

Remuneration Committee report



Sanjeev Sharma Chair of the Remuneration Committee

2026 focus areas

- Approve the remuneration package for the new CEO
- Ensure the 2026 Remuneration Policy is effectively implemented following shareholder approval in May 2026
- Operation of the 2026 annual bonus and grant of 2026 long-term incentive awards
- Continue to keep wider workforce remuneration arrangements under review, taking these into account when considering remuneration arrangements for Executive Directors

Committee membership during 2025

	Independent	Number of meetings	Attendance ¹
Sanjeev Sharma	Yes	7	100%
Lucinda Bell	Yes	7	100%
Helen Gordon	Yes	7	100%

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

Annual statement

Dear Shareholder,

As Chair of the Remuneration Committee and on behalf of the Board, I am pleased to present our report on Directors' remuneration for 2025. This includes:

- my **Annual statement** as Chair of the Remuneration Committee (pages 172 to 175);
- our new **Directors' Remuneration Policy**, which will be subject to a binding shareholder vote at the 2026 AGM (pages 178 to 187); and
- **the Annual report on remuneration** (pages 188 to 209), describing how the Remuneration Policy has been applied for the year ended 31 December 2025 and how we intend to implement the Policy for 2026.

The Remuneration Committee report (excluding the Remuneration Policy) will be subject to an advisory shareholder vote at the 2026 AGM.

Performance outcomes in 2025

Based on performance against the financial and strategic targets, the incentive outcomes for 2025 were as follows:

- Annual bonus outcome of 55.5% of the maximum opportunity (equivalent to 83.3% of base salary) based on the outcome of the relative total accounting return and total property return performance targets and strategic objectives (see page 201).
- 2023 performance share award outcome of 3.6% of the maximum opportunity. The proportion of the award subject to relative total shareholder return, relative total property return and energy intensity reduction performance targets lapsed in full. The proportion of the award subject to embodied carbon reduction performance targets vested at 71.2% of maximum (see page 203).

The Committee considered the formulaic vesting outcomes against broader perspectives including underlying business performance and affordability; the experience of shareholders; and the experience of employees and other stakeholders.

The Group has continued to perform strongly relative to central London office-based real estate peers (the Group's 2025 total property return performance was 5.5% compared to the MSCI Quarterly Central London Offices Total Return Index of 4.8%) in the face of a subdued market and continued economic uncertainty, which is testament to the execution of the strategy over multiple years, the performance and commitment of our executive leadership team and the quality of the portfolio they have assembled.

The Directors recommend a final dividend of 56.0p per ordinary share for the year ended 31 December 2025. When taken together with the interim dividend of 25.5p per ordinary share paid in October 2025, this results in a 1.2% increase in total dividend for the year.

The Committee also recognises that shareholders have been impacted by the Group's absolute share price performance during recent years.

A dedicated section is included within this report which incorporates several disclosures to demonstrate the Committee's belief that remuneration arrangements for Executive Directors are fair and appropriate in the context of pay policies and practice across the wider workforce (see pages 194 to 197). In particular, it is noted that all eligible employees received a bonus for 2025 and 92.5% received a grant under the Employee Share Option Plan in 2025.

No discretion was applied to adjust the formulaic outcome of the annual bonus or performance share awards. With regard to provision 41 of the UK Corporate Governance Code, the Policy operated as intended in terms of Company performance and quantum.

Departures from the Board and treatment of remuneration

Paul Williams, Chief Executive

As announced on 22 January 2026, after 38 years of service, Paul Williams will retire as Chief Executive and Director when a successor has been appointed and is in place. Paul will remain a full-time employee until 21 January 2027 and will assist the Board and the incoming CEO through an orderly transition. He will continue to receive his salary, benefits and pension until that date.

Paul was eligible for a bonus for the year ended 31 December 2025 and will be eligible for a bonus for the year ended 2026. He will not be granted a long-term incentive award in 2026. Paul will be treated as a good leaver in respect of his outstanding deferred bonus awards (which will vest at the normal time) and his outstanding performance share awards, which will be capable of vesting at the normal time subject to performance. Any amounts that vest will be subject to a holding period which ends on the second anniversary of the date that he steps down as CEO.

Paul will also be required to hold shares following his retirement from the Board in accordance with the Group's post-employment shareholding. Further information is set out on page 199.

Nigel George, Executive Director

As announced on 12 August 2025, after 37 years of service, Nigel George will retire and stand down from the Board on 31 March 2026. Nigel will remain a full-time employee until 11 August 2026 and will then continue to support the business as a consultant working on a number of projects expected until March 2028. Nigel will continue to receive his salary, benefits and pension until 11 August 2026.

Nigel was eligible for a bonus for the year ended 31 December 2025 and will be eligible for a bonus for the period 1 January to 11 August 2026. He will not be granted a long-term incentive award in 2026. Nigel will be treated as a good leaver in respect of his outstanding deferred bonus awards (which will vest at the normal time) and his outstanding performance share awards, which will be capable of vesting at the normal time subject to performance and any amounts that vest will be subject to a two-year holding period.

Nigel will also be required to hold shares following his retirement from the Board in accordance with the Group's post-employment

shareholding guidelines. Further information is set out on page 199.

Remuneration Policy review

Our current Remuneration Policy, approved by shareholders at the 2023 AGM (with a vote in favour of 95%), is approaching the end of its three-year term. The Committee has undertaken a comprehensive review of the Policy and executive incentive structure, which included extensive consultation with the Company's major shareholders (representing c.70% of the Company's issued share capital) and proxy voting agencies over a six-month period. The Committee is very appreciative of the time taken by shareholders to provide their feedback.

The review was informed by the following objectives:

- The incentive structure should support an effective pay for performance culture, rewarding the delivery of the Group's strategy and strong market outperformance, and promote long-term sustainable decision making throughout the property cycle.
- The total remuneration package should be competitively positioned against the market and, together with the incentive structure, appropriately incentivise Executive Directors, who are highly regarded in the market, and ensure that the Group can attract talented and experienced Executive Directors in the future.
- The incentive structure should address the challenges of operating in a cyclical sector and against the backdrop of continued market uncertainty. In particular, the long-term incentive structure should enable the delivery of stable and competitive reward outcomes, which fairly reflect performance and the ongoing execution of the Group's strategy throughout the cycle, and the experience of shareholders over the longer term.

Proposed change to the long-term incentive structure

The Group has operated a Performance Share Plan for several years for Executive Directors and broader Executive Committee members, and the Committee believes that performance share awards should continue to form a significant part of the incentive structure. Performance share awards support an effective pay for performance culture and maximum vesting can only be achieved for the delivery of strong market outperformance.

The Committee also recognises the importance of long-term incentive structures that, within a cyclical sector, effectively support executives to build up their shareholding, thereby fostering stewardship and promoting the long-term decision making which is critical in our industry, as well as act as an effective retention mechanism. In this regard, the Committee discussed moving from performance share awards to restricted share awards (i.e. a share award which vests subject to continued employment and underpins; and is not subject to performance measures), noting that there are examples of UK real estate companies operating restricted share awards. The Committee concluded that operating only restricted share awards would not be consistent with the Policy review objectives. In particular, the approach would not support a pay for performance culture, nor be in the best interest of shareholders. Instead, after careful consideration, the Committee is proposing to introduce a hybrid long-term incentive structure whereby both performance share and restricted share awards are granted to Executive Directors

Remuneration Committee report continued

Annual Statement continued

and broader Executive Committee members, with the performance share awards forming a significant proportion of the overall long-term incentive potential.

The Committee is mindful that hybrid structures are currently relatively uncommon in the UK, particularly where organisations have limited US exposure. However, the UK remuneration landscape is evolving to allow for more tailored structures, provided that there are clear and demonstrable links to: (i) the business and talent strategy of the company; and (ii) the long-term interests of shareholders. The Committee has approached the review of the long-term incentive structure with this mindset.

The Committee firmly believes that the proposed hybrid structure is the right fit for Derwent London and strikes a balance between:

- continuing to incentivise executives to deliver the Group's strategy and strong market outperformance (via the performance share awards); with
- fostering stewardship and long term decision making by supporting executives to build up their shareholdings, fairly rewarding executives for performance in executing the strategy, and acting as an effective retention mechanism throughout the property cycle (via the restricted share awards).

Award opportunity

The maximum performance share award opportunity under the current policy is 200% of salary. The Committee considers this to be a market competitive performance share award opportunity taking into account Derwent London's size and complexity, and it has therefore been used as a basis for determining the proposed quantum under the hybrid structure.

The Committee also believes that the performance share awards should form a significant proportion of the overall opportunity under the hybrid structure, to continue to support a pay for performance culture.

The following quantum is therefore proposed, in accordance with the Investment Association guidelines:

- Performance share award with a maximum opportunity equal to 150% of salary.
- Restricted share award with an opportunity equal to 25% of salary.
- Meaning an overall maximum opportunity equal to 175% of salary under the hybrid structure.

The restricted share award opportunity has been discounted by 50% compared to the equivalent performance share award opportunity, in line with guidance set out in the Investment Association's Principles of Remuneration and general shareholder expectations.

Performance share award measures

The 2025 performance share award measures (and weightings) are:

- Total shareholder return vs the FTSE 350 Super Sector Real Estate Index (excluding agencies) (50%)
- Total property return vs the MSCI UK All Property Index (40%)
- Embodied carbon reduction (5%)
- Energy intensity reduction (5%)

For 2026, a change to the total property return comparator is proposed from the MSCI UK All Property Index to the MSCI UK All Office Index.

Derwent London is a central London office-focused REIT and therefore the Committee firmly believes that the MSCI UK All Office Index provides closer alignment with our strategic focus and key competitors. In proposing the change in comparator, the Committee has been mindful that:

- Different total property return comparators will continue to apply under the annual bonus (MSCI Central London Office Index) and the performance share awards (MSCI UK All Office Index).
- Executive Directors will continue to be incentivised to outperform the UK real estate market more generally under the annual bonus and the performance share awards. The annual bonus will continue to include a total accounting return performance measure (30% of the award) vs a peer group made up of real estate companies operating across different asset classes and regions. It is proposed that 10% of the performance share awards will continue to be based on environmental performance, which will comprise solely of an embodied carbon reduction measure. This recognises that reducing the embodied carbon of developments will have the greatest positive environmental impact and is fully within Derwent London's control. The performance share awards will continue to include a total shareholder return performance measure (50% of the award) vs a peer group also made up of real estate companies operating across different asset classes and regions.

In summary, the proposed 2026 performance share award measures (and weightings) are:

- Total shareholder return vs the FTSE 350 Super Sector Real Estate Index (excluding agencies) (50%)
- Total property return vs the MSCI UK All Office Index (40%)
- Embodied carbon reduction (10%)

Restricted share award underpins

The vesting of restricted share awards will be subject to underpins that safeguard the financial stability of the business and provide sufficient focus on corporate governance and health and safety responsibilities. If the Committee considers that the underpins have not been met, then it would consider whether it is appropriate to scale back the vesting (including to nil vesting if considered appropriate) of the restricted share awards.

The proposed underpins for the 2026 restricted share awards are as follows:

- No breach of financial covenants.
- Satisfactory underlying performance.
- No material failure in corporate governance or health and safety resulting in significant reputational damage and/or financial loss.

Furthermore, the Committee will have discretion to reduce the vesting level of the restricted share awards (as well as the performance share awards) if it is not reflective of the Group's overall financial or non-financial performance, individual performance, or the experience of shareholders or other stakeholders during the vesting period.

Shareholder feedback

The Committee is pleased with the level of support received for the proposed changes to our Remuneration Policy. Shareholders and proxy voting agencies largely understood the Committee's strategic rationale for introducing such a structure, and were particularly supportive that:

- 1 the restricted share awards is a modest proportion (c.15%) of the overall long-term incentive potential; and
- 2 a 50% discount (in terms of conversion from performance share to restricted share awards) is being applied.

During consultation, some shareholders questioned the proposed introduction of a hybrid structure given it is relatively uncommon in the UK and that relative performance measures (total shareholder return and total property return) with the current performance share awards help protect against the cyclical nature of the industry, and asked the Committee to elaborate further on its rationale. The Committee agrees that relative performance measures do, in theory, provide some protection, and performance measures have been considered as part of the Policy review.

As noted above, the Committee is proposing a change to the total property return comparator group. However, relative performance measures are still imperfect and have practical challenges. For example, comparator group selection. Derwent London is a central London office-focused REIT. The total shareholder return and total property return comparator groups used in recent years include real estate companies operating in different geographies across the UK and asset classes, meaning they are impacted by different economic headwinds and tailwinds. This can then adversely impact Derwent London's relative performance against comparator group constituents.

Furthermore, operational and strategic decisions taken by management today are to support long-term sustainable value creation and may not yield immediate shareholder returns or increases in NAV, particularly in a subdued market. The three-year performance period attached to performance share awards, whilst reflective of standard market practice in the UK, can often be misaligned with the longer term nature of Derwent London's strategy.

