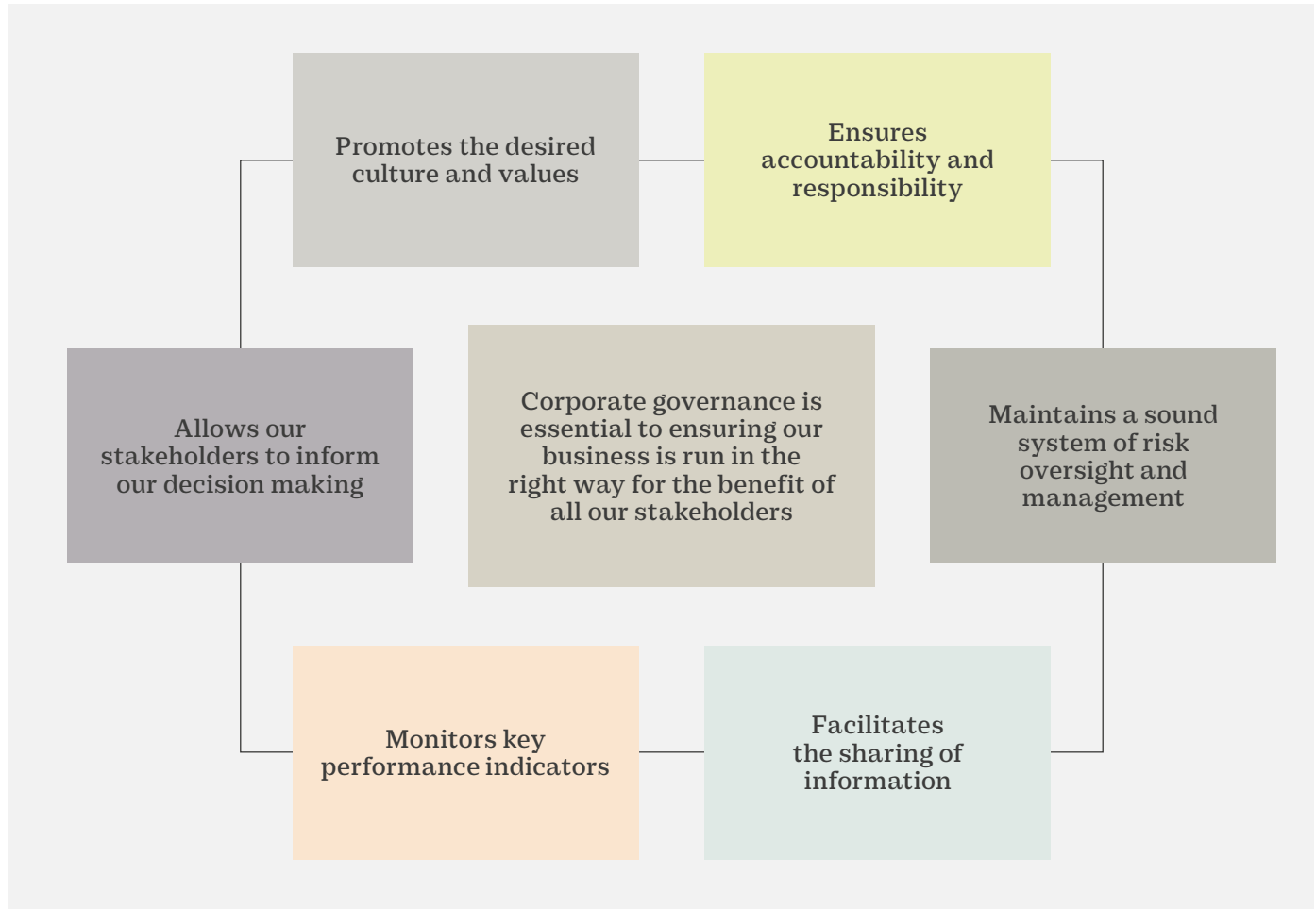


# Corporate governance statement

## Our approach to governance

At Derwent London our approach to governance is rooted in the concepts of fairness, transparency and accountability.



### The Section 172(1) Statement

The Board of Directors confirm that during the year under review, it has acted to promote the long-term success of the Company for the benefit of shareholders, whilst having due regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

The Board is also kept fully informed of the material issues of stakeholders through the Responsible Business Committee, Executive Directors, reports from senior management and external advisers. We utilise various engagement channels to receive informative feedback from our key stakeholders which can be factored into our principal decisions and activities.

[Further information / See page 130](#)

### Public Interest Statement

We are aware of our wider obligations to be a responsible business partner to our occupiers and to the communities in which we operate. As our activities impact multiple stakeholder groups, our Board ensures that stakeholder matters are central to its decision making alongside the long-term financial success of our business.

We extend our obligations beyond the statutory requirements to add value and build long-term mutually beneficial relationships. Our obligations are incorporated into our purpose, which strongly influences our values (see pages 22 to 25).

We have detailed on pages 66 to 85 and 122 to 137 how we have acted in the public interest during 2025.

# Running our business in the right way

## Effective leadership

Our Board is composed of diverse professionals who bring a range of skills, perspectives and corporate experience to our boardroom. The composition of the Board is subject to periodic review by the Nominations Committee to ensure it remains sufficiently balanced and diverse to effectively oversee and determine the Group's strategy.

On 22 January 2026, Paul Williams announced his retirement as Chief Executive and Director of the Company. The Board has commenced the process to appoint Paul's successor and will ensure an effective handover of responsibilities is made. Additionally, Nigel George announced his retirement as a Director on 12 August 2025 and will be leaving the Group on 31 March 2026. Nigel will continue to support the Group on a number of key projects over the next two years. During the year, a smooth transition was made from Dame Cilla Snowball to Madeleine McDougall as Chair of the Responsible Business Committee and the designated director for gathering the views of the workforce.

To ensure sufficient time for discussion, the Board utilises its five principal committees to effectively manage its time (see page 127). At each Board meeting, the agenda ensures sufficient time for the committee chairs to report on the contents of discussions, any recommendations to the Board which require approval, and the actions taken. The Board, its principal committees and individual Directors are subject to annual effectiveness evaluations to identify areas for improvement or action (see pages 136 and 137). The Chairman discusses with each Director their training needs to ensure they keep their knowledge and skills up to date.

## Value creation and preservation

The role of the Board is to generate long-term value for shareholders and other key stakeholders. The appropriateness of our strategy is subject to a detailed review at the Board's strategy meeting which is held annually. Additionally, before making a material decision, the Directors have due regard for the wider context including the macroeconomic environment, property cycle and the potential impact on our stakeholders and wider society.

Some of the key aspects discussed by the Board during its strategy discussions were:

- a strategic outlook of our London portfolio;
- the nature of office occupation;
- our development pipeline in respect to its replenishment and future potential;
- a review of the five-year plan including the potential impact of external risk factors on the business and our stakeholders;
- maintenance of strong and flexible financing and the cost to refinance; and
- costs and efficiencies.

