccreditation, which included speaking to a number of employees through a series of focus groups</li> <li>▪ Relunched the recruitment process and guidelines</li> </ul>
<b>Retaining the best talent</b>	
<ul style="list-style-type: none"> <li>▪ Focus on supporting persons returning to work</li> <li>▪ Promote the importance of health and wellbeing initiatives (one-to-one health checks)</li> <li>▪ Prioritise training and development and equal opportunities for all, with support of career progression</li> <li>▪ Ensure open two-way communication</li> </ul>	<ul style="list-style-type: none"> <li>▪ Held core skills workshops, team days and one-to-one coaching</li> <li>▪ Continued to provide a wellbeing programme, encouraging employees to take proactive measures</li> <li>▪ Rolled out a 'Rewards and Recognition' initiative to recognise employees who have embodied the Company's values and to encourage cross-team collaboration</li> </ul>
<b>Promoting diversity</b>	
<ul style="list-style-type: none"> <li>▪ Gender balance within our internships and work experience placements</li> <li>▪ Aim to attract more women to the construction and property industry</li> <li>▪ Heads of Departments to lead by example demonstrating inclusive leadership qualities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Monitored the trends of joiners and leavers</li> <li>▪ Increased communication on D&amp;I through newsletters and the Company's intranet</li> <li>▪ Delved deeper into individuals' experiences and any variances</li> </ul>

## 2025 D&I Newsletters

Throughout the year, the Group continued to strengthen employee engagement through a series of D&I newsletters. This year a new feature was introduced 'Get to know your colleagues', aimed at encouraging employees to share their experiences and to promote greater understanding across the workforce. Key features included:

### Supporting parents in the workplace

Employees shared their experiences of returning to the workplace following periods of maternity leave, offering insights into the challenges and opportunities faced by working parents. In January 2025, the Group introduced a new workplace nursery benefit, enabling eligible employees to pay nursery fees through a salary sacrifice arrangement. The initiative has been positively received by parents from across the business.

### 'Understanding Autism' training

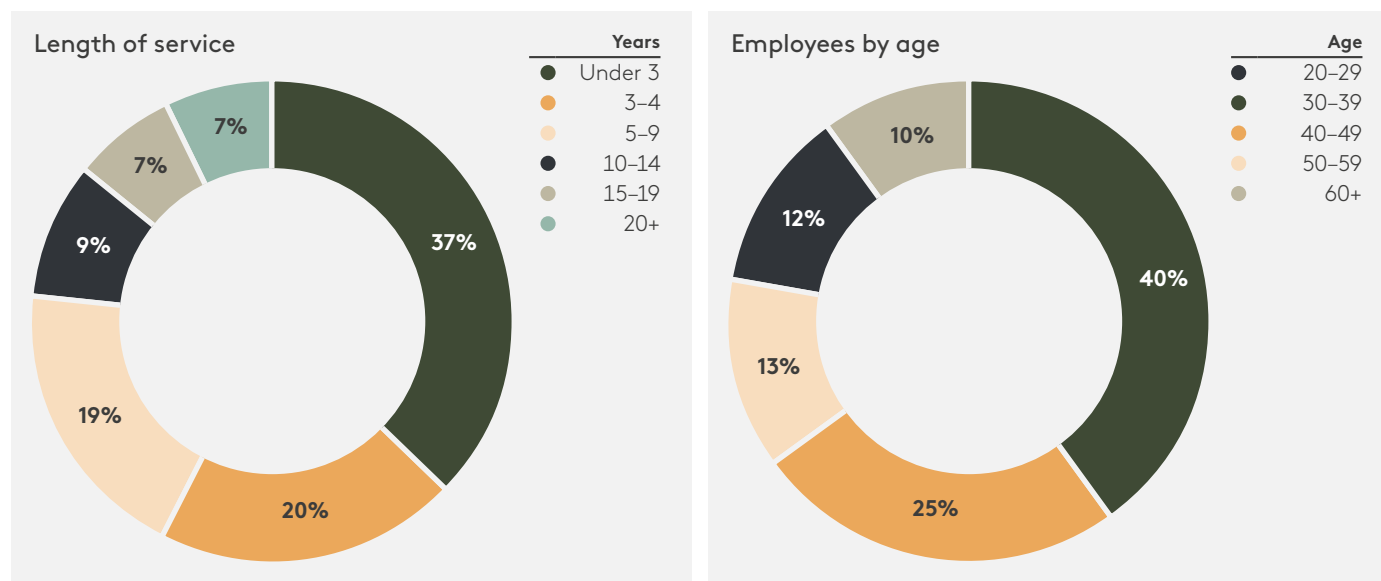
In partnership with the National Autistic Society, training was delivered to 44 employees. The training was designed to enhance understanding of autism and to equip employees with the skills and awareness to better support autistic colleagues and visitors.

### Disability and long-term conditions in the workplace

Employees shared their stories relating to disability and long-term conditions, helping to raise awareness and foster a more inclusive and supportive working environment. These contributions encouraged employees to consider the diverse needs of their peers and to adapt to working practices where appropriate.

## The Group's composition and diversity

The information below provides a breakdown of our diversity as at 31 December 2025. Further information on the Board's composition is shown on page 141. The variance between genders in response to employee surveys is taken into account by the Remuneration Committee when determining the annual bonus payout for Executive Directors in relation to the staff satisfaction metric (see page 202).



### Diversity key performance indicators

# 53%

of employees are female as at 31 December 2025

(2024: 51%) ↑

# 37%

of new recruits during 2025 were from an ethnically diverse background

(2024: 36.1%) ↑

# 56%

of the Executive Committee and its direct reports are women

(2024: 42%) ↑

### Gender diversity and ethnic origin<sup>1</sup>

	Total employees <sup>2</sup>		Executive Committee and its direct reports <sup>3</sup>		Board <sup>4</sup>		Senior positions on the Board <sup>5</sup>
	Number	%	Number	%	Number	%	Number
<b>Gender</b>							
Men	96	47%	40	52%	6	60%	3
Women	110	53%	37	48%	4	40%	1
Other	-	-	-	-	-	-	-
Not specified/prefer not to say	-	-	-	-	-	-	-
	206		77		10		4
<b>Ethnicity</b>							
White British/White Other	150	73%	69	90%	9	90%	4
Mixed/Multiple Ethnic Groups	12	6%	3	4%	-	-	-
Asian/Asian British	26	13%	3	4%	1	10%	-
Black/African/Caribbean/Black British	15	7%	1	1%	-	-	-
Other Ethnic Group	2	1%	1	1%	-	-	-
Not specified/prefer not to say	1	0.5%	0	0%	-	-	-
<b>Total</b>	206		77		10		4

1 The information disclosed, and the format of the table, is prescribed by Listing Rule 9.8.6R(10).

2 Total employees include the Board of Directors.

3 Includes the Executive Committee and its direct reports (excluding administrative and support staff).

4 The Board includes the Chairman, Executive Directors and Non-Executive Directors.

5 Senior positions on the Board include the CEO, CFO, Chairman and Senior Independent Director.