The Committee therefore strongly believes a hybrid structure, with performance share awards forming a significant proportion of the overall long-term incentive potential, is the right approach for the Group at this time. Furthermore, the proposed restricted share award underpins, the ability to apply discretion to the vesting outcome, and the fact that a significant majority of the long-term incentive structure remains subject to challenging performance targets will ensure that there are appropriate safeguards in place to ensure reward outcomes are aligned to performance and the experience of shareholders.

The initial and closing letters sent to shareholders and proxy voting agencies as part of the consultation process are included on the Company's website at: www.derwentlondon.com/investors/governance/board-committees

Implementation in 2026

Base salaries

No increases were made to Executive Directors' base salaries for the year beginning 1 January 2026. Accordingly, Paul Williams' salary will remain at £732,000 and at £564,600 for the other Executive Directors. Base salary increases across the wider workforce were in line with the average inflationary increase of 3.0%. The average actual increase in base salaries for all employees eligible for a pay rise (inclusive of promotions, career progression and market salary alignments) effective from 1 January 2026 was 3.6%.

Annual bonus and long-term incentive

The annual bonus opportunity of 150% of salary and financial metrics (which make up 75% of the award) remain unchanged for 2026. The Committee reviewed the strategic objectives (which make up the remaining 25% of award) and have made some refinements to ensure the objectives remain appropriately aligned with the Group's strategic priorities. The 2026 strategic scorecard will comprise capital recycling, leasing, cost savings, staff satisfaction and health and safety objectives (see page 190).

Subject to shareholder approval of the Remuneration Policy, Executive Directors will be granted performance share and restricted share awards as detailed above. Details of the performance share award measures and restricted share award underpins are set out on page 191.

Non-Executive Chairman and Non-Executive Director fees

No increases were made to the Non-Executive Chairman's fee or the Non-Executive Directors' base fees for the year beginning 1 January 2026. This is consistent with the approach taken for Executive Directors.

Further engagement

I look forward to receiving your support at our 2026 AGM, where I will be available to respond to any questions shareholders may have on this report, the proposed Remuneration Policy, or in relation to any of the Committee's activities. In the meantime, if you would like to discuss any aspect of our Remuneration Policy or incentive framework, please feel free to contact me through the Company Secretary, David Lawler (email: company.secretary@derwentlondon.com).

The Directors' remuneration report has been approved by the Board of Directors and signed on its behalf by:

Sanjeev Sharma
Chair of the Remuneration Committee

25 February 2026

Remuneration Committee report continued

Annual Statement continued

Remuneration at a glance

Our Remuneration Policy is designed to be transparent and to promote effective stewardship that is vital to the delivery of the Group's purpose and strategy.

Reward linked to performance

Performance-based remuneration achieved for the year ended 31 December 2025 as a percentage of base salary. Further information on annual bonus and performance share award outcomes is available on pages 201 to 204.

		Maximum opportunity (% of salary)
Annual bonus	83.3%	150%
Performance share award	3.6%	200%

Single figure of remuneration (£'000)

Paul Williams, CEO

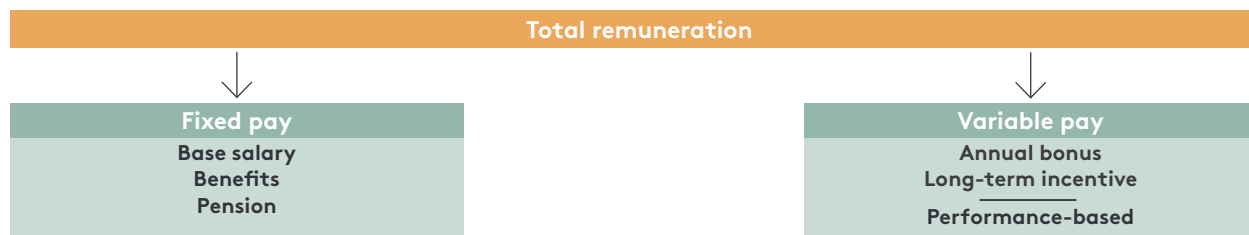
2025	872	648
2024	845	651

Other Executive Directors

2025	678	499
2024	658	502

● Fixed pay ● Pay for performance (and other items in the name of remuneration)

Remuneration Policy summary



Wider stakeholder considerations

The Committee considers pay policies and practices for employees, as well as feedback from key stakeholders, when making remuneration decisions for Executive Directors.

+3.6%

average increase in base salaries for all employees eligible for a pay rise effective from 1 January 2026

16:1

CEO pay ratio at 50th percentile (median) for 2025 (see page 197)

+1.2%

increase in the total dividend (2024 to 2025)

+95%

of votes cast in favour of our revised Remuneration Policy at the 2023 AGM

Remuneration Policy review process

The major focus area of the Committee during the year was the Remuneration Policy review.



Component	2023 Remuneration Policy	2026 Remuneration Policy
Base salary and benefits	Attract and retain high calibre executives.	No change.
Pension	In line with the contributions available for the majority of the wider workforce (currently 15% of salary).	No change.
Annual bonus	Maximum opportunity: 150% of salary	No change.
	At least 75% of bonus based on financial measures with up to 25% based on strategic objectives.	Majority of bonus based on financial measures with remainder based on strategic objectives.
	Any amount earned in excess of 75% of salary is deferred into shares, which are released after three years subject to continued employment.	No change.
LTIP	Performance share award	Performance share and restricted share awards (hybrid)
	Maximum opportunity: 200% of salary	Maximum opportunity: <ul style="list-style-type: none"> ▪ Performance share award: 150% of salary ▪ Restricted share award: 25% of salary ▪ Restricted share award is discounted by 50% vs performance share award equivalent.
	Performance share award measures reviewed annually reflecting the Group’s strategy and metrics relevant to the business.	No change.
		Restricted share plan underpins reviewed annually and designed to safeguard the financial stability of the business and provide sufficient focus on corporate governance and health and safety responsibilities.
	Three-year performance period plus two-year holding period	No change.
Committee discretion	The Committee has discretion to adjust the vesting outcome of annual bonus and LTIP awards if not deemed to reflect appropriately the underlying financial or non-financial performance of the business, the performance of the individual or the experience of shareholders.	No change.
Shareholding guidelines	200% of salary for all executives.	No change.

Remuneration Committee report *continued*

Directors' Remuneration Policy

The following part of the report sets out the Remuneration Policy for the Group (Policy). This Policy will be put forward to shareholders for their binding approval at the AGM on 15 May 2026 and will apply to payments made from this date. Further details regarding the operation of the Policy for the 2026 financial year can be found on pages 190 to 191.

Changes to the Directors' Remuneration Policy

The Committee has undertaken a comprehensive review of the Policy and executive incentive structure. After careful consideration, the Committee is proposing to introduce a hybrid long-term incentive structure whereby both performance share and restricted share awards are granted to the Executive Directors and broader Executive Committee members, with the performance share awards forming a significant proportion of the overall long-term incentive potential. The Committee's rationale and context for this proposed change is set out on pages 173 to 175. A summary of the proposed changes to the Remuneration Policy and executive incentive structure is set out in the remuneration at a glance section on page 177.

Summary of decision making process

In determining the Policy, the Committee followed a robust process which included discussions on the content of the Policy at seven Remuneration Committee meetings during 2025. The Committee considered input from management and our independent advisers, and consulted with major shareholders, including taking account of the recently published Investment Association guidelines.

Management did not take part in any decision making discussions regarding changes to the Policy or executive remuneration framework in order to avoid any conflicts of interest.

Factoring our stakeholders into our decisions

Engaging with our shareholders

The Committee actively seeks dialogue with shareholders and values their feedback. As part of the Remuneration Policy review, the Committee undertook an extensive consultation with the Company's major shareholders (representing c.70% of the Company's issued share capital) and proxy agencies over a six-month period, and the Committee carefully considered the feedback received as part of its decision making (see page 175, Remuneration Committee Chair's Annual statement). The Committee is very appreciative of the time taken by shareholders to provide their feedback.

On an ongoing basis, any feedback received from shareholders is considered as part of the Committee's annual review of remuneration. The Committee will also discuss voting outcomes at the relevant Committee meeting and will consult with shareholders if and when any significant changes to the way the Remuneration Policy are implemented.

Engaging with our employees

We have an open, collaborative and inclusive management structure and our employees are provided with the means to engage on a range of matters. The Committee considers pay across the Group, as well as any employee feedback, when making decisions on executive remuneration. A dedicated section is included within this report which incorporates several disclosures to demonstrate the Committee's belief that remuneration arrangements for Executive Directors are fair and appropriate in the context of pay policies and practice across the wider workforce (see pages 194 to 197).

Executive Director policy table

The policy table below sets out the key elements of the remuneration package for Executive Directors.

Element	Purpose and link to strategy	How operated	Maximum opportunity	Performance measures
Base salary	To recruit, retain and motivate high calibre executives. Reflects experience and importance to the business.	<p>Normally reviewed annually. Any increase is usually effective from 1 January.</p> <p>Factors taken into account in the review include, but are not limited to:</p> <ul style="list-style-type: none"> ▪ the role, experience and performance of the individual and the Company; ▪ pay and conditions throughout the business; and ▪ practice in companies with similar business characteristics. 	<p>No maximum salary or salary increase, but increases will normally be consistent with the policy applied to the workforce generally (in percentage of salary terms).</p> <p>Increases above this level may be awarded in certain circumstances such as, but not limited to:</p> <ul style="list-style-type: none"> ▪ where there is a change in role or responsibility; ▪ an Executive Director's development or performance in role (e.g. to align a new hire's salary with the market over time); ▪ where there is a significant change in the size and/or complexity of the Group; and ▪ where there is a significant change in market practice. 	A broad assessment of personal and corporate performance is considered as part of the salary review.
Benefits	To provide a market competitive benefits package to help recruit and retain high calibre executives and to support their wellbeing.	<p>Benefits include, but are not limited to, private medical insurance, car and fuel allowance and life assurance.</p> <p>Executive Directors may participate in the Sharesave Plan and any other all-employee plans on the same basis as other employees up to HMRC approved limits.</p> <p>In certain circumstances, the Committee may also approve additional one-off or ongoing allowances or benefits relating to the relocation of an Executive Director as may be required to perform the role.</p> <p>The Committee has the ability to reimburse reasonable business-related expenses and any tax thereon.</p> <p>The Committee may introduce any other benefits if it is considered appropriate to do so.</p>	Whilst there is no prescribed maximum cost of providing benefits, the value of benefits is set at a level which the Committee considers to be appropriate taking into account relevant factors including but not limited to the overall cost to the Company in securing the benefits, individual circumstances, benefits provided to the wider workforce and market practice.	None.

Remuneration Committee report continued

Directors' Remuneration Policy continued

Element	Purpose and link to strategy	How operated	Maximum opportunity	Performance measures
Pension	To provide an appropriate level of retirement benefit.	The Company operates a defined contribution pension scheme. Executive Directors may receive cash payments in lieu of some or all of their contributions where considered appropriate (for example where contributions would exceed either the lifetime or annual contribution limits).	The maximum Company contribution or cash supplement (or a mix of both) for Executive Directors is aligned with the contribution available to the majority of the wider workforce (currently 15% of salary).	None.
Annual bonus	To incentivise the annual delivery of stretching financial targets and strategic goals. Financial performance measures reflect metrics relevant to the business.	Bonus awards are based on performance measures set by the Committee (typically measured over a financial year) against key performance measures and objectives, and continued employment.	<p>Maximum opportunity of up to 150% of salary may be awarded in respect of a financial year.</p> <p>Bonuses up to 75% of salary are paid as cash. Amounts in excess of 75% are normally deferred into shares for three years subject to continued employment. The Committee may decide to pay the entire bonus in cash where the amount to be deferred into shares would, in the opinion of the Committee, be so small it is administratively burdensome to apply deferral.</p> <p>Dividend equivalents may accrue on deferred shares. Such amounts will normally be paid in shares.</p> <p>Malus and clawback provisions apply (see table on page 183).</p> <p>The Committee has discretion to adjust the payment outcome if it is not deemed to reflect the underlying financial or non-financial performance of the business, the performance of the individual or the experience of shareholders or other stakeholders over the performance period.</p>	<p>The majority of the annual bonus will normally be based on financial measures with the remainder based on strategic objectives.</p> <p>Financial measures</p> <p>Up to 22.5% of each bonus element will be payable for threshold performance, with full payout for maximum performance. No amount is payable for achieving below threshold performance.</p> <p>Strategic objectives</p> <p>Vesting will apply on a scale between 0% and 100% based on the Committee's assessment of the extent to which performance against the strategic objectives has been met. Performance measures are reviewed annually reflecting the Group's strategy and metrics relevant to the business.</p>