The Board required no significant changes to the Group's strategy during 2025, which continues to assist in the achievement of our purpose and is aligned with our values. It is recognised that a key priority for 2026 is the recycling of capital. As a business, we continue to create value responsibly through responsible initiatives, a conservative balance sheet and a resilient strategy (see pages 22 and 23).

## Applying best practice principles

During the year ended 31 December 2025, we have applied the principles and complied with the provisions of good governance contained in the UK Corporate Governance Code 2024 (the Code). Our Compliance Statement for 2025 is on page 117. Further details on how we have applied the Code can be found in the Governance section on pages 122 to 137.

<b>1</b>	<b>Board leadership and company purpose</b>	<b>Page</b>
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## Corporate governance statement continued

# Ensures accountability and responsibility

As a business, we seek to conduct ourselves with honesty and integrity and believe that it is our duty to take appropriate measures to identify and remedy any malpractice within or affecting the Company. Our employees embrace our high standards of conduct and are encouraged to speak out if they witness any wrongdoing which falls short of those standards.

### Workforce policies and practices

The Executive Directors have been delegated responsibility for ensuring that policies and behaviours set at Board level are effectively communicated and implemented across the business.

Policies are published on the intranet and where relevant included in the employee handbook. To ensure policies are embedded in our business practices, we operate a mandatory training programme which aims to reinforce key compliance messages in areas such as anti-bribery, fraud, modern slavery etc. If the Board is concerned or dissatisfied with any behaviours or actions, it seeks assurance that corrective action is being taken. No such action was required during 2025.

☒ **Compliance training / See page 163**

### Anonymous reporting of concerns

All employees have access to our 'Speak up' system. Our procedures are included within our employee handbook, on our Group intranet and staff noticeboards. Our procedures aim to support and reassure staff that they are able to raise genuine concerns without fear of victimisation or unfair treatment, even if they turn out to be mistaken.

In 2025, we transitioned to a new independent service provider, which enabled the introduction and publication of a third party reporting line to our existing suppliers, and was reflected in the updated Supply Chain Responsibility Standard. Following this transition, our 'Speak up' Policy (the Policy) and posters were updated to ensure our employees and suppliers had clear guidance on how to report concerns anonymously.

Following receipt of a message we have procedures in place to ensure an independent and proportionate investigation. The Policy outlines that the CEO and relevant committee Chair are informed of all reports, unless they are indicated within the report. Due to the 'open door' nature of our business, concerns are often raised directly with management, the CEO or the HR team.

### Conflicts of interest

All employees (including the Board) are required to notify the Company as soon as they become aware of a situation that could give rise to a conflict or potential conflict of interest.

Prior to all major Board decisions, the Chairman requires the Directors to confirm that they do not have a potential personal conflict with the matter being discussed. If a conflict does arise, the Director is excluded from discussions and voting, unless the Board unanimously decides otherwise.

☒ **Independence / See page 134**

### Delegated authority limits

The Board maintains a formal schedule of matters which are reserved solely for its approval. These matters include decisions relating to the Group's strategy, capital structure, financing, any major property acquisition or disposal, the risk appetite of the Group and the authorisation of capital expenditure above the delegated authority limits. The delegated authority limits are detailed below:

Board approval is required for:	Level of approval:
Major property acquisition or disposal	Valued above £40m
Major capital expenditure project	Projected costs above £20m
Material occupier lease or contract	Rental income greater than 7.5% of the Group's total rental income

Although the Board is formally required to authorise capital expenditure above this limit, the open nature of our business means that the Board is aware of all active projects within our portfolio.

If any Director has concerns about the running of the Group or a proposed course of action, they are encouraged to express those concerns which are then minuted. No such concerns were raised during 2025.

All Directors have access to the services of the Company Secretary, and any Director may instigate an agreed procedure whereby independent professional advice may be sought at the Company's expense. No such advice was sought by any Director during the year.

☒ **Governance framework / See page 127**

☒ **Board activities / See pages 132 and 133**

### Code of Conduct for Directors

The Institute of Directors (IoD) operates a voluntary Code of Conduct for Directors, which is centred on six principles:

- Leading by example
- Integrity
- Transparency
- Accountability
- Fairness
- Responsible business

The Derwent London Board has confirmed that it has complied with the IoD Code of Conduct and its principles for director conduct during 2025. Further information on the IoD Code of Conduct for Directors can be found here: [www.iod.com](http://www.iod.com)

# Division of responsibilities

## Chairman, Mark Breuer

- Responsible for the effective running of the Board and ensuring it is appropriately balanced to deliver the Group's strategic objectives
- Promote a boardroom culture that is rooted in the principles of good governance and enables transparency, debate and challenge
- Ensure that the Board as a whole plays a full and constructive part in the development of strategy and that there is sufficient time for boardroom discussion
- Effective engagement between the Board, its shareholders and other key stakeholders

## Senior Independent Director, Helen Gordon

- Provide a 'sounding board' for the Chairman in matters of governance or the performance of the Board
- Available to shareholders if they have concerns which have not been resolved through the normal channels of communication
- At least annually lead a meeting of the Non-Executive Directors without the Chairman present to appraise the performance of the Chairman
- Act as an intermediary for Non-Executive Directors when necessary and act as Chairman of the Board, if the Chairman is conflicted

## Designated director for gathering the views of our workforce, Madeleine McDougall

Madeleine McDougall has been designated the director responsible for gathering the views of our workforce. This is achieved by:

- Monitoring the effectiveness of engagement programmes established for employees
- Providing the Board with regular updates on workforce sentiment to support informed and balanced decision making
- Monitoring the outcome of employee surveys and providing input on their design
- Attendance at key employee and business events, including property launches

## Non-Executive Directors (NEDs)

- Provide constructive challenge to our executives, help to develop proposals on strategy and monitor performance against our KPIs
- Ensure that no individual or group dominates the Board's decision making
- Promote the highest standards of integrity and corporate governance throughout the Company and particularly at Board level
- Determine appropriate levels of remuneration for the senior executives
- Review the integrity of financial reporting and that financial controls and systems of risk management are robust

## Chief Executive, Paul Williams

- Provide clear and visible leadership
- Execute the Group's strategy and commercial objectives together with implementing the decisions of the Board and its committees
- Keep the Chairman and Board apprised of important and strategic issues facing the Group
- Ensure that the Group's business is conducted with the highest standards of integrity, in keeping with our culture
- Manage the Group's risk profile and ensure actions are compliant with the Board's risk appetite
- Investor relation activities, including effective and ongoing communication with shareholders

## Chief Financial Officer, Damian Wisniewski

- Support the CEO in developing and implementing strategy
- Provide financial leadership to the Group and align the Group's business and financial strategy
- Responsible for financial planning and analysis, treasury and tax functions, and overseeing change management systems
- Responsible for presenting and reporting accurate and timely historical financial information
- Manage the capital structure of the Group
- Investor relation activities, including communications with shareholders, alongside the CEO