Element	Purpose and link to strategy	How operated	Maximum opportunity	Performance measures
<p>Performance share awards</p>	<p>To align the long-term interests of the executives with those of the Group's shareholders. To incentivise executives to deliver the Group's strategy and strong market outperformance.</p>	<p>Award of performance shares which vest after three years subject to performance measures set by the Committee and continued employment.</p> <p>Awards will be subject to a two-year post-vesting holding period.</p> <p>Dividend equivalents may accrue on performance shares. Such amounts will normally be paid in shares.</p> <p>Malus and clawback provisions apply (see table on page 183).</p> <p>The Committee has discretion to adjust the vesting outcome if it is not deemed to reflect appropriately the underlying financial or non-financial performance of the business, the performance of the individual or the experience of shareholders or other stakeholders over the performance period.</p>	<p>Maximum opportunity of up to 150% of salary may be awarded in respect of a financial year.</p>	<p>Performance measures and their weightings are reviewed annually reflecting the Group's strategy and metrics relevant to the business.</p> <p>Details of the performance measures for the 2026 awards are set out on page 191.</p> <p>Up to 22.5% of each element of an award vests for achieving threshold performance, with full vesting for achieving maximum performance.</p> <p>No award vests for achieving below threshold performance.</p>
<p>Restricted share awards</p>	<p>To align the long-term interests of the executives with those of the Group's shareholders.</p> <p>To support stewardship and long-term decision making.</p>	<p>Award of restricted shares which vest after three years subject to underpins set by the Committee and continued employment.</p> <p>Awards will be subject to a two-year post-vesting holding period.</p> <p>Dividend equivalents may accrue on restricted shares. Such amounts will normally be paid in shares.</p> <p>Malus and clawback provisions apply (see table on page 183).</p> <p>The Committee has discretion to reduce the vesting outcome if it is not deemed to reflect appropriately the underlying financial or non-financial performance of the business, the performance of the individual or the experience of shareholders or other stakeholders over the vesting period.</p>	<p>Maximum opportunity of up to 25% of salary may be awarded in respect of a financial year.</p>	<p>Underpins are reviewed annually.</p> <p>The Committee may reduce the vesting outcome if one or more of the underpins are not achieved.</p> <p>Details of the performance underpins for the 2026 awards are set out on page 191.</p>

Remuneration Committee report continued

Directors' Remuneration Policy continued

Element	Purpose and link to strategy	How operated	Maximum opportunity	Performance measures
Share ownership guidelines	To provide alignment with the long-term interests of shareholders and support stewardship.	<p>Within-employment: Executive Directors are expected to build up and retain a shareholding equal to 200% of salary. Until the shareholding guideline is met, 50% of any deferred bonus awards or performance share awards vesting (net of tax) normally must be retained.</p> <p>Post-employment: Executive Directors who step down from the Board are normally expected to retain a holding in 'guideline shares' equal to:</p> <ul style="list-style-type: none"> ▪ 200% of salary (or their actual shareholding at the point of stepping down if lower) for the first 12 months following stepping down as an Executive Director. ▪ 100% of salary (or their actual shareholding at the point of stepping down if lower) for the subsequent 12 months. <p>'Guideline shares' do not include shares that the Executive Director has purchased or which have been acquired pursuant to deferred share awards or performance share awards which vested before 1 January 2020.</p> <p>Unless the Committee determines otherwise, an Executive Director or former Executive Director shall be deemed to have disposed of shares which are not 'guideline shares' before 'guideline shares'. The Committee retains discretion to waive this guideline if it is not considered to be appropriate in the specific circumstance.</p> <p>The number of shares subject to the post-employment shareholding guideline is confirmed to the Executive Director on stepping down from the Board. The Committee will monitor the former Executive Directors' compliance with the guideline. Should the former Executive Director breach compliance, the Committee may reduce any unvested share awards held by the former Executive Director.</p>	n/a	n/a

Information supporting the Policy

Malus and clawback

It is a condition of the grant of any awards that the Executive Directors agree to the terms of the relevant Plan rules and, in particular, the operation of malus and clawback provisions. A summary of our malus and clawback provisions is provided below.

	Malus	Clawback
Annual bonus	To such time as payment is made.	Up to two years following payment.
Deferred bonus	To such time as the award vests.	No clawback provisions apply (as malus provisions apply for three years from the date of award).
Performance share awards	To such time as the award vests.	Up to two years following vesting.
Restricted share awards	To such time as the award vests.	Up to two years following vesting.

The circumstances in which malus and clawback provisions could be applied:

- 1 Material misstatement of financial results.
- 2 An error in assessing performance conditions which has led to an overpayment.
- 3 Serious or gross misconduct.
- 4 Serious reputational damage.
- 5 Corporate failure.

A clawback period of two years following payment of an annual bonus and vesting of performance share and restricted share awards is considered appropriate on the basis that:

- it is reasonable to assume that a material misstatement of financial results relating to the performance/vesting period, an error in assessing performance measures or underpins, or an event, act or omission which occurred during the performance/vesting period resulting in serious reputational damage, or corporate failure, would be discovered within a two-year period;
- it is considered a reasonable period to support the enforceability of clawback; and
- it is aligned with market practice across the FTSE 250.

Choice of performance measures

The performance measures used for the annual bonus and performance share awards reflect the short and long-term financial and strategic priorities of the business, and are aligned with performance measures used by our real estate sector peers.

A significant proportion of annual bonus and performance share awards are subject to performance relative to the real estate sector. This helps support an incentive framework whereby Executive Directors may be fairly and equitably rewarded for outperforming peers and delivering shareholder value in a cyclical market. For relative performance measures, performance targets are set each year relative to the real estate comparator group.

For strategic measures, targets are set taking into account the Group's strategic plan. Maximum vesting will only occur for what the Committee considers to be outstanding performance.

The underpins for the restricted share awards are designed to protect the financial stability of the business and provide sufficient focus on governance and health and safety.

Details of the performance measures for the 2026 annual bonus and performance share awards, and underpins for the 2026 restricted share awards are set out on pages 190 and 191.

The Committee retains the ability to adjust or set different performance measures, underpins or targets if events occur (such as a change in strategy, a material acquisition and/or divestment of a Group business or a change in prevailing market conditions) which cause the Committee to determine that the performance measures, underpins and/or targets are no longer appropriate and the amendment is required so that they achieve their original purpose and are not materially less difficult to satisfy.

Share awards may be adjusted in the event of a variation of share capital or a demerger, delisting, special dividend or other event that may affect the Company's share price.

Remuneration Committee report continued

Directors' Remuneration Policy continued

Legacy arrangements

The Committee retains discretion to make any remuneration payment and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) which are outside of the Policy set out here:

- where the terms of the payment were agreed before this Policy came into effect (provided that the terms of the payment were consistent with the shareholder approved Directors' Remuneration Policy (if any) in force at the time they were agreed);
- where the terms of the payment were agreed at a time when the relevant individual was not a Director of the Company (or other persons to whom the Policy set out above applies), and in the opinion of the Committee, the payment was not in consideration of the individual becoming a Director of the Company or such other person; and
- to satisfy contractual arrangements under legacy remuneration arrangements.

For these purposes 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' no later than at the time the award is granted. This Policy applies equally to any individual who is required to be treated as a Director under the applicable regulations.

The Executive Directors' legacy arrangements include unvested performance share awards (see page 209). Emily Prideaux holds unexercised ESOP options which were granted to her prior to her becoming an Executive Director (see page 209).

Non-Executive Director policy table

The policy table below sets out the key elements of the remuneration package for Non-Executive Directors.

	Operation	Determination of fees
Chairman	The remuneration of the Chairman is set by the Board (excluding the Chairman). The Chairman receives an annual fee. The fee may be paid wholly or partly in cash or Company shares. The Company will pay reasonable expenses incurred by the Non-Executive Chairman and may settle any tax incurred in relation to these. Other benefits may be provided if considered appropriate. The Chairman does not receive a pension or participate in incentive arrangements.	Fees are set taking into account: <ul style="list-style-type: none"> ▪ the time commitment and responsibilities expected for the roles; ▪ pay and conditions throughout the business; and ▪ practice in companies with similar business characteristics.
Non-Executive Directors	The remuneration for Non-Executive Directors is set by the Executive Directors. The fees may be paid wholly or partly in cash or Company shares. Non-Executive Directors receive a base fee plus additional fees for committee chairmanship, committee membership and for the Senior Independent Director. Additional fees may be paid to reflect additional Board or committee responsibilities or time commitment as appropriate. The Company will pay reasonable expenses incurred by the Non-Executive Directors and may settle any tax incurred in relation to these. Other benefits may be provided if considered appropriate. Non-Executive Directors do not receive pension contributions or participate in incentive arrangements.	Fees are normally reviewed annually. Overall fees paid to the Chairman and Non-Executive Directors will remain within the limits set by the Company's Articles of Association.

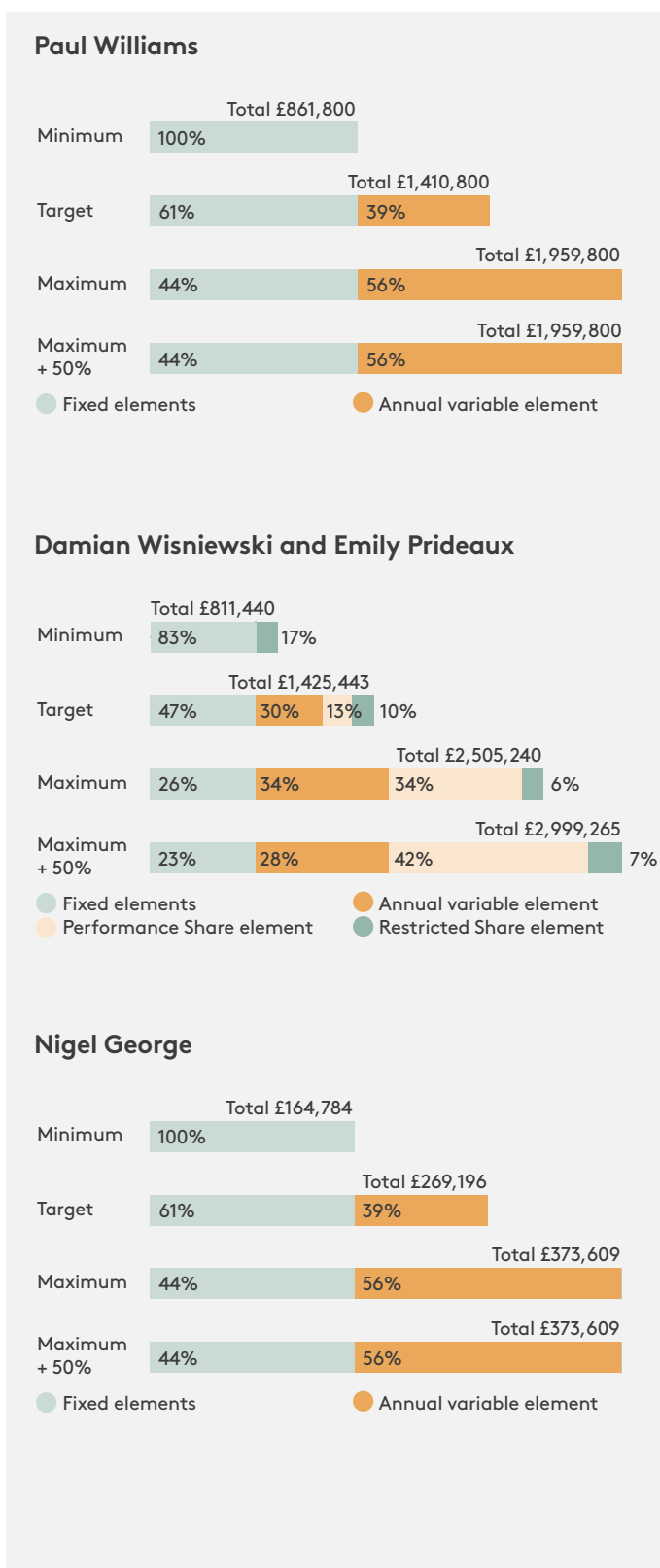
Remuneration scenarios for Executive Directors

The Committee aims to provide a significant part of the Executive Directors' total remuneration through variable pay and the adjacent diagrams illustrate the remuneration opportunity provided to the Executive Directors for various indicative levels of performance.

For the purpose of this analysis, the following assumptions have been made:

Minimum performance	<ul style="list-style-type: none"> Fixed remuneration 100% of the restricted share awards vest
On-target performance	<ul style="list-style-type: none"> Fixed remuneration 50% of the annual bonus is earned 22.5% of the performance share awards vest 100% of the restricted share awards vest
Maximum performance	<ul style="list-style-type: none"> Fixed remuneration 100% of the annual bonus is earned 100% of the performance share awards vest 100% of the restricted share awards vests
Maximum performance + 50% share price growth	<ul style="list-style-type: none"> As per the maximum performance illustration, but also assumes, for the purposes of the performance share and restricted share awards, that share price increases by 50% over the performance/vesting period

1 'Fixed remuneration' includes salary (which applies from 1 January 2026), pension and other benefits.
 2 Pension is based on the salary and pension policy applying from 1 January 2026.
 3 LTIP: Paul Williams and Nigel George will not receive an LTIP award in 2026, due to their pending retirements. Therefore, no 2026 LTIP award is included in the diagrams.
 4 As Nigel George will resign and stand down on 31 March 2026, his fixed remuneration and annual bonus shown in the diagrams relates to the period 1 January 2026 to 31 March 2026.



Remuneration Committee report continued

Directors' Remuneration Policy continued

Service contracts and compensation for loss of office

Executive Directors' service contracts do not have a fixed expiry date; however, they are terminable either by the Company providing 12 months' notice or by the executive providing six months' notice. Further details are set out below. Executive Directors' service contracts are available to view at the Company's registered office. The principles on which the determination of compensation for loss of office will be approached are set out below.

	Policy
Payments in lieu of notice	Service contracts include a payment in lieu of notice clause which provides that payments may be made based on the value of salary, benefits and pension that would have accrued over the unexpired proportion of the notice period. The Company would normally make a series of monthly payments, or may instead make a lump sum payment. Payments in lieu of notice are subject to mitigation.
Annual bonus	The extent to which any bonus will be paid out will be determined in accordance with the annual bonus plan rules. Executive Directors must normally be in employment on the payment date to receive an annual bonus. However, if an Executive Director leaves as a 'good leaver', the Executive Director will normally be considered for a bonus payment. It is the Committee's policy to ensure that any bonus payment reflects the departing Executive Director's performance. Unless the Committee determines otherwise, any bonus payment will be paid at the usual time following the determination of performance measures and be subject to a pro rata reduction for time served during the performance period.
Deferred bonus shares	The extent to which any unvested awards will vest will be determined in accordance with the deferred bonus plan rules. Unvested awards will normally lapse on cessation of employment. However, if an Executive Director leaves as a 'good leaver', the awards will continue and will normally vest at the normal vesting date. In exceptional circumstances, the Committee may decide that the Executive Director's deferred share awards will vest at the date of cessation of employment.
Performance share and restricted share awards	The extent to which any unvested share awards will vest will be determined in accordance with the Performance Share Plan rules. Unvested awards will normally lapse on cessation of employment. However, if an Executive Director leaves as a 'good leaver', other than by reason of death, their unvested awards will continue and will normally remain capable of vesting at the normal vesting date. To the extent that awards vest, up to a two-year holding period would then normally apply unless the Committee determines otherwise. In exceptional circumstances, the Committee may decide that the Executive Director's awards will vest and be released early at the date of cessation of employment or at some other time. If a participant dies, their unvested award will normally vest (and, in the case of an award subject to a holding period, be released) on the date of their death. In all cases, vesting will depend on the extent to which the performance measures or underpins have been satisfied and will be subject to a pro rata reduction of the awards for time served from the grant date to the date of cessation of employment (although the Committee has discretion to disapply time pro rating if the circumstances warrant it). If an Executive Director leaves for any reason (other than summary dismissal) after an award has vested but before it has been released (i.e. during a holding period), their award will ordinarily continue to be released at the normal release date. In exceptional circumstances, the Committee may decide that the participant's award will be released early at the date of cessation of employment.
Change of control	Deferred bonus shares will vest in full in the event of a change of control or substantial exit. Performance share and restricted share awards will vest early in the event of change of control or substantial exit. The level of vesting will be determined taking into account the extent to which performance measures and underpins are satisfied at the date of the relevant event and, unless the Committee determines otherwise, awards will be pro rated for time served from the grant date to the date of the relevant event.
Other payments	In appropriate circumstances, payments may also be made in respect of items such as accrued holiday, outplacement and legal fees. Awards under the Sharesave Plan may vest and, where relevant, be exercised in the event of cessation of employment or change of control in accordance with the Sharesave Plan rules. The terms applying to any buy-out awards on cessation of employment or change of control would be determined when the award is granted. Such terms would normally be consistent with the principles outlined above. The Committee reserves the right to make payments by way of settlement of any claim arising in connection with the cessation of employment.

'Good leavers' includes: cessation of employment by reason of death, retirement, injury, ill health, disability, redundancy, transfer of employment outside of the Group, or any other reason as determined by the Committee.

Service contracts

Executive Directors' service contracts do not have a fixed expiry date; however, they are terminable either by the Company providing 12 months' notice or by the executive providing six months' notice. Executive Directors may accept a non-executive role at another company with the approval of the Board. The Executive Director is entitled to retain any fees paid for these services.

	Date of service contract
Paul Williams ¹	22 November 2018
Damian Wisniewski	10 July 2019
Nigel George ²	10 July 2019
Emily Prideaux	26 February 2021

¹ Paul Williams will step down from the Board during 2026 once his successor has been appointed and is in place. Further information is set out on page 199.

² Nigel George will step down as a Director on 31 March 2026. Further information is set out on page 199.

Letters of appointment

The Chairman and Non-Executive Directors do not have service contracts but are appointed for initial three-year terms which thereafter may be extended, subject to re-election, at each AGM. Details are set out in the table below. Further information on Non-Executive Director tenure and recruitment is on pages 139 and 140 of the Nominations Committee report. The Chairman's and Non-Executive Directors' letters of appointment are available to view at the Company's registered office.

	Date of latest appointment letter	Latest appointment letter expiry date
Mark Breuer	3 November 2023	1 February 2027
Helen Gordon	3 November 2023	31 December 2026
Lucinda Bell	7 August 2024	31 December 2027
Sanjeev Sharma	7 August 2024	1 October 2027
Robert Wilkinson	31 May 2024	1 June 2027
Madeleine McDougall	15 October 2024	31 October 2027

Recruitment and promotion policy

The remuneration of a new Executive Director will normally include salary, benefits, pension and participation in the annual bonus and long-term incentive arrangements in accordance with the policy for Executive Directors' remuneration. In addition, the Committee has discretion to include any other remuneration component or award which it feels is appropriate taking into account the specific circumstances of the recruitment, subject to the principles and limits set out below. The key terms and rationale for any such component would be disclosed as appropriate in the Directors' remuneration report for the relevant year.

Policy	
Salary	<p>Salary will be set taking into account the individual's experience and skills, prevailing market rates in companies of comparable size and complexity and internal relativities.</p> <p>Where appropriate the Committee may set the initial salary below the market level (e.g. if the individual has limited PLC board experience or is new to the role), with the intention to make phased pay increases over a number of years, which may be above those of the wider workforce, to achieve the desired market positioning. These increases will be subject to continued development in the role.</p>
Buy-out awards	<p>Where an individual forfeits outstanding variable pay opportunities or contractual rights at a previous employer as a result of appointment, the Committee may offer compensatory payments or awards, in such form as the Committee considers appropriate, taking into account all relevant factors including the form of awards, expected value and vesting time frame of forfeited opportunities. When determining any such 'buy-out', the guiding principle would be that awards would generally be on a 'like-for-like' basis unless this is considered by the Committee not to be practical or appropriate.</p> <p>Where possible the buy-out award will be accommodated under the Company's existing incentive plans, but it may be necessary to utilise the exemption provided in the Listing Rules. Shareholders will be informed of any such payments in the following year's Annual report on remuneration.</p>
Maximum level of variable remuneration	The maximum level of variable remuneration which may be granted (excluding buy-out awards) is 325% of salary, which is in line with the current maximum limit under the annual bonus, and performance share and restricted share awards.
Other elements of remuneration	<p>Other elements may be included in the following circumstances:</p> <ul style="list-style-type: none"> ▪ An interim appointment being made to fill an Executive Director role on a short-term basis. ▪ If exceptional circumstances require that the Chair or a Non-Executive Director takes on an executive function on a short-term basis. ▪ If an Executive Director is recruited at a time in the year when it would be inappropriate to provide an annual bonus award, performance share and/or restricted share awards for that year. Subject to the limit on variable remuneration set out above, the quantum in respect of the period employed during the year may be transferred to the subsequent year. ▪ If the Executive Director is required to relocate, reasonable relocation, travel and subsistence payments may be provided (either via one-off or ongoing payments or benefits).

In the case of an internal appointment, any ongoing remuneration obligations or variable pay element awarded in respect of the prior role shall be allowed to continue according to its original terms, adjusted as relevant to take into account the appointment.

Fees payable to a newly appointed Chair or Non-Executive Director will be in line with the fee policy in place at the time of appointment.

Remuneration Committee report continued

Annual report on remuneration

(unaudited unless otherwise indicated)

The annual report on remuneration (pages 188 to 209) explains how we have implemented our Remuneration Policy during 2025. The Remuneration Policy in place for the year was approved by shareholders at the 2023 AGM and is available to download from our website at: www.derwentlondon.com/investors/governance/board-committees

Role of the Remuneration Committee

The role of the Committee is to determine and recommend to the Board the Remuneration Policy for Executive Directors, and set the remuneration for the Chairman, Executive Directors and Executive Committee (including the Company Secretary). In doing so, the Committee has due regard for the remuneration arrangements available to the entire workforce and ensures that our Remuneration Policy supports our strategy, the achievement of our purpose, and is aligned with our values. We detail the Group's key remuneration principles, which inform our remuneration structure, in the table below.

The Committee's role and responsibilities are set out in the terms of reference, which were last updated in August 2025 and are available on the Company's website.

Our remuneration principles

The Committee ensures that the remuneration arrangements for Executive Directors are aligned with our key remuneration principles which are detailed below.

Attract, retain and motivate	Support an effective pay for performance culture which enables the Company to attract, retain and motivate Executive Directors who have the skills and experience necessary to deliver the Group's purpose.
Clarity and simplicity	Ensure that remuneration arrangements are simple and transparent to key stakeholders and take account of pay policies for the wider workforce.
Alignment to strategy and culture	Align remuneration with the Group's objectives and long-term strategy and reflect our culture through a balanced mix of short and long-term performance-related pay and ensure that performance metrics remain effectively aligned with strategy.
Risk management	Promote long-term sustainable performance through sufficiently stretching performance targets, whilst ensuring that the incentive framework does not encourage Executive Directors to operate outside the Group's risk appetite (see page 103). Further information on risk management within our remuneration structures is on page 192.
Stewardship	Promote long-term shareholdings by Executive Directors that support alignment with long-term shareholder interests. Executive Directors are subject to within-employment and post-employment shareholding guidelines. Once performance share awards and restricted share awards have vested, there is a two-year holding period during which Executive Directors are not able to sell their shares (net of tax) to support sustainable decision making.
Predictability	Details of the maximum potential values that may be earned through the remuneration arrangements are set out in our Remuneration Policy on pages 178 to 187.
Proportionality and fairness	Total remuneration should fairly reflect the performance delivered by the Executive Directors and the Group. The Committee takes into account underlying business performance and the experience of shareholders, employees and other stakeholders when determining vesting outcomes, ensuring that poor performance is not rewarded. The Committee considers the approach to wider workforce pay and policies when determining the Remuneration Policy to ensure that it is appropriate in this context.

Structure of the annual report on remuneration

The Committee has structured this report to demonstrate that the remuneration arrangements for Executive Directors are fair and appropriate in the context of pay policies and practices across the wider workforce, mitigating risk and rewarding genuine outperformance. Key sections include:

- Aligning remuneration with our purpose, values and strategy (see page 189)
- Risk management (see page 192)
- Remuneration decisions in context (see page 194)
- Executive Director remuneration in 2025 (see page 198)
- Implementation of proposed Remuneration Policy in 2026 (see pages 190 to 191)

Aligning remuneration with our purpose, values and strategy

Remuneration that aligns with our values

Our core values are reflected in our remuneration arrangements in the following ways:

We build long-term relationships	We lead by design	We act with integrity
<p>We seek to create long-term collaborative relationships with our occupiers and employees. The annual bonus contains strategic targets for tenant retention and staff satisfaction. A staff satisfaction metric helps the Committee, and the Board, monitor the wellbeing of the wider workforce and gauge our ability to retain key talent.</p>	<p>Our Remuneration Policy has been designed with key objectives in mind (see page 173) and to reflect our key remuneration principles (see page 188). Incentive arrangements reward genuine outperformance and progress against our strategic objectives, foster stewardship and promote long-term sustainable decision making. The structure of our Remuneration Policy is kept under routine review.</p>	<p>Total remuneration fairly reflects the performance delivered by the Executive Directors and the Group. The Committee takes into account underlying business performance and the experience of shareholders, employees and other stakeholders when determining vesting outcomes, ensuring that poor performance is not rewarded.</p>

Remuneration that supports our strategy and helps us to achieve our purpose

We seek to create above average long-term returns for our shareholders, retain and develop our talented workforce, design 'long-life, low carbon' space, and work towards achieving our net zero carbon ambitions.

Our Remuneration Policy has been designed to support our strategy by aligning our performance-based pay with our strategic objectives and Net Zero Carbon Pathway. We have ESG-related metrics within the annual bonus and long-term incentive.

Our ability to provide above average returns to our shareholders is a substantial element of our performance share awards (see page 204). Our total shareholder return is ranked against the FTSE 350 Super Sector Real Estate Index (excluding agencies) and vesting of this element only occurs if we reach or exceed median. Further information on the rationale for the Committee's chosen strategic performance targets is on page 183.