## Other Executive Directors

- Support the CEO in developing and implementing strategy
- Oversee the day-to-day activities of the Group, including the design and implementation of appropriate risk management and internal control systems (financial and non-financial)
- Manage, motivate and develop staff
- Develop business plans in collaboration with the Board
- Ensure that the policies and practices set by the Board are adopted at all levels of the Group
- Investor relation activities, including communications with shareholders, alongside the CEO

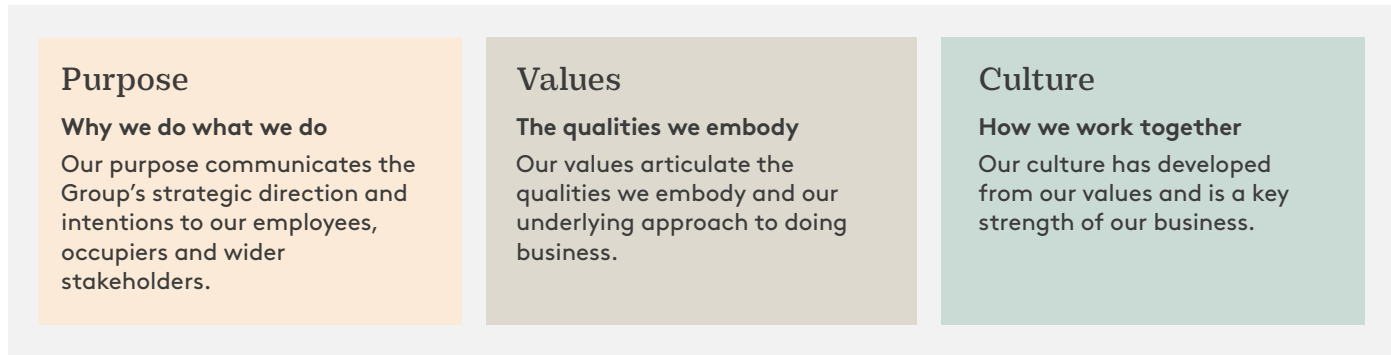
## Company Secretary, David Lawler

- Secretary to the Board and its committees
- Develop Board and committee agendas and collate and distribute papers
- Ensure compliance with Board procedures
- Advise on regulatory compliance and corporate governance
- Facilitate induction programmes for Directors and assist with their training and development, as required
- Responsible for communications with retail shareholders and the organisation of the Annual General Meeting
- Available to support all Directors

## Corporate governance statement continued

# Promotes the desired culture and values

Our culture has developed from our values and is a key strength of our business. The benefits of a strong culture are seen in our employees' engagement scores, retention rate and levels of productivity.



### Embedding our culture

The Board reinforces our culture and values through its decisions, strategy and conduct. Culture and value 'fit' is a key consideration during our recruitment process, which is reinforced during our induction programme and town halls run by the CEO and is monitored through performance appraisals.

As part of the performance appraisal process, all employees are required to work towards achieving the following objectives:

- active involvement in fostering, promoting and supporting an inclusive culture; and
- cross-team collaboration to deliver goals and build strong trusting relationships.

These objectives reinforce the behaviours we wish to foster within our workforce and link our culture to our reward mechanisms.

### Assessing and monitoring our culture

The Board monitors the culture and values of the Group via:

- Regularly meeting with management and inviting employees to present at Board and committee meetings.
- Receiving feedback via the four employee representatives that sit on our Responsible Business Committee.
- Assessing cultural indicators such as:
  - management's attitude to risk;
  - health and safety data;
  - compliance with the Group's policies and procedures; and
  - key performance indicators, including staff retention.
- Feedback from our wider stakeholders, including from occupier 'pulse surveys'.
- Promptness of payments to suppliers.
- Independent assurance is sought via the internal audit function and other advisers.

### Key indicators in monitoring our culture

The feedback received from employee surveys provides valuable insights into what is valued and seen as corporate norms. The biennial employee survey includes a specific question on how our employees would describe our culture.

If the Board is concerned or dissatisfied with any behaviours or actions, it seeks assurance that corrective action is being taken. No such action was required during 2025.

## 86.5%

of employees are overall satisfied with working at Derwent London

(2023: 88%) ↓

## 83%

of employees said they are comfortable to voice their views even when different from others

(2023: 73%) ↑

## 91%

of employees said they know what is expected of them in their role

(2023: 88%) ↑

## 86%

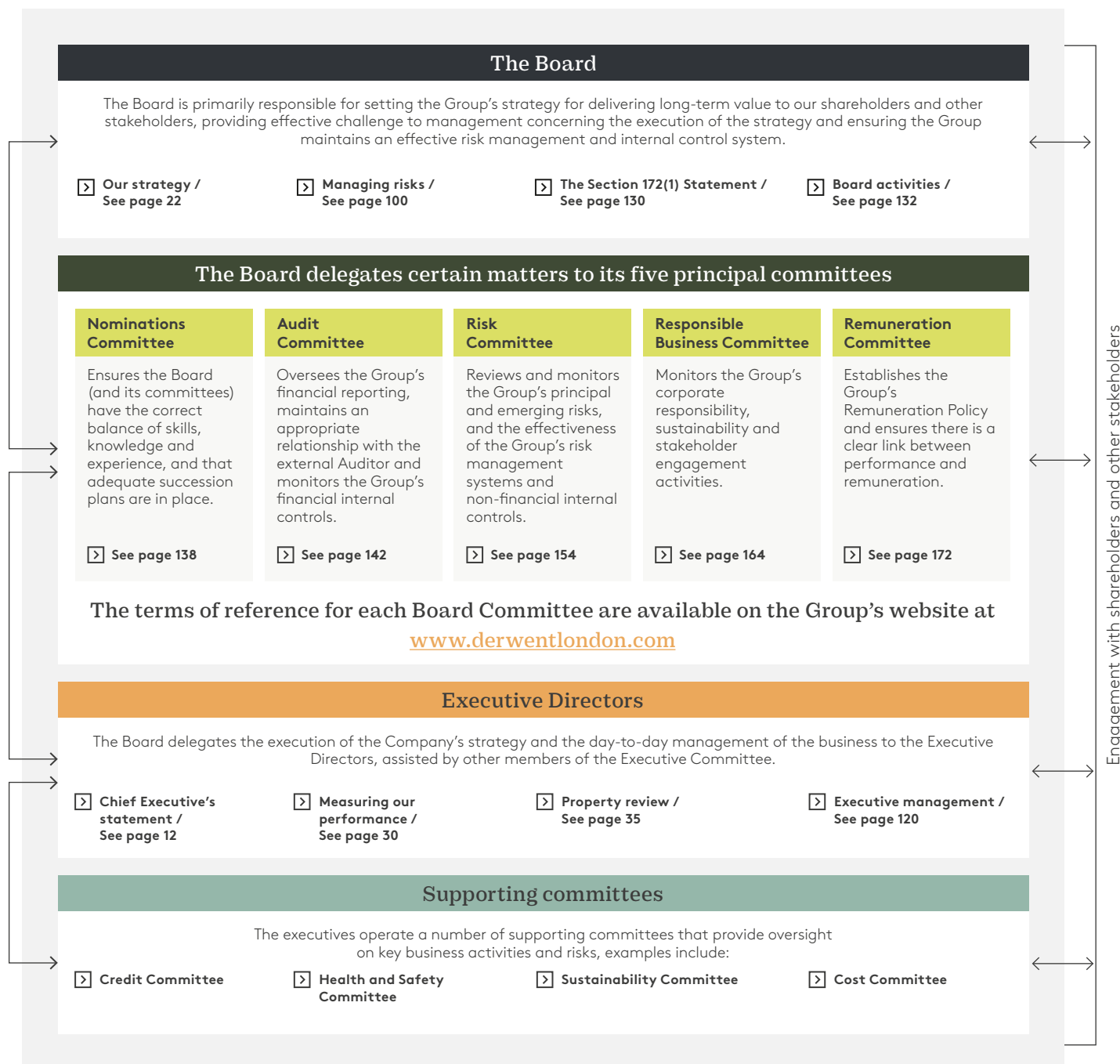
of employees said their skills and expertise are well utilised in their role