Environmental	Social	Governance
<p>As delivering on our net zero carbon commitments is a fundamental part of Derwent London's long-term strategy, sustainability performance metrics are included within the Executive Directors' performance share awards.</p>	<p>All employees receive at least the London Living Wage. Our generous benefit package includes a 15% company pension contribution. We continue to invest significantly in our employees to ensure that everyone thrives in their roles, feels valued and supported and has the opportunity of continuous growth and development.</p>	<p>Risk management is factored into the design of our remuneration arrangements and the setting of targets. We seek to ensure fairness and transparency in our disclosures, and voluntarily report on our CEO pay ratio on page 197.</p>

How our KPIs are embedded within the executive remuneration framework

Success against our strategic objectives is measured using a range of financial and non-financial key performance indicators (KPIs), which are largely embedded within the executive remuneration framework as illustrated by the chart below.

KPIs			
Financial		Non-financial	
Total accounting return	B	Reversionary percentage	
Total property return ¹	B	Development potential	B
Total Shareholder Return (TSR)	P	Tenant retention	B
EPRA Earnings Per Share (EPS)		Void management	B
Gearing & available resources		BREEAM rating	
Interest cover ratio (ICR)		Energy Performance Certificates (EPCs)	
B	P	Annual bonus	P
		Performance Share Plan	P
		Embodied carbon intensity	P
		Accident Frequency Rate (AFR)	B
		Staff satisfaction	B

¹ Total property return performance for the annual bonus is assessed against the MSCI Quarterly Central London Office Total Return Index (see page 201). From 2026, total property return performance is assessed against the MSCI UK All Office Total Return Index under the performance share awards (see page 203).

Remuneration Committee report continued

Annual report on remuneration continued

Shareholder engagement

We always seek to engage with shareholders when considering material changes to our remuneration policies or practices (see page 178).

	Annual report on remuneration (2025 AGM)		Remuneration Policy (2023 AGM)	
Votes cast in favour	93.5m	98.2%	91.6m	95.0%
Votes cast against	1.8m	1.8%	4.8m	5.0%
Total votes cast	95.3m	100%	96.4m	100%
Votes withheld	0.5m		0.0m	

Implementation of Remuneration Policy for 2026

Base salaries

No increases were made to Executive Directors' base salaries for the year beginning 1 January 2026. Accordingly, Paul Williams' salary will remain at £732,000 and at £564,600 for the other Executive Directors. Base salary increases across the wider workforce were in line with the average inflationary increase of 3.0%. The average actual increase in base salaries for all employees eligible for a pay rise (inclusive of promotions, career progression and market salary alignments) effective from 1 January 2026 was 3.6%.

Non-Executive Chairman and Non-Executive Director fees

No increases were made to the Non-Executive Chairman's fee or the Non-Executive Directors' base fees for the year beginning 1 January 2026. This is consistent with the approach taken for Executive Directors.

Non-Executive Chairman and Non-Executive Director fees	2026 fee
Non-Executive Chairman fee	£289,800
Base fee	£59,000
Audit Committee Chair	£12,938
Other Committee Chairs	£10,350
Senior Independent Director	£12,938
Committee membership	£5,175

Benefits and pension

Benefits will continue to include a car allowance, private medical insurance and life assurance. Company pension contribution and/or cash supplement for the Executive Directors remains aligned with the majority of the wider workforce (currently at 15% of salary).

Annual bonus

The maximum bonus potential for Executive Directors for 2026 is 150% of salary. Bonuses are subject to the following performance measures:

Performance measure	Weighting % of bonus	Targets
Total accounting return	30%	Performance measured against a comparator group of real estate companies. The comparator group for 2026 is the same as 2025 with the addition of Grainger plc (see page 201). Targets and amounts vesting for threshold and maximum performance are outlined on page 201.
Total property return	45%	Performance measured against the MSCI Quarterly Central London Offices Total Return Index. Targets and amounts vesting for threshold and maximum performance are outlined on page 201.
Strategic objectives	25%	Specific and measurable objectives relating to capital recycling, leasing, cost management, staff satisfaction and health and safety (accident incident rate). The targets are considered to be commercially sensitive at this point in the year and will be fully disclosed in the 2026 Directors' remuneration report.

Executive Directors will be required to defer any annual bonus earned above 75% of salary into shares for three years.

Long-term incentives

Subject to shareholder approval of the Remuneration Policy, Executive Directors will be granted performance share awards with a maximum potential of 150% of salary and restricted share awards with a potential of 25% of salary. The proposed performance share award targets are as follows:

Measure	Basis of calculation	Weighting of performance share award	Threshold ¹	Maximum
Total shareholder return	Position of the Company's total shareholder return against the total shareholder return of the ranked members of the FTSE 350 Super Sector Real Estate Index (excluding agencies) assessed over the three-year performance period ending 31 December 2028	50%	Median	Upper quartile and above
Total property return	The Company's annualised total property return calculated on a compound annual growth basis relative to the MSCI Quarterly UK All Office Total Return Index assessed over the three-year performance period ending 31 December 2028	40%	At Index	Index +2%
Embodied carbon intensity²	Weighted average embodied carbon for all projects during the three-year performance period ending 31 December 2028	10%	600 kgCO ₂ e/m ²	500 kgCO ₂ e/m ²

¹ For achieving the threshold performance target, 22.5% of the maximum award will vest.

² Our embodied carbon performance will be independently assured by an external third party.

The vesting of restricted share awards will be subject to underpins that safeguard the financial stability of the business and provide sufficient focus on corporate governance and health and safety responsibilities. If the Committee considers that the underpins have not been met, then it would consider whether it is appropriate to scale back the vesting (including to nil vesting if considered appropriate) of the restricted share awards.

The proposed underpins are as follows:

- No breach of financial covenants.
- Satisfactory underlying performance.
- No material failure in corporate governance or health and safety resulting in significant reputational damage and/or financial loss.

Furthermore, the Committee will have discretion to reduce the vesting level of the restricted share awards (as well as the performance share awards) if it is not reflective of the Group's overall financial or non-financial performance, individual performance, or the experience of shareholders or other stakeholders during the vesting period.

Remuneration Committee report continued

Annual report on remuneration continued

Risk management

We are transparent about our pay practices which aim to incentivise our employees to achieve our strategy and generate sustainable value for our stakeholders. Risk management is a key remuneration principle and has been incorporated into our Remuneration Policy, principally through:

Stretching performance targets	Malus and clawback provisions	Discretion	Shareholding guidelines
Sufficiently stretching performance targets which promote long-term sustainable performance.	Enables the Committee to recover sums paid, or cancel awards, in specific circumstances ¹ .	The Committee has the means to apply discretion and judgement to vesting outcomes.	Requirement to build up and retain a shareholding in Derwent London during and post-employment.
Pages 201 and 202	Page 183	Page 204	Pages 182 and 192

¹ The Company has not needed to use the malus and clawback provisions in the last five years (including the latest reporting period).

Shareholding guidelines

As at 31 December 2025, all Executive Directors have exceeded the within-employment shareholding guideline, except Emily Prideaux who was appointed an Executive Director from 1 March 2021. Emily Prideaux is working towards achieving the within-employment shareholding guideline.

Executive Directors	Beneficially held shares	2025 salary ¹	% of base salary		Value of beneficially held shares ²
			Target	Achieved	
Paul Williams	95,757	732,000	200%	241%	£1,761,929
Damian Wisniewski	71,931	564,600	200%	234%	£1,323,530
Nigel George	105,732	564,600	200%	345%	£1,945,469
Emily Prideaux	6,081	564,600	200%	20%	£111,890

¹ The base salaries shown in the table above are as at 31 December 2025. Further information on fixed pay during 2025 is provided on page 200.

² The value of the Executive Directors' beneficially held shares has been calculated using the average closing share price during the year ended 31 December 2025 of £18.40.

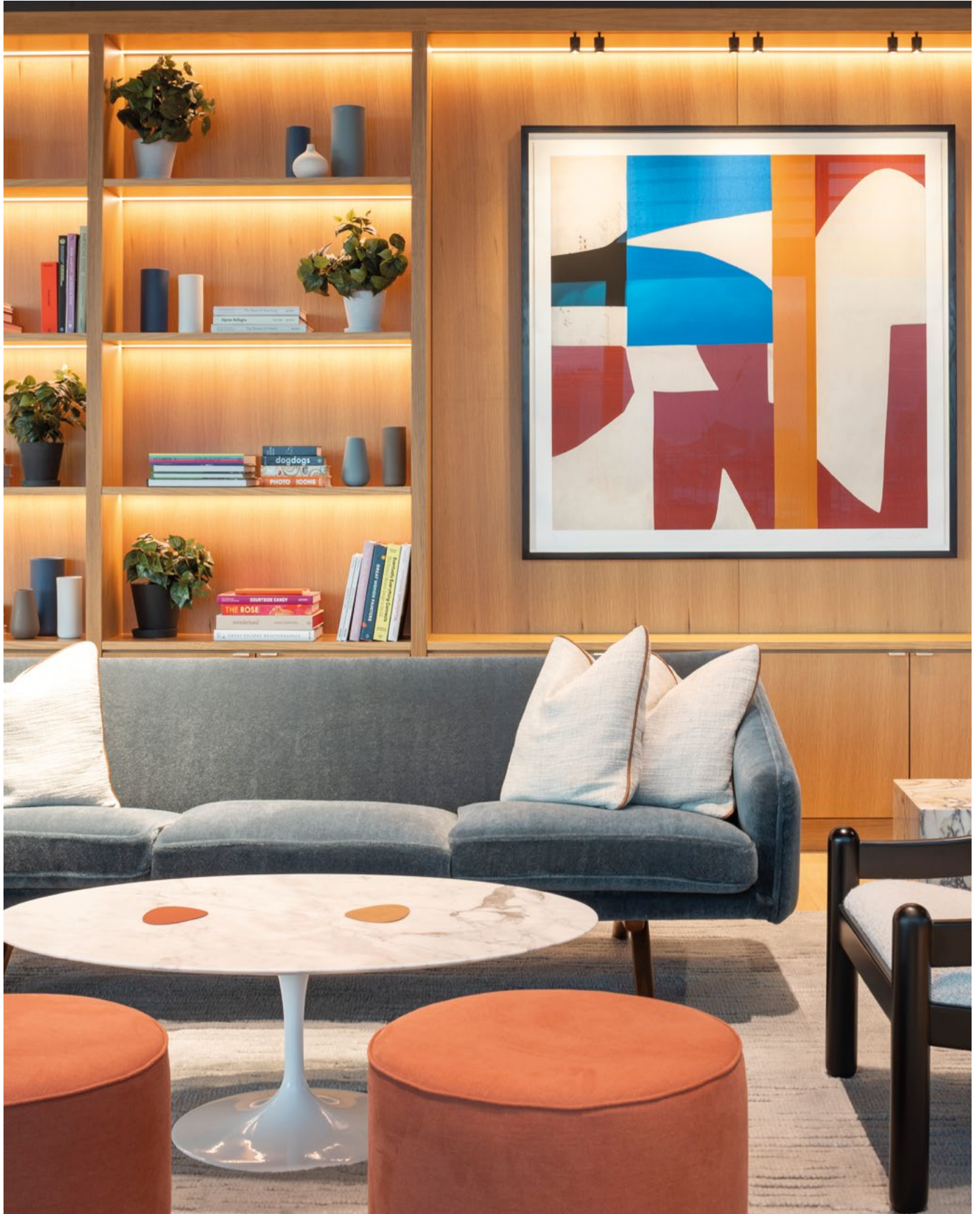
All other employees granted long-term incentive awards are expected to work towards holding shares in Derwent London plc equivalent to 50% of base salary. The share ownership guidelines require Executive Directors and relevant employees to retain at least half of any deferred bonus shares or performance share awards which vest (net of tax) until the guideline is met. Only wholly owned shares will count towards the guideline. There is no shareholding guideline for Non-Executive Directors. Due to the relatively large shareholdings of our Executive Directors, a small change in our share price would have a material impact on their wealth. For example, a 5% drop in our share price would result in a loss of value for our Chief Executive, Paul Williams, equivalent to approximately 12% of his base salary.

Independent advice

The Committee has authority to obtain the advice of external independent remuneration consultants. Deloitte LLP has been appointed as the Committee's principal consultants since July 2018, following a competitive tender process. The Committee has been fully briefed on Deloitte's compliance with the voluntary code of conduct in respect of the provision of remuneration consulting services. During the year under review, Deloitte provided independent assistance to the Committee in respect of, among other things, the following matters:

- Review of the Directors' Remuneration Policy.
- Performance assessment against annual bonus and performance share award targets.
- Benchmarking of Executive Director remuneration.
- Review of an Executive Director's remuneration arrangements on retiring from the Board.
- Market practice and corporate governance updates.

The fees paid to Deloitte for their services to the Committee during the year, based on time and expenses, amounted to £129,840. Separate teams at Deloitte LLP also provided sustainability and health and safety limited assurance under the ISAE 3000 (Revised) Standard for 2024, in addition to corporate tax consultancy services to the Group in 2025. The Committee took this work into account and, due to the nature and extent of the work performed, concluded that it did not impair Deloitte's ability to advise the Committee objectively and free from influence. It is the view of the Committee that the Deloitte engagement team which provides remuneration advice to the Committee does not have connections with Derwent London or its Directors that may impair its independence. The Committee therefore deems Deloitte capable of providing appropriate, objective and independent advice.