(2023: 77%) ↑

# Governance framework

We pride ourselves on conducting our business in an open and transparent manner.

Our well-established culture ensures that our governance framework remains flexible, allowing for fast decision making, effective oversight and clear accountability throughout the organisation.



Our shareholders and other key stakeholders play an important role in monitoring and safeguarding the governance of our Group. Further information on how we engage with our key stakeholders is on pages 24, 128 and 129.

## Corporate governance statement continued

# Our stakeholders

We recognise our duty to act in the best interests of our stakeholders and are committed to delivering long-term value.

Our stakeholders	Why we engage	Our key priorities
<b>Occupiers</b>  Strategic objectives: 2 4 5	<b>Our long-term success depends on our ability to understand and respond to occupiers' requirements.</b>	<ul style="list-style-type: none"> <li>Well-designed and sustainable buildings</li> <li>Suitable lease terms</li> <li>Adaptable space to accommodate new and collaborative ways of working</li> <li>Exclusive access to available amenities</li> </ul>
<b>Employees</b>  Strategic objectives: 3 4	<b>To benefit from the skills and knowledge of our talent base.</b>	<ul style="list-style-type: none"> <li>Overall health and wellbeing</li> <li>A diverse and inclusive working environment</li> <li>Opportunities for training, development and progression</li> </ul>
<b>Local communities and others</b>  Strategic objectives: 3 4	<b>To gather feedback on the needs of the communities, neighbourhoods and charitable organisations.</b>	<ul style="list-style-type: none"> <li>Minimising local disruption</li> <li>Impact on the local economy</li> <li>Effective communication and engagement</li> <li>Being a responsible neighbour</li> </ul>
<b>Shareholders and debt providers</b>  Strategic objectives: 1 5	<b>To facilitate access to long-term and cost-effective finance and strategic input.</b>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Environmental, social and governance performance</li> <li>Openness and transparency</li> <li>Payment of the dividend</li> </ul>
<b>Central and local government</b>  Strategic objectives: 4	<b>To better understand public policy and regulatory frameworks, and influence policy outcomes.</b>	<ul style="list-style-type: none"> <li>Openness and transparency</li> <li>Proactive engagement with local authorities</li> <li>Support for local economic plans and strategies</li> <li>Compliance with legislation</li> </ul>
<b>Suppliers</b>  Strategic objectives: 4	<b>To partner with like-minded businesses that engage and promote ethical supply chain practices.</b>	<ul style="list-style-type: none"> <li>Long-term partnerships</li> <li>Collaborative approach</li> <li>Open terms of business</li> <li>Fair payment practices</li> </ul>

2025	January	February	March	April	May
<b>Key stakeholder engagement during 2025</b>	DL/Lounge access offered to charities and community groups	Full year results announcement	Received engagement from the local government regarding AC-DG fundraising	White Collar Factory charity half marathon organised	Hosted our 41st Annual General Meeting and approved 2024 Report & Accounts

### Strategic objectives

- 1** To optimise returns and create value from a balanced portfolio
- 2** To grow recurring earnings and cash flow
- 3** To attract, retain and develop talented employees
- 4** To design, deliver and operate our buildings responsibly
- 5** To maintain strong and flexible financing

How we engage	Value created in 2025
---------------	-----------------------

<ul style="list-style-type: none"> <li>▪ Occupier pulse surveys</li> <li>▪ Constructive and collaborative discussions on ESG initiatives</li> <li>▪ Occupier-focused amenities</li> <li>▪ DL/App</li> </ul>	<ul style="list-style-type: none"> <li>▪ Delivered the 'You Hold the Power to Save' campaign, achieving 60% engagement rate and driving behavioural change.</li> <li>▪ Published our updated Net Zero Carbon Pathway, providing direction for long-term sustainability.</li> <li>▪ Delivered a programme of portfolio-wide and building-specific events, securing strong engagement, with seasonal and high demand activities regularly selling out.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Biennial employee survey</li> <li>▪ Business Disability Forum</li> <li>▪ D&amp;I Working Group</li> <li>▪ Health, Safety and Accessibility Working Group</li> <li>▪ Employee members on the Responsible Business Committee</li> </ul>	<ul style="list-style-type: none"> <li>▪ Achieved a significant improvement in the Business Disability Forum Self-Assessment strengthening the Group's approach to accessibility.</li> <li>▪ Circulated a series of diversity and inclusion newsletters that increased engagement and shared lived experiences.</li> <li>▪ Implemented a 'Rewards and Recognition' programme that encourages cross-team collaboration.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Operation of the Community Fund</li> <li>▪ Volunteering and charitable donations</li> <li>▪ Engagement throughout planning and development processes</li> <li>▪ Work experience opportunities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Launched a multi-year funding option for Community Fund recipients.</li> <li>▪ Continued strong support for communities by ensuring ongoing commitment for vital causes via our Sponsorship and Donations Committee, with £350k committed.</li> <li>▪ Worked alongside 'Tier 1' contractors to create employment and training opportunity proposals, tailored to support the resident-led priorities of local boroughs.</li> <li>▪ Hosted 18 individuals on our work experience programme, including two from the EY Foundation's Real Estate Futures programme.</li> </ul>
<ul style="list-style-type: none"> <li>▪ All material news published via Regulatory News Services</li> <li>▪ Annual General Meeting</li> <li>▪ Investor meetings, presentations and property tours</li> <li>▪ Remuneration Policy consultation</li> <li>▪ Our annual Report &amp; Accounts</li> </ul>	<ul style="list-style-type: none"> <li>▪ Secured an extension of the £450m unsecured Revolving Credit Facility.</li> <li>▪ Obtained £250m 7-year 5.25% bond issuance, strengthening the Group's long-term funding.</li> <li>▪ Maintained strong interest cover at 3.1 times.</li> <li>▪ Conducted shareholder meetings as part of the Remuneration Policy consultation.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Ongoing engagement with local authorities to ensure high quality planning applications are submitted</li> <li>▪ Regular dialogue and correspondence with government departments such as HMRC</li> </ul>	<ul style="list-style-type: none"> <li>▪ Led a fundraising initiative for AC-DG, raising £240k in total from 24 developers and contractors.</li> <li>▪ Contributed as an active member of Build UK, supporting efforts to drive sustainable growth across the construction industry.</li> <li>▪ Engaged regularly with Business London, benefitting from thought leadership and regulatory insights.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Supplier onboarding procedures</li> <li>▪ Our Supply Chain Responsibility Standard</li> <li>▪ Introduction of new third party whistleblowing line for suppliers</li> </ul>	<ul style="list-style-type: none"> <li>▪ Introduced a third party whistleblowing line for suppliers as a means to report any concerns of wrongdoing.</li> <li>▪ Published a revised Supply Chain Responsibility Standard and latest Modern Slavery Statement.</li> <li>▪ Achieved Bronze level accreditation for responsible payment practices.</li> </ul>