Remuneration Committee report continued

Annual report on remuneration continued

Remuneration decisions in context

The Committee is kept informed of salary increases for the wider workforce, as well as any significant changes in practice or policy, which are taken into consideration when making remuneration decisions for Executive Directors.



The Committee has introduced this dedicated section (pages 194 to 197) which incorporates several disclosures to demonstrate the Committee's belief that remuneration arrangements for Executive Directors are fair and appropriate in the context of pay policies and practices across the wider workforce.

Investing in our employees

We recognise that our employees are our brand ambassadors and vital to the successful delivery of our strategy and long-term business performance. We continue to invest significantly in our employees to ensure that everyone thrives in their roles, feels valued and supported, and has the opportunity of continuous growth and development.

We run a detailed induction programme, hold CEO-led town halls, provide a series of core skills workshops, internal technical workshops, mandatory compliance training and various management and leadership initiatives (including one-to-one and team coaching). In addition, we support and sponsor further professional qualifications and encourage internal and external personal development opportunities wherever possible. This is coupled with six-monthly performance reviews and optional Personal Development Plans, alongside regular dialogues with line managers to discuss performance, identify training requirements and understand individual career aspirations.

We have trained mental health first aiders, an employee assistance programme and occupational health support in place. We encourage proactive self-care and run a series of 'lunch and learn' sessions.

Attracting and developing talent / See page 78

Engaging with our employees

We have an open, collaborative and inclusive management structure and engage regularly with our employees on a variety of issues. We do this through a range of one and two-way channels including appraisals, employee surveys, our intranet site, Company presentations, awaydays and our wellbeing programme.

An engagement section is included within the explanatory booklet of the employee incentive plan, ESOP, which details our remuneration strategy and principles. This section also provides further information on the differences between the executive and employee incentive arrangements.

Our employees are provided with the means to engage on a range of matters. The Committee considers pay across the Group, as well as any employee feedback, when making decisions on executive remuneration.

Employee engagement / See pages 78 and 128

Relative importance of the Company's spend on pay

In order to give shareholders an understanding of how total expenditure on remuneration (for all employees) compares to certain core financial dispersals of the Company, the table below demonstrates the relative importance of the Company's spend on employee pay for the period 2024 to 2025.

£m	2025	2024	% change
Staff costs ¹	28.3	29.7	(4.7)%
Distributions to shareholders ²	90.9	89.8	1.2%
Net asset value attributable to equity shareholders ³	3,615	3,540	2.1%

¹ Staff costs includes salaries, employer pension contributions, national insurance contributions, benefits and share-based payment expenses relating to equity settled schemes (see note 11 on page 237). Staff costs decreased by 4.7% through 2025, due to a decrease in share-based payment expenses alongside a slightly lower bonus accrual.

² Distributions to shareholders during the financial year. For 2025, this includes the payment of the 2024 final and 2025 interim dividends.

³ Net asset value attributable to equity shareholders was chosen as it is a key determinant of the Group's total accounting return and is used by management to measure our progress. We base our total accounting return calculation on EPRA net tangible assets (NTA).

Remuneration structure

We value and appreciate our employees and aim to provide market competitive remuneration and benefit packages in order to continue to be seen as an employer of choice. The remuneration structure for our wider workforce is similar to that of our Executive Directors¹ and contains both fixed and performance-based elements (see below).

	Wider workforce	Executive Directors
Base salary	Average inflationary increase for the wider workforce of 3.0% from 1 January 2026. The average actual increase in base salaries for all employees eligible for a pay rise was 3.6%.	No base salary increase from 1 January 2026.
Benefits²	<p>All employees (including the Executive Directors) receive:</p> <ul style="list-style-type: none"> ▪ private medical insurance; ▪ dental care; and ▪ the option of joining a non-contractual healthcare cash plan which offers an affordable way to help with everyday healthcare costs. 	<p>We also operate:</p> <ul style="list-style-type: none"> ▪ a Cycle to Work scheme; ▪ an Electric Car Salary Sacrifice Scheme which allows any member of staff to lease a new electric car in a tax efficient way; ▪ a season ticket loan; and ▪ a workplace nursery scheme. <p>A car allowance is payable to Executive Directors, members of the Executive Committee, Heads of Departments and other senior managers. Other employees may receive a car allowance depending on the nature of their role.</p>
Pension²	Receive an employer pension contribution equal to 15% of salary per annum with the option to make additional voluntary contributions (AVCs).	
Life assurance²	<p>Employees who opt to participate in the pension scheme also receive:</p> <ul style="list-style-type: none"> ▪ a lump sum Death in Service insurance benefit of 4x their base annual salary; and ▪ an additional Death in Service pension benefit of one-third of base salary paid to their nominated dependant(s). 	
Annual bonus	<ul style="list-style-type: none"> ▪ All employees are enrolled into an annual discretionary bonus scheme ▪ Bonuses are paid via payroll in March ▪ Bonuses are based on individual and Group performance ▪ 100% of our workforce below Board level (not subject to probation) received an annual bonus in 2025 	<ul style="list-style-type: none"> ▪ The Executive Directors' discretionary bonus is based on financial and strategic (non-financial) performance targets ▪ Executive Director bonuses in excess of 75% of salary are subject to deferral for three years ▪ Subject to malus and clawback provisions and can be adjusted if payout does not align with the wider stakeholder experience
Long-term incentives	<ul style="list-style-type: none"> ▪ We operate a discretionary ESOP for employees below the Board and Executive Committee ▪ ESOP grants options which are exercisable after three years at a pre-agreed option price ▪ There is no performance conditions attached to the awards except continued employment ▪ In 2025, we granted 410,330 options to eligible employees (see note 12 on page 238) 	<ul style="list-style-type: none"> ▪ Subject to shareholder approval of the Remuneration Policy, we will operate performance share and restricted share awards for the Executive Directors and Executive Committee ▪ Performance share awards require the achievement of stretching performance targets over a three-year performance period ▪ Restricted share awards are subject to the satisfaction of underpins that safeguard the financial stability of the business and provide sufficient focus on corporate governance and health and safety responsibilities ▪ Awards are subject to a two-year holding period, shareholding guidelines, and malus and clawback provisions
Sharesave Plan	To encourage Group-wide share ownership, the Company operates an HMRC tax efficient Sharesave Plan which is open to all eligible employees including the Executive Directors. No grant under the Sharesave Plan was made during 2025. Further information on the Derwent London Sharesave Plan is on page 208.	

1 Our Remuneration Policy for Executive Directors, subject to shareholder approval at the 2026 AGM, is on pages 178 to 187. Further information on the remuneration received by Executive Directors during 2025 is on page 198.

2 All benefits are subject to the terms and conditions of the insurance policy in force.

Remuneration Committee report continued

Annual report on remuneration continued

Percentage change in remuneration

The table below shows the annual percentage change in the salary or fees, benefits and annual bonus, for each of the Directors compared to that for an average employee, from 2021 to 2025. The Directors' remuneration used to calculate the percentage change is taken from the 'single figure' table on page 198.

	Executive Directors					Non-Executive Directors						Former Directors
	Average employee ^{1,2}	Williams P.	Wisniewski D.	George N.	Prideaux E.	Breuer M.	Gordon H.	Bell L.	Sharma S. ⁶	Wilkinson R. ⁷	McDougall M. ⁷	Snowball C. ⁸
2024 to 2025												
Salary/fees ^{5,9}	+4.7	+3.5	+3.5	+3.5	+3.5	+3.5	+3.5	+3.5	+7.9	+3.5	+3.5	+3.5
Benefits ³	+5.6	(14.8)	(14.7)	(20.3)	1.2	-	-	-	-	-	-	-
Bonus ⁴	(8.5)	(6.3)	(6.3)	(6.3)	(6.3)	-	-	-	-	-	-	-
2023 to 2024¹⁰												
Salary/fees	+3.4	+4.0	+4.0	+4.0	+10.8	+12.0	+10.5	+8.4	+13.7	n/a	n/a	+8.8
Benefits	+5.1	(2.2)	+1.7	+5.0	+8.1	-	-	-	-	-	-	-
Bonus	+29.3	+105.8	+105.8	+105.8	+119.2	-	-	-	-	-	-	-
2022 to 2023¹⁰												
Salary/fees	+2.6	+7.8	+4.0	+4.0	+9.4	-	-	-	-	n/a	n/a	+3.0
Benefits	(1.5)	+7.1	+3.8	+3.6	+1.1	-	-	-	-	-	-	-
Bonus	(27.1)	(59.8)	(61.2)	(61.2)	(59.2)	-	-	-	-	-	-	-
2021 to 2022¹⁰												
Salary/fees	+1.4	+3.0	+3.0	+3.0	+9.8	-	+10.7	+16.2	+13.5	n/a	n/a	+15.7
Benefits	(9.9)	(7.0)	+1.0	+0.7	+20.0	-	-	-	-	-	-	-
Bonus	(24.5)	+177	+177	+177	+253	-	-	-	-	-	-	-
2020 to 2021¹⁰												
Salary/fees	+0.3	+2.0	+2.0	+2.0	n/a	n/a	+3.0	-	n/a	n/a	n/a	-
Benefits	(3.7)	(0.2)	(0.2)	(0.0)	n/a	-	-	-	-	-	-	-
Bonus	+22.5	(52.5)	(52.5)	(52.5)	n/a	-	-	-	-	-	-	-

Average employee calculation

- The movement in the average annual salary is calculated based on the mean employee pay for employees of Derwent London plc on a full-time equivalent basis. The average employee salary increase includes employees who were not eligible for a salary increase (i.e. new joiners and leavers, depending on the date of joining or leaving the Group) and takes into account that new joiners may be recruited at a lower salary than those who had left.
- The actual average increase in base salaries for all employees eligible for a pay rise (inclusive of promotions, career progression and market salary alignments) effective from 1 January was 3.6% for 2026, 5.9% in 2025 and 6.2% in 2024.

Executive Director benefits and annual bonuses

- There has been no change in the benefits received by the average employee or the Executive Directors, comprising private medical and life insurance. The reduction in annual cost primarily arises from lower premiums for private medical insurance, following Derwent's transition in 2025 from an age-based medical insurance plan to a more cost-effective claims-based arrangement. Non-Executive Directors and the Chairman did not receive taxable benefits during the relevant years.
- For further details on the annual bonus see pages 201 and 202.
- The 3.5% increase was effective from 1 January 2025. Executive Directors did not receive a fee increase for 2026.

Non-Executive Director fees

- Sanjeev Sharma's percentage change in fee from 2024 to 2025 relates to his appointment as Remuneration Committee Chair, with effect from 10 May 2024.
- Robert Wilkinson and Madeleine McDougall were appointed as Non-Executive Directors on 1 June 2024 and 1 November 2024, respectively. They received a 3.5% increase in fees, in line with other Directors, from 1 January 2025.
- Cilla Snowball stepped down from the Board on 16 May 2025. She received her normal fees, including a 3.5% increase effective 1 January 2025, until her leaving date. There was no payment for loss of office in respect of Cilla Snowball's departure.
- The 3.5% increase was effective from 1 January 2025. Non-Executive Directors did not receive a fee increase for 2026.

Prior year comparisons

- For information relating to previous financial years, refer to the corresponding page references in earlier annual Reports & Accounts::
 - 2023-2024: see 2024 Report & Accounts, page 188
 - 2022-2023: see 2023 Report & Accounts, page 186
 - 2021-2022: see 2022 Report & Accounts, page 208
 - 2020-2021: see 2021 Report & Accounts, page 189

Chief Executive pay ratio

As Derwent London has less than 250 employees, we are not required to disclose the CEO pay ratio. However, given our commitment to high standards of transparency and corporate governance, the Committee considers it appropriate to disclose the CEO pay ratio voluntarily. For the years ended 31 December 2018 to 31 December 2025, the Chief Executive's total remuneration as a ratio against the full-time equivalent remuneration of UK employees is detailed in the table below.

	Employee remuneration ²		CEO pay ratio ³
	Base salary	Total remuneration	
Year ended 31 December 2025¹			
25th percentile	£50,000	£69,137	22:1
50th percentile	£65,000	£92,319	16:1
75th percentile	£83,000	£121,768	12:1
Year ended 31 December 2024			
25th percentile	£50,000	£69,522	22:1
50th percentile	£63,950	£89,208	17:1
75th percentile	£70,323	£126,873	12:1
Year ended 31 December 2023			
25th percentile	£51,750	£63,380	18:1
50th percentile	£58,750	£80,512	14:1
75th percentile	£90,000	£127,822	9:1
Year ended 31 December 2022			
25th percentile	£45,219	£60,909	25:1
50th percentile	£56,000	£81,266	19:1
75th percentile	£80,000	£124,481	12:1
Year ended 31 December 2021			
25th percentile	£48,500	£67,908	19:1
50th percentile	£63,750	£90,289	14:1
75th percentile	£91,750	£143,168	9:1
Year ended 31 December 2020			
25th percentile	£47,000	£62,499	35:1
50th percentile	£64,000	£86,463	26:1
75th percentile	£95,266	£137,452	16:1
Year ended 31 December 2019			
25th percentile	£40,993	£63,211	40:1
50th percentile	£68,462	£89,274	28:1
75th percentile	£67,500	£153,828	17:1
Year ended 31 December 2018			
25th percentile	£45,057	£58,237	38:1
50th percentile	£59,250	£76,842	29:1
75th percentile	£75,000	£148,867	15:1

1 The Chief Executive's remuneration is calculated on the same basis as the single figure of remuneration table on page 198.

2 The workforce comparison is based on the payroll data for the period 1 January to 31 December for all employees (including the Chief Executive but excluding the Non-Executive Directors) and includes salary, employer pension contributions, life assurance and the healthcare cash plan, annual bonuses earned in respect of the year and one-off gains received through the exercise of options granted under the Employee Share Option Plan (see pages 195 and 238).

3 The CEO pay ratio has been rounded to the nearest whole number.

A substantial proportion of the CEO's remuneration is performance-related and delivered in shares. The CEO pay ratio will therefore depend significantly on the CEO's annual bonus and performance share award outcomes and may fluctuate year-on-year. The CEO's total remuneration for 2025 was stable compared to 2024 and as a result the CEO pay ratio has also remained broadly unchanged.

For each year, the Company has calculated the ratio in line with the reporting regulations using 'Method A' (determine total full-time equivalent remuneration for all UK employees for the relevant financial year as at 31 December; rank the data and identify employees whose remuneration places them at the 25th, 50th and 75th percentile). This method was used due to being the most accurate way of calculating the ratio. The Board has confirmed that the ratio is consistent with the Company's wider policies on employee pay, reward and progression.

Remuneration Committee report continued

Annual report on remuneration continued

Executive Directors' remuneration in 2025

Total remuneration (audited)

The table below sets out the remuneration paid to each Director for the financial years ended 31 December 2025 and 31 December 2024 as a single figure. A full breakdown of fixed pay and pay for performance in 2025 can be found on pages 200 to 205.

Executive Directors

(£'000)	Fixed pay			Pay for performance					Other items in the nature of remuneration ²	Total remuneration
	Salary	Taxable benefits	Pension and life assurance	Subtotal	Bonus		Performance LTIPs ¹	Subtotal		
					Cash	Deferred				
2025										
Paul Williams	732	20	120	872	549	61	38	648	–	1,520
Damian Wisniewski	565	21	92	678	423	47	30	500	–	1,178
Nigel George	565	19	93	677	423	47	30	500	–	1,177
Emily Prideaux	565	21	93	679	423	47	28	498	–	1,177
2024										
Paul Williams	707	23	115	845	531	120	–	651	–	1,496
Damian Wisniewski	546	24	89	659	409	93	–	502	1	1,162
Nigel George	546	24	90	660	409	93	–	502	–	1,162
Emily Prideaux	546	20	89	655	409	93	–	502	–	1,157

Non-Executive Directors

(£'000)	2025			2024		
	Fees	Taxable benefits	Total	Fees	Taxable benefits	Total
Mark Breuer	290	–	290	280	–	280
Helen Gordon	98	–	98	95	–	95
Lucinda Bell	93	–	93	90	–	90
Sanjeev Sharma	90	–	90	83	–	83
Robert Wilkinson ³	69	–	69	39	–	39
Madeleine McDougall ³	81	–	81	12	–	12
Former Directors						
Cilla Snowball ⁴	34	–	34	87	–	87

- Performance LTIPs for 2025 relate to the 2023 performance share awards for which the performance conditions related to the year ended 31 December 2025. The value is based on an estimate of expected vesting of 3.6% and the average share price over the last three months of the financial year ended 31 December 2025 of £17.24. This amount includes the value of additional shares awarded in respect of dividends equivalent.
- Included in the column for 'other items in the nature of remuneration' is the grant under the Derwent London Sharesave Plan made on 19 September 2024. These have been calculated based on the middle market share price on the date of grant being £24.76 minus the value of the awards at the option price which was £19.00. Further information on the Derwent London Sharesave Plan is on page 208.
- Robert Wilkinson and Madeleine McDougall were appointed to the Board on 1 June 2024 and 1 November 2024, respectively. The fees for 2024 shown in the table above are the actual fees paid to them for the periods they were Non-Executive Directors.
- Cilla Snowball stepped down from the Board on 16 May 2025. The fees for 2025 shown in the table above are the actual fees paid to Cilla Snowball for the period 1 January 2025 to 16 May 2025.

Payments to former Directors and for loss of office (audited)

Paul Williams will retire and step down from the Board when a successor has been appointed and is in place. He will remain a full-time employee until 21 January 2027. The table below discloses the treatment of Paul Williams' remuneration.

Element	Agreed treatment
Salary, benefits and pension	<ul style="list-style-type: none"> Continue to receive salary, benefits and pension until 21 January 2027. There will be no payment for loss of office.
Annual bonus	<ul style="list-style-type: none"> Bonus for the year ended 31 December 2025 will be paid in March 2026 based on performance against targets and is detailed on pages 201 and 202. Any amounts in excess of 75% of salary will be deferred into shares in accordance with the Remuneration Policy. Eligible for a bonus for the period 1 January to 31 December 2026. Any amounts in excess of 75% of salary will be deferred into shares in accordance with the Remuneration Policy.
Outstanding deferred bonus and performance share awards	<ul style="list-style-type: none"> Treated as a good leaver in respect of his outstanding deferred bonus awards (which will vest at the normal time) and his outstanding performance share awards (which will be capable of vesting at the normal time subject to performance and any amounts that vest will be subject to a holding period which ends on the second anniversary of the date that he steps down as CEO). Will not be granted a long-term incentive award in 2026.
Post-employment shareholding guidelines	<ul style="list-style-type: none"> Paul Williams will be subject to the Group's post-employment shareholding guidelines, which restrict the number of shares he may sell within the two-year period following stepping down from the Board (see page 182).

Nigel George will retire and step down from the Board on 31 March 2026. Nigel will remain a full-time employee until 11 August 2026 and will then continue to support the business as a consultant working on a number of projects expected until March 2028. The table below discloses the treatment of Nigel George's remuneration.

Element	Agreed treatment
Salary, benefits and pension	<ul style="list-style-type: none"> Continue to receive salary, benefits and pension until 11 August 2026. There will be no payment for loss of office.
Annual bonus	<ul style="list-style-type: none"> Bonus for the year ended 31 December 2025 will be paid in March 2026 based on performance against targets and is detailed on pages 201 and 202. Any amounts in excess of 75% of salary will be deferred into shares in accordance with the Remuneration Policy. Eligible for a bonus for the period 1 January to 11 August 2026. Any amounts in excess of 75% of salary will be deferred into shares in accordance with the Remuneration Policy.
Outstanding deferred bonus and performance share awards	<ul style="list-style-type: none"> Treated as a good leaver in respect of his outstanding deferred bonus awards (which will vest at the normal time) and his outstanding performance share awards (which will be capable of vesting at the normal time subject to performance and any amounts that vest will be subject to a two-year holding period). Will not be granted a long-term incentive award in 2026.
Post-employment shareholding guidelines	<ul style="list-style-type: none"> Nigel George will be subject to the Group's post-employment shareholding guidelines, which restrict the number of shares he may sell within the two-year period following stepping down from the Board (see page 182).

No payments were made to past Directors or in respect of loss of office during 2025.

Remuneration Committee report continued

Annual report on remuneration continued

Fixed pay

Base salaries and fees (audited)

Salaries for the Executive Directors were increased by 3.5% with effect from 1 January 2025. The average inflationary increase for the wider workforce was 3.5%. The average actual increase in base salaries for all employees eligible for a pay rise (inclusive of promotions, career progression and market salary alignments) effective from 1 January 2025 was 5.9%.

With effect from 1 January 2025, Mark Breuer's inclusive Chairman fee was increased by 3.5% to £289,800, in line with the average inflationary increases for the wider workforce. Additionally, with effect from 1 January 2025, the fees payable to the Non-Executive Directors were increased by c.3.5%.

	2025 base salary/fee	2024 base salary/fee
Executive Directors		
Paul Williams	£732,000	£707,200
Damian Wisniewski	£564,600	£545,500
Nigel George	£564,600	£545,500
Emily Prideaux	£564,600	£545,500
Non-Executive Directors		
Mark Breuer	£289,800	£280,000
Helen Gordon	£97,825	£94,500
Lucinda Bell	£92,650	£89,500
Sanjeev Sharma ¹	£90,050	£83,438
Robert Wilkinson ²	£69,350	£39,282
Madeleine McDougall ²	£80,984	£12,033
Former Directors		
Cilla Snowball ³	£33,861	£87,000

1 From 10 May 2024, Sanjeev Sharma succeeded Claudia Arney as Chair of the Remuneration Committee.

2 Robert Wilkinson and Madeleine McDougall were appointed to the Board on 1 June 2024 and 1 November 2024, respectively. The fees for 2024 shown in the table above are the actual fees paid to them for the periods they were Non-Executive Directors.

3 Cilla Snowball stepped down from the Board on 16 May 2025. The fees for 2025 shown in the table above are the actual fees paid to Cilla Snowball for the period 1 January 2025 to 16 May 2025.

Benefits (audited)

Executive Directors are entitled to a car allowance, fuel allowance, private medical insurance and life assurance. Further details of the taxable benefits paid in 2025 can be found in the table below.

	Car allowance ¹	Private medical insurance	Total 2025 taxable benefits
Executive Directors			
Paul Williams	£16,000	£3,519	£19,519
Damian Wisniewski	£16,000	£4,716	£20,716
Nigel George	£16,000	£3,393	£19,393
Emily Prideaux	£16,000	£4,716	£20,716

1 Damian Wisniewski and Emily Prideaux participate in the Electric Car Salary Sacrifice Scheme and as such sacrifice a significant proportion of their car allowance in return for leasing an electric car.

Pension and life assurance (audited)

All of the Executive Directors paid into the Group's defined contribution scheme, being the Fidelity Master Trust pension scheme, with the remainder of their entitlement paid as a cash supplement. No other Directors are accruing benefits under a defined benefit or money purchase pension scheme.

	Paid into defined contribution scheme	Pension cash supplement	Total pension	Life assurance ¹	Total 2025 pension and life assurance
Executive Directors					
Paul Williams	£10,000	£99,800	£109,800	£10,104	£119,904
Damian Wisniewski	£10,000	£74,690	£84,690	£7,793	£92,483
Nigel George	£10,000	£74,690	£84,690	£8,742	£93,432
Emily Prideaux	£10,000	£74,690	£84,690	£8,399	£93,089

1 There was no change in the life assurance benefits received by the Executive Directors in 2025. The change in the annual cost is due to changes in premiums.

Pay for performance

Annual bonus (audited)

Determination of 2025 annual bonus outcome

The performance measures set for the year under review were a combination of financial-based metrics (worth 75% of the bonus potential) and strategic targets (worth 25% of the bonus potential). The maximum bonus potential for Executive Directors is 150% of salary. Based on actual 2025 performance, the annual bonus payout for Executive Directors is 83.3% of the maximum potential (2024: 61.3%; 2023: 31.0%). Further information is below and available on page 201.

The Committee considered the formulaic performance outcome alongside broader perspectives including: underlying business performance and affordability; the experience of shareholders; and the experience of employees and other stakeholders. Points specifically considered are set out in the Chair's Annual statement on pages 172 to 175. The Committee determined that it was not appropriate to apply discretion to adjust the formulaic outcome.

In accordance with our current Remuneration Policy, bonuses of up to 75% of base salary are paid as cash. Amounts in excess of 75% are deferred into shares and released after three years, subject to continued employment. The total bonus for each Executive Director based on performance is therefore:

	Bonus payable as % of salary	Cash bonus payable £'000	Deferred bonus	
			£'000	% of salary
Executive Directors				
Paul Williams	83.3%	549	61	8.3%
Damian Wisniewski	83.3%	423	47	8.3%
Nigel George	83.3%	423	47	8.3%
Emily Prideaux	83.3%	423	47	8.3%

2025 Annual bonus outcome

Bonus payable for financial-based performance	35.6% out of 75%
Bonus payable for strategic target performance	19.9% out of 25%

Financial-based metrics

Performance measure	Weighting % of bonus	Basis of calculation	Threshold ² %	Maximum ³ %	Actual %	Payable %
Total accounting return	30.0	Total accounting return versus other major real estate companies ¹	3.6	8.6	5.0	13.2
Total property return	45.0	Versus the MSCI Quarterly Central London Office Total Return Index	4.8	6.8	5.5	22.4
Total bonus payable for financial-based metrics						35.6

1 The major real estate companies contained in the comparator group for the 2025 annual bonus are: Big Yellow Group plc, The British Land Company plc, CLS Holdings plc, Great Portland Estates plc, Hammerson plc, Helical plc, Landsec plc, LondonMetric Property plc, Segro plc, Shaftesbury Capital plc, Unite Group plc and Workspace Group plc. The comparator group for the 2026 annual bonus will be consistent with that used in 2025, with the addition of Grainger plc.