June	July	August	September	October	November	December
Engaged with suppliers on the publication of third party whistleblowing line	Remuneration Policy consultation: engagement with top 20 shareholders	Interim results	Launch of 'You Hold the Power to Save' campaign, engaging with occupiers	Employees were invited to participate in the 2025 employee survey	Portfolio-wide donation drive for the men's charity 'Suited & Booted'	Published an update on the Group's Net Zero Carbon Pathway

## Corporate governance statement continued

# Allows our stakeholders to inform our decision making

### The Section 172(1) Statement

The Board of Directors confirms that during the year under review, it has acted to promote the long-term success of the Company for the benefit of shareholders, whilst having due regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

### Informed decision making

The Board's procedures require a stakeholder impact analysis to be completed for all material decisions requiring its approval that could impact one or more of our stakeholder groups. The stakeholder impact analysis assists the Directors in performing their duties under s.172 of the Companies Act 2006 and provides the Board with assurance that the potential impacts on our stakeholders are being carefully considered by management when developing plans for Board approval. The key activities and principal decisions undertaken by the Board in 2025 are detailed on pages 132 and 133.

### Principal methods used by the Board in 2025

The main methods used by the Directors to perform their duties include:

- strategy reviews which assess the long-term sustainable success of the Group and our impact on key stakeholders;
- the Responsible Business Committee monitors the Group's corporate responsibility, sustainability and stakeholder engagement activities and reports to the Board on its activities (see pages 164 to 171);
- assessing the potential impact of significant capital expenditure decisions on our stakeholders;
- identifying the risks and potential consequences of decisions in the short, medium and long-term so that mitigation plans can be put in place;
- direct and indirect stakeholder engagement (see pages 128 and 129);
- external assurance is received from stakeholder surveys, brokers and advisers; and
- specific training for our Directors and senior managers, in addition to the mandatory compliance training programme (see pages 135 and 163).

### Issues, factors and stakeholders

Case studies have been included throughout the Governance section (see pages 131 and 169). Within each case study we have identified the s.172 factors which were most relevant in the Board's decision making. Additionally, we have provided an explanation of how our stakeholders impacted on the Board's discussions during 2025 on the following pages:

➤ **Holden House W1 / See page 131**

➤ **Community Fund / See page 169**

s.172 factor	Relevant disclosures	Page
<b>a) the likely consequences of any decision in the long-term</b>	Company purpose	22
	Central London Office Market	41
	Our business model and strategy	22
<b>b) the interests of the Company's employees</b>	Our people	78
	Diversity and inclusion	170
	Non-financial reporting	84
	Employee engagement	78
<b>c) the need to foster the Company's business relationships with suppliers, customers and others</b>	Social Value Strategic Framework	76
	Responsible payment practices	168
	Modern slavery	169
	Supply Chain Responsibility Standard	168
<b>d) the impact of the Company's operations on the community and the environment</b>	Our Net Zero Carbon Pathway	69
	Double materiality assessment	68
	Community Fund	77
	Streamlined Energy and Carbon Reporting (SECR) disclosure	74
	Task Force on Climate-related Financial Disclosures (TCFD)	86
<b>e) the desirability of the Company maintaining a reputation for high standards of business conduct</b>	'Speak up' procedures	124
	Purpose, values and culture	126
	Internal financial controls	149
	Risk management	159
	Anti-bribery and corruption	163
	Awards and recognition	295
<b>f) the need to act fairly between members of the Company</b>	Annual General Meeting	212
	Voting	212
	Rights attached to shares	213

## Holden House W1



Holden House W1

The Board approved the redevelopment of Holden House W1 in December 2024. The strip out and demolition commenced in August 2025 with planned completion at the end of 2028. The redevelopment will deliver a 133,500 sq ft modern building, with an area uplift of 52%.

During these early discussions, the Board considered the potential impacts of the redevelopment on its stakeholders and received confirmation that the sustainability credentials of the development were aligned with the Group's net zero carbon strategy.

Ahead of demolition commencing, a stakeholder impact analysis was undertaken and early engagement sought to ensure the decisions made by the Board were well informed and considered all key stakeholders.

### Key concerns of demolition

- Noise, vibrations, dust.
- General disruption to local occupiers and members of the public.
- Safety of pedestrians and vulnerable road users.
- Waste strategy and material reuse.

### Early engagement with stakeholders

A series of presentations and 'drop in' sessions were hosted at DL/78 with both occupiers and members of the local community invited with the objective of informing stakeholders of the programme and to address any key questions. Key feedback was to ensure that the proposed programme of works would be clearly communicated, in particular any periods of disruption or increased noise. It was decided that Derwent London would issue 'two-weekly lookaheads' to our own occupiers in neighbouring properties to ensure that they were kept informed of the proposed works.

The Health and Safety Committee discussed the plans to mitigate the risks of the demolition on road users, particularly to pedestrians and cyclists. Additionally, engagement was sought with Westminster City Council to discuss the site logistics. As a result of discussions with and feedback from Westminster City Council, an outline logistics strategy was agreed and included within the enabling works tender documents. Measures included within the outline strategy included the position and dimensions of pitlanes, access points into site and the implementation of additional road barriers to help segregate vulnerable road users, such as cyclists, from vehicles servicing the site. Regular liaison is undertaken between the site team and Derwent London on all aspects of the logistics arrangements. Additionally, reports are submitted to the Risk Committee and Health and Safety Committee to ensure regular monitoring of the works.

### Community management

Engagement was sought with the main contractor, Erith, to understand what opportunities, including apprenticeships, were available. Derwent London worked alongside Erith to put forward a proposal to Westminster City Council, tailored to support its local priorities. Both Derwent London and Erith are aligned in wanting to ensure the redevelopment of Holden House W1 provides and promotes a range of opportunities available on the site for Westminster residents. The Group recognises that Holden House W1 presents a unique opportunity to positively impact the local environment and community within the borough of Westminster during construction and into operation.

### S.172 factors

C D E

## Corporate governance statement continued

# Board activities

The Board met nine times during the year (including the Annual General Meeting). An overview of our Board's key activities in 2025 is provided below.

### Recycling of capital

#### Recycling of capital

Investment activity is one of our core activities. This involves the recycling of capital, acquiring properties with future regeneration opportunities and disposing of those which no longer meet our investment criteria and forward return expectations.

During the year, the Board:

- reviewed our portfolio pipeline for future acquisition and disposal opportunities;
- approved the sale of Francis House SW1 for £55.5m;
- sold 24 apartments at 100 George Street W1, with £115.8m proceeds raised;
- approved the comprehensive refurbishment of Greencoat & Gordon House SW1; and
- received resolution to grant planning permission at Blue Star House SW9.

#### Construction projects

Received regular updates on key construction projects and received resolution to grant planning at our c.240,000 sq ft 50 Baker Street W1 development.

Reached practical completion on Building Safety Regulations at 25 Baker Street W1. Leases commenced in September for the fully pre-let 204,000 sq ft office element.

#### Leasing activity

Monitored letting activity throughout the year, which remained strong, with open market lettings 9.9% above December 2024 ERV.

#### Strategic objectives

1 2 4

S.172 factors

A C D

### Strategy and financing

#### Strategy meeting

The Board strategy meeting was held in June, and in order to adequately prepare a pre-meeting was held to agree the strategic challenges and areas to be discussed.

#### Financing strategy

A strategic objective for the Group is the maintenance of strong and flexible financing. The Board received updates throughout the year on the Group's financing strategy, including the following refinancing activity:

- A £115m unsecured term loan/Revolving Credit Facility was signed in February.
- £250m 5.25% 7-year unsecured bonds were issued in June.
- The £175m 1.5% convertible bonds were repaid upon maturity in June.
- Additionally, both the £100m term loan and the £450m Revolving Credit Facility were extended by a year to June 2028 and by four years to July 2029, respectively. The amended and extended Revolving Credit Facility includes two one-year extension options.
- Two £32.5m Revolving Credit Facilities were cancelled in July.

#### Costs and efficiencies

The Board discussed cost saving opportunities to support efficiencies.

#### Dividends

Approved the interim and final dividends to be paid in 2025.

#### Strategic objectives

1 2 4 5

S.172 factors

A F

### Risk management and internal control

#### Internal Controls Project

The Internal Controls Project continues to remain on track to achieve compliance with provision 29 of the UK Corporate Governance Code 2024 effective from 1 January 2026. During the year the Audit Committee monitored the progress to compliance with provision 29 in respect to material controls. Further information can be found on page 147.

#### Assurance

The Audit Committee tendered our independent non-financial assurance during 2025. Further details are on page 145.

#### Principal and emerging risks

Approved the Group's principal and emerging risks, supported by an in-depth benchmarking exercise.

#### Cyber security

In August, the Risk Committee received a detailed presentation from the Digital, Innovation and Technology (DIT) team which provided an overview of the Group's cyber posture and strategy. Additionally, following the publication of the Cyber Governance Code of Practice in April, a gap analysis of the Group's procedures against the Cyber Governance Code of Practice was undertaken by the DIT team.

#### Fraud Risk Management

An internal assessment of the Group's Fraud Risk Management Framework was conducted.

#### Strategic objectives

3 4

S.172 factors

D E

### Strategic objectives

- 1** To optimise returns and create value from a balanced portfolio
- 2** To grow recurring earnings and cash flow
- 3** To attract, retain and develop talented employees
- 4** To design, deliver and operate our buildings responsibly
- 5** To maintain strong and flexible financing

## Corporate reporting and performance monitoring

### Review of 2025 Report & Accounts

Reviewed the 2025 Report & Accounts to ensure it is fair, balanced and understandable.

### Reporting

- Reviewed the rolling forecasts and approved the 2026 budget.
- Approved the full year and interim results, in addition to the Q1 and Q3 business updates.
- Reviewed and approved the Group’s five-year plan and forecast.
- Reviewed quarterly project cost reports.
- Approved the portfolio valuation as at 30 June and 31 December 2025.

### Finance system project

The Audit Committee received regular updates on the implementation of the new finance system and discussed the expected benefits.

### Net zero carbon

Published the updated Net Zero Carbon Pathway, which confirmed strong progress and a forward look approach. Further details are on page 69.

### Board evaluation

Following a tender, Independent Audit Limited conducted the 2025 external Board evaluation. The findings were discussed at the Board meeting on 24 February 2026. Further details are on page 137.

### Strategic objectives

- 1** **3** **4** **5**

S.172 factors

- A** **E**

## Stakeholder engagement

### ‘Meet the Board’ event

On 22 September, employees from across the business were invited to meet the Board, recognising the importance of employee engagement.

### Employee survey

Sought feedback from our employees during Q4 2025, in order to assess staff satisfaction. The initial high level feedback was reviewed by the Responsible Business Committee in December 2025.

### Remuneration Policy consultation

Engaged with shareholders and proxy agencies on the proposed changes to the Remuneration Policy in advance of the 2026 AGM.

### AGM

Hosted the 41st Annual General Meeting (AGM) on 16 May 2025 at DL/78, with a business update provided by Paul Williams.

### Chequeless dividend

Continued to notify and communicate with shareholders that, from October 2025, dividend payments would no longer be paid via cheque in order to reduce the environmental impact.

### Stakeholder consideration

The Responsible Business Committee has continued to monitor and receive regular updates on stakeholder engagement.

### Strategic objectives

- 1** **3**

S.172 factors

- B** **C** **D** **E** **F**

## Governance

### Corporate governance

Continued to monitor our progress and compliance with the UK Corporate Governance Code 2024.

### Board skills matrix

A review of the Board skills matrix was conducted and the new category of ‘people and talent’ was added.

### Committee membership

The Chairman performed a review of the Board committees’ memberships to ensure each committee is composed of the appropriate skills.

### Modern slavery

Approved and published the 2025 Modern Slavery Statement.

### Audit exemption

Approved the use of audit exemptions under the Companies Act for a number of subsidiary accounts.

### Economic Crime and Corporate Transparency Act 2023

The Board continued to receive regular updates on the Group’s progress to comply with the Economic Crime and Transparency Act 2023, which included all Directors completing the ID verification process.

### Health and safety training

Executive Directors, Non-Executive Directors and members of senior management received training on health and safety management from Mishcon de Reya.