2 For achieving the threshold performance target, i.e. at the median total return against our sector peers or MSCI Quarterly Central London Offices Total Return Index, 22.5% of the maximum bonus opportunity will become payable.

3 Total accounting return payout accrues on a straight-line basis between the threshold level for median performance and maximum payment for upper quartile performance or better. For total property return, the payout accrues on a straight-line basis between the threshold level for Index performance and maximum payment for Index +2%.

Remuneration Committee report continued

Annual report on remuneration continued

Strategic targets

Performance measure	Link to strategic objectives ¹	Target range ²	Maximum award	2025 achievement	Proportion awarded for 2025
Void management This is measured by the Group's EPRA vacancy rate for the year calculated as the average of each quarter-end figure.	1 2	10% to 2%	5%	3.7%	3.9%
Tenant retention This is measured by the percentage of tenants that remain in their space when their lease expires or the space is re-let during the reporting period.	1 2 4	50% to 75%	5%	71.1%	4.2%
Staff satisfaction Staff surveys are used to assess this measure. In assessing this target the Committee will consider any variance in staff satisfaction scores between genders ³ .	3	80% to 90%	4%	86.5%	2.6%
Accident rate The Group's RIDDOR Accident Frequency Rate (AFR) is calculated based on significant ('Direct') RIDDOR injuries and incidents during the year ⁴ , multiplied by 1,000,000 and divided by 'total work exposure hours'. This target is also conditional on each Executive Director completing, during 2025, an annual health and safety leadership tour ⁵ .	4	4.0 to 1.0	4%	0.44	4.0%
Portfolio development potential This is measured by the percentage of the Group's portfolio by area where a potential development scheme has been identified, including committed acquisitions ⁶ .	1	35% to 50%	7%	46.2%	5.2%
			25%		19.9%

1 Success against our strategic objectives is measured using our KPIs (see pages 30 to 34) and rewarded through our incentive schemes and annual bonus. The references above show the link between our strategic objectives and our annual bonus targets (further information on our strategic objectives is on pages 26 to 29).

2 Payout accrues on a straight-line basis, between threshold and maximum performance.

3 The variance between genders in response to employee surveys is taken into account by the Committee when determining the payout for staff satisfaction. In 2025, the results showed a 0.4% variance between genders (for those employees who indicated their gender), with female satisfaction being at 91.9% and male satisfaction at 91.5%.

4 The RIDDOR reportable injuries that we capture in our AFR are all HSE-reportable accidents or incidents which result in a fatality or 'specified injuries' (such as fractures, serious burns etc). In addition, we will include all injuries caused to members of the public, where we may have contributed to the causation and where they are taken directly to hospital, and injuries to our employees which result in them being unable to return to work for seven consecutive days. Our key health and safety statistics are available on page 81.

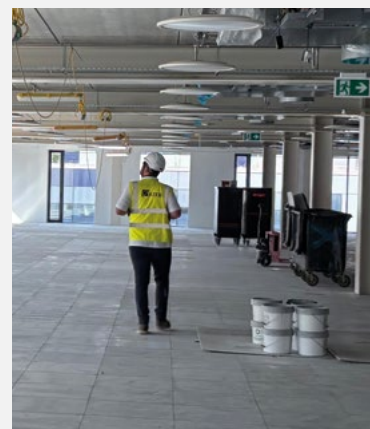
5 All Executive Directors completed health and safety leadership tours during 2025. There were no work-based fatalities during 2025 (see page 81).

6 The target range for portfolio development potential includes Old Street Quarter EC1.

H&S leadership tours

In May 2025, Derwent London's Executive Directors, Health & Safety (H&S) team and several Heads of Department joined the Non-Executive Directors for a visit to the Network W1 construction site, to review progress. The group spent time on site discussing the practical health and safety challenges as the project advances. Andy Turrell, Derwent London's H&S lead manager, outlined the site's health and safety performance to date and spoke about the day-to-day risks managed by our principal contractor, Kier, during the complex construction programme.

A further leadership visit took place in July 2025, when the Chief Executive and the H&S Committee toured the major refurbishment project at 1-2 Stephen Street W1. Hosted by Contrakt, the main contractor, and supported by Derwent London's senior H&S lead manager Phil Styan and project manager John Turner, the visit offered a detailed view of project progress and the specific health and safety risks associated with working within an occupied environment. The site walk enabled senior management to see how these risks are being managed in real time and to reinforce expectations around safe working practices.



Network W1

Outstanding deferred bonus awards

In accordance with our Remuneration Policy, annual bonuses earned in excess of 75% of salary are deferred into shares and released after three years, subject to continued employment. The outstanding deferred bonus awards held by Directors are set out below:

	At grant		During the year (number)					Market price at date of release £	Value release £'000	Release date
	Date of award	Market price at date of grant ¹ £	Original grant	1 January 2025	Deferred	Released	31 December 2025			
Executive Directors										
Paul Williams	04/04/2023	23.70	6,570	6,570	–	–	6,570	–	–	04/04/2026
	26/03/2025	18.29	6,570	–	6,570	–	6,570	–	–	26/03/2028
			13,140	6,570	6,570	–	13,140	–	–	
Damian Wisniewski	04/04/2023	23.70	5,256	5,256	–	–	5,256	–	–	04/04/2026
	26/03/2025	18.29	5,067	–	5,067	–	5,067	–	–	26/03/2028
			10,323	5,256	5,067	–	10,323	–	–	
Nigel George	04/04/2023	23.70	5,256	5,256	–	–	5,256	–	–	04/04/2026
	26/03/2025	18.29	5,067	–	5,067	–	5,067	–	–	26/03/2028
			10,323	5,256	5,067	–	10,323	–	–	
Emily Prideaux	04/04/2023	23.70	4,690	4,690	–	–	4,690	–	–	04/04/2026
	26/03/2025	18.29	5,067	–	5,067	–	5,067	–	–	26/03/2028
			9,757	4,690	5,067	–	9,757	–	–	
Other employees	04/04/2023	23.70	562	562	–	–	562	–	–	04/04/2026
	26/03/2025	18.29	322	–	322	–	322	–	–	26/03/2028
			884	562	322	–	884	–	–	
Total			44,427	22,334	22,093	–	44,427	–	–	

1 The share price on the dealing day immediately preceding the grant date.

Performance share awards (audited)

Vesting of performance share awards

The Group granted performance share awards on 14 March 2023. The grant was subject to performance measures over a three-year performance period which ended on 31 December 2025. As shown in the table below, the awards granted in 2023 will vest on 14 March 2026 at 3.6% of maximum opportunity.

Performance measure	Weighting % of award	Basis of calculation ¹	Threshold ² %	Maximum ³ %	Actual	Estimated vesting
Total shareholder return	50	FTSE 350 Super Sector Real Estate Index	10.5%	29.4%	(13.6)%	Nil
Total property return	40	MSCI Quarterly UK All Property Total Return Index	3.5%	5.5%	0.62%	Nil
Embodied carbon	5	Weighted average embodied carbon for all projects	600kg CO ₂ e/m ²	500kg CO ₂ e/m ²	537.2kg CO₂e/m²	71.2%
Energy intensity	5	Average total electricity and gas consumption	134 kWh/m ²	131 kWh/m ²	125 kWh/m²	Nil

1 The constituents of the FTSE 350 Super Sector Real Estate Index (excluding agencies) as at the start of the performance period (i.e. 1 January 2023). The Company's annualised total property return is calculated on a compound annual growth basis over the three-year performance period. Embodied carbon intensity is the weighted average embodied carbon performance for all projects over the three-year performance period. Energy intensity is assessed based on the average energy consumption of the managed portfolio (gas and electricity) over the three-year performance period.

2 For achieving the threshold performance target 22.5% of the maximum award will vest.

3 For total shareholder return (which is calculated based on a three-month weekday average Return Index excluding UK public bank holidays ended on: (1) the day before the performance period start date; and (2) the performance period end date), vesting accrues on a straight-line basis between the threshold level for median performance and maximum level for upper quartile performance. For total property return, vesting accrues on a straight-line basis between the threshold level for Index performance and maximum level for Index +2%. For embodied carbon intensity, vesting accrues on a straight-line basis between the threshold performance target of 600kgCO₂e/m² and maximum performance target of 500kgCO₂e/m². For energy intensity, vesting accrues on a straight-line basis between the threshold performance target of 134kWh/m² and maximum performance target of 131kWh/m².

Remuneration Committee report continued

Annual report on remuneration continued

Vesting of performance share awards continued

The Committee determined that it was not appropriate to apply discretion to adjust the formulaic outcome. Therefore, the vesting for each executive will be:

Executive Director	Number of awards granted	Number of shares vesting based on performance (3.6%)	Dividend equivalents (number of shares) ¹	Total number of shares vesting	Total estimate value of award on vesting (£)
Paul Williams, CEO	55,921	1,990	238	2,228	38,411
Damian Wisniewski, CFO	43,133	1,535	183	1,718	29,618
Nigel George	43,133	1,535	183	1,718	29,618
Emily Prideaux	40,501	1,441	172	1,613	27,808

¹ In accordance with the PSP rules, the Remuneration Committee has discretion to allow participants to receive the benefit of any dividends paid on vesting shares between the grant date and the vesting date in the form of additional vesting shares.

The value of the vesting awards is based on the average share price over the last three months of the financial year ended 31 December 2025, being £17.24. The estimated value of the vesting awards has been included within the 'single figure' total remuneration table on page 198. The Company's share price was £24.32 at the point of grant. The Remuneration Committee did not consider that it was necessary to exercise discretion in respect of share price fluctuations since grant.

Holding period

In accordance with the PSP rules, vested awards are subject to a two-year holding period whereby at least the after-tax number of vested shares must be retained by the executive for a minimum of two years from the point of vesting. The 2020, 2021 and 2022 grants have been removed from the table below as they each lapsed in full.

Grant	Grant date	Performance period	Vesting date	Holding period	Holding period ceases
2023 Grant	14 March 2023	1 January 2023 to 31 December 2025	14 March 2026	Two years	14 March 2028
2024 Grant	11 March 2024	1 January 2024 to 31 December 2026	11 March 2027	Two years	11 March 2029
2025 Grant	4 March 2025	1 January 2025 to 31 December 2027	4 March 2028	Two years	4 March 2030

Grant of performance share awards

On 4 March 2025, the Committee made an award to Executive Directors on the following basis:

Executive Directors	Number of shares awarded	Face value of award £
Paul Williams	80,750	1,463,998
Damian Wisniewski	62,283	1,129,191
Nigel George	62,283	1,129,191
Emily Prideaux	62,283	1,129,191

Awards were granted as nil-cost options and equivalent to 200% of base salary, with 22.5% of the award vesting at threshold performance. The share price used to determine the level of the awards was the closing share price on the day immediately preceding the grant date of £18.13. The performance period will run over three financial years ending on 31 December 2027 and, dependent upon the achievement of the performance conditions, the awards will vest on 4 March 2028 and will be subject to a two-year holding period as outlined in the table above.

The Committee has discretion to reduce the extent of vesting in the event that it considers that performance against either measure is inconsistent with underlying financial performance and/or the experience of key stakeholders. At least the after-tax number of vested shares must be retained for a minimum holding period of two years. To the extent that awards vest, the Committee has discretion to allow the Executive Directors to receive the benefit of any dividends paid over the vesting period in the form of additional vesting shares.

Grant of performance share awards *continued*

The balance of performance metrics reflects Derwent London's continued focus on delivering above average long-term returns to shareholders, together with our commitment to sustainability and ambition to be a net zero carbon business by 2030. The performance conditions for the 2025 awards are:

Measure	Basis of calculation	Weighting	Threshold ¹	Maximum
Total shareholder return	Position of the Company's total shareholder return against the total shareholder return of the ranked members of the FTSE 350 Super Sector Real Estate Index (excluding agencies) assessed over the three-year performance period ending 31 December 2027	50%	Median	Upper quartile and above
Total property return	The Company's annualised total property return calculated on a compound annual growth basis relative to the MSCI Quarterly UK All Property Total Return Index assessed over the three-year performance period ending 31 December 2027	40%	At Index	Index +2%
Embodied carbon intensity	Weighted average embodied carbon for all projects during the three-year performance period ending 31 December 2027	5%	600 kgCO ₂ e/m ²	500 kgCO ₂ e/m ²
Energy intensity	Average energy intensity for 2025, 2026 and 2027 assessed based on the electricity and gas consumption across the managed portfolio	5%	121 kWh/m ²	118 kWh/m ²

¹ For achieving the threshold performance target, 22.5% of the maximum award will vest.

Remuneration Committee report continued

Annual report on remuneration continued

Outstanding performance share awards

The outstanding performance share awards held by Directors and employees are set out in the table below:

	At grant		During the year (number)				Market price at date of vesting £	Value vested (inclusive of dividend equivalents) £'000	Earliest vesting date
	Date of award	Market price at date of grant ¹ £	1 January 2025	Granted ²	Vested	Lapsed ⁴			
Executive Directors									
Paul Williams