### Strategic objectives

- 1** **3**

S.172 factors

- C** **E** **F**

## Corporate governance statement continued

# Policies and practices

### Independence

The Non-Executive Directors play an important role in holding to account the performance of executive management and ensuring that no individual or group dominates the Board's decision making. It is therefore of paramount importance that their independence is maintained.

The Board has identified in the table on page 135 which Directors are considered to be independent. To safeguard their independence, Non-Executive Directors are not permitted to serve more than three three-year terms unless in exceptional circumstances (see page 139).

The Board has reconfirmed that our Non-Executive Directors remain independent from executive management and free from any business or other relationships which could materially interfere with the exercise of their judgement.

The Chairman held a number of meetings with the Non-Executive Directors without executive management being present. These meetings are useful to safeguard the independence of our Non-Executive Directors by providing them with time to discuss their views in a more private environment.

# 55.6%

of the Board is independent (excluding the Chairman), which exceeds the guidelines of the UK Corporate Governance Code 2024

[Related party disclosures / See page 263](#)

### External commitments

The Board takes into account a Director's other external commitments when considering them for appointment, to satisfy itself that the individual can discharge sufficient time to the Derwent London Board and assess any potential conflicts of interest. Our Directors are required to notify the Chairman of any alterations to their external commitments that arise during their tenure with an indication of the time commitment involved.

When assessing additional directorships, the Board considers the number of public directorships held by the individual already and their expected time commitment for those roles (see biographies on pages 118 and 119).

Executive Directors may accept a non-executive role at another company with the approval of the Board. Currently, none of our Executive Directors are directors of other listed companies.

All Directors have confirmed (as they are required to do annually) that they have been able to allocate sufficient time to discharge their responsibilities effectively (see page 135 for Board meeting attendance). Following a one-to-one meeting between each Director and Independent Audit Limited, any feedback received was provided to the Chairman with key areas to be addressed during 2026 (see page 137).

### Other publicly listed appointments

The Board takes into account guidance published by institutional investors and proxy advisers as to the maximum number of public appointments which can be managed efficiently. For the table below, we have used the methodology contained in the ISS UK and Ireland Proxy Voting Guidelines in respect of 'overboarding' to calculate our Non-Executive Directors' mandates in respect of their publicly listed appointments. Any person who holds more than five mandates at listed companies would be classified as 'overboarded'. The Board confirms that none of our Directors are overcommitted and all Directors are capable of discharging sufficient time to Derwent London.

	Non-Executive Director		Board Chairman		Executive Director		Total mandates <sup>1</sup>
	Appointments	Mandates	Appointments	Mandates	Appointments	Mandates	
Mark Breuer	-		Derwent London plc DCC plc	4	-	-	4
Lucinda Bell	Derwent London plc Man Group Plc	2	-	-	-	-	2
Helen Gordon	Derwent London plc	1	-	-	Grainger plc	3	4
Sanjeev Sharma	Derwent London plc	1	-	-	-	-	1
Robert Wilkinson	Derwent London plc	1	-	-	Hammerson plc	3	4
Madeleine McDougall	Derwent London plc	1	-	-	-	-	1

<sup>1</sup> Inclusive of their appointment at Derwent London plc. For the purposes of calculating the number of total mandates: a non-executive directorship counts as one mandate, a non-executive chairmanship counts as two mandates, and a position as executive director (or a comparable note) is counted as three mandates.

## Training

With the ever-changing environment in which Derwent London operates, it is important for our Executive and Non-Executive Directors to remain aware of recent, and upcoming, developments. We require all Directors to keep their knowledge and skills up to date and include training discussions with the Chairman in their annual performance reviews.

As required, we invite professional advisers to provide in-depth updates. Updates and training are solely reserved for legislative developments but aim to cover a range of issues including, but not limited to, market trends, the economic and political environment, environmental, technological and social considerations. During the year, the Executive Committee and members of senior management received training on the new 'failure to prevent fraud' offence that came into effect from 1 September 2025 under the Economic Crime and Corporate Transparency Act 2023.

Our Company Secretary provides regular updates to the Board and its committees on regulatory and corporate governance matters. In addition, we invite our Directors to attend courses hosted by the Deloitte Academy and PwC.

### During 2025

- The Risk Committee received the annual update on upcoming legislative developments.
- All employees (including Directors) participated in compliance training courses on a range of topics including fraud and market abuse, competition law, whistleblowing and cyber security and data protection.
- Directors attended regular external briefing sessions from the major accountancy firms.
- The Executive Committee and members of senior management received training on the new 'failure to prevent fraud' offence.

The Executive Directors have been delegated responsibility for ensuring that policies and behaviours set at Board level are effectively communicated and implemented across the business.

Policies are published on the intranet and where relevant included in the employee handbook. To ensure policies are embedded in our business practices, we operate a mandatory training programme which aims to reinforce key compliance messages in areas such as anti-bribery, fraud, modern slavery, conflict of interest, etc.

[Compliance training / See page 163](#)

## Board members and attendance in 2025

	Independent	Number of meetings <sup>1</sup>	Attendance <sup>2</sup>
<b>Non-Executive Chairman</b>			
Mark Breuer <sup>3</sup>	Yes	8	100%
<b>Executive Directors</b>			
Paul Williams	No	8	100%
Damian Wisniewski	No	8	100%
Nigel George	No	8	100%
Emily Prideaux	No	8	100%
<b>Non-Executive Directors</b>			
Lucinda Bell	Yes	8	100%
Helen Gordon	Yes	8	100%
Cilla Snowball <sup>4</sup>	Yes	2	100%
Sanjeev Sharma	Yes	8	100%
Robert Wilkinson	Yes	8	100%
Madeleine McDougall	Yes	8	100%

1 The table excludes the pre-strategy discussion which took place on 30 April 2025.

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

3 Mark Breuer was independent on his appointment as Chairman in February 2021.

4 Cilla Snowball stepped down from the Board on 16 May 2025.

## Board skills and experience

During the year, the Chairman has reviewed the Board's skills and experience and the chart below provides an overview of the skills and experience of our Directors as at 31 December 2025. To be counted for each skill area, a Director is required to have executive or senior management experience. The Board remains well-equipped with a diverse range of skills and expertise to contribute to achieving the Group's long-term strategy. For the skill areas in which our Directors have less experience at executive level, we provide training and regular updates either to the entire Board or to specific committees.

### Board Skills Matrix

Executive/Strategic leadership	4	6	100%
Property, real estate or construction	4	5	90%
Listed PLC experience	4	6	100%
Financial and risk management (inc. tech and cyber)	2	6	80%
People and talent	1	6	70%
Corporate finance and capital markets	4	6	100%
Governance, legal and compliance (inc. H&S and ESG)	3	6	90%
Investor relations, engagement and marketing	4	6	100%

[Board biographies / See pages 118 and 119](#)

● Executive Directors    ● Non-Executive Directors

## Corporate governance statement continued

## Ensures the long-term sustainable success of the Company

## Timeline for 2025 external Board evaluation

## Q4 2024

- Tender process approved by Chairman and Senior Independent Director
- Shortlist of potential evaluators approved

## Q1 2025

- Tender process commenced and received proposals from a number of providers
- Independent Audit Limited selected as external Board evaluator
- Non-disclosure agreement signed

## Q4 2025

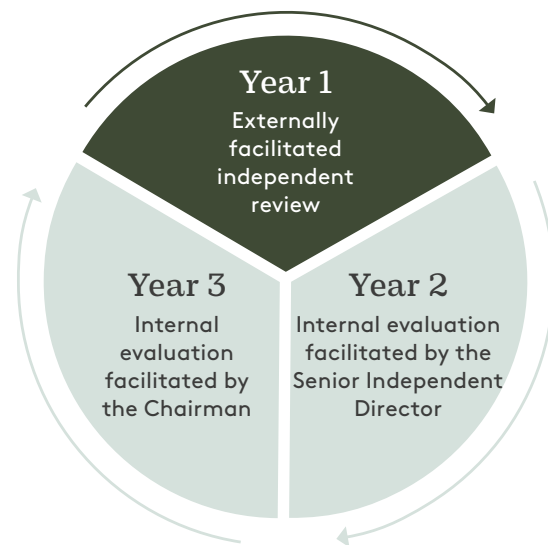
- Planning meeting held by Chairman with Independent Audit Limited
- Board questionnaire distributed to Directors
- Interviews with Executive and Non-Executive Directors
- Attended meetings of the Board, Audit, Risk, Remuneration, Nominations and Responsible Business Committees

## Q1 2026

- Final report discussed with the Chairman
- Final report presented to the Board

## Annual Board evaluation

On an annual basis, an evaluation process is undertaken which considers the effectiveness of the Board, its principal committees and individual Directors. The review identifies areas for improvement, informs training plans for our Directors and identifies areas of knowledge, expertise or diversity which should be considered in our succession plans. The Board follows a formal three-year cycle that was developed to enable reviews to be led from a fresh perspective, each year.



## Evaluation for the year ended 31 December 2024

The 2024 Board evaluation was internally facilitated by Mark Breuer, our Chairman, and was outlined in the 2024 Report & Accounts on page 139. As a result of this evaluation, the Board identified a number of areas which it wished to focus on in 2025.

Focus area	Actions during 2025
<b>Include a greater focus on the long-term strategy</b>	Facilitated by an additional strategy pre-meeting in April, the annual strategy meeting in June and a follow-up meeting in September.
<b>Continue to receive contributions from management</b>	Facilitated with eight Board meetings held in 2025, with a cross-section of senior management invited to present.
<b>Balance the Board calendar</b>	An additional Board meeting was held in September 2025 to ensure regular Board meetings throughout the year.

## Evaluation for the year ended 31 December 2025

Our external Board evaluation for the year ended 31 December 2025 was externally facilitated by the third party Independent Audit Limited, which is accredited by the Corporate Governance Institute. A formal tender process was organised in order to select a Board evaluator, with each firm required to provide a written proposal. In selecting our 2025 external evaluator, the following areas were considered by the Chairman, Senior Independent Director and Company Secretary:

- the evaluator's proposed method and approach;
- experience, skills and references;
- any potential conflicts of interest; and
- whether they were an accredited board reviewer.

### 2025 evaluation process

The evaluation process was tailored to Derwent London based on discussions with the Chairman and the Company Secretary. The Company Secretary provided the third party evaluator with the requested information to facilitate the review.

The evaluation commenced with a short questionnaire completed by each Director. The individual interviews with the Directors and the Company Secretary, which were conducted during November/December and typically lasted for one hour and 30 minutes. The evaluator also attended a series of committee meetings in Q4 2025, including Audit, Risk, Remuneration and Responsible Business.

### Feedback from the 2025 Board evaluation

The Board review confirmed that Derwent London has the characteristics of a well-functioning Board. It was recognised that there was a good degree of trust, confidence and healthy respect between the Executive and Non-Executive Directors.

A copy of the Board evaluation report will be shared with the new CEO, who will have the opportunity to meet Independent Audit Limited in order to discuss its findings.

The Board reviewed and discussed the report findings at the Board meeting on 24 February 2026. Following this, a number of areas for improvement were identified and will be considered during 2026.

### Stakeholders

- To ensure that key stakeholder relationships are developed and maintained during senior management's succession.

### Board and committee meetings

- All Non-Executive Directors will be invited to attend any committee meetings of interest, of which they are not already a member.
- The Audit Committee will continue to oversee delivery of benefits from the new finance systems.
- The Risk Committee's 2026 agenda will include a review of the Company's preparedness for a cyber attack.
- Ad hoc Board meetings to be held at the start or end of the day where possible.

### Board dinners

- To ensure that there are at least two Board dinners in 2026.

### Board skills matrix and training

- To identify any Board training requirements for 2026.

## Re-election of Directors

In accordance with the Code, all Directors will be putting themselves forward for re-election at the 2026 AGM, with the exception of Nigel George who will be stepping down from the Board on 31 March 2026. In respect to Paul Williams, he will put himself forward unless a new successor is already in place. Following the formal performance evaluation, and taking into account the Directors' skills and experience (set out on page 135), the Board believes that the re-election and election of all Directors respectively is in the best interests of the Company.

### Evaluation for the year ending 31 December 2026

In accordance with our three-year cycle, the performance evaluation for the year ending 31 December 2026 will be internally facilitated by the Senior Independent Director, Helen Gordon.

## Economic Crime and Corporate Transparency Act 2023

The Economic Crime and Corporate Transparency Act 2023 (the Act) seeks to tackle economic crime and strengthen corporate accountability. The Act has introduced a variety of reforms with the aim of improving transparency from corporate entities.

During the year, the legislative developments of the Act have been closely looked into with the key changes identified as:


- enhanced powers for Companies House;
- new filing requirements for entities;
- mandatory identity verification for all directors, LLP members, persons with significant controls and persons submitting information to Company House; and
- the introduction of a new corporate criminal offence, 'failure to prevent fraud'.

We recognise the importance of early preparation with legislative developments, and therefore during the year a series of compliance exercises were undertaken. From April 2025, Companies House enabled directors to voluntarily verify their identity. Each member of the Board of Directors successfully completed the identity verification process ahead of the legislation's effective date of 18 November 2025.

By proactively completing the identity verification process the Group is compliant with the new identity verification requirements and is well-positioned to meet the enhanced filing obligations in 2026.

In addition to the completion of the identity verification process a series of activities have been undertaken during the year in response to the other key changes under the Act.

 **Fraud Risk Management Framework / See page 148**

 **Supply Chain Responsibility Standard / See page 168**

 **Training on new 'failure to prevent fraud' offence / See page 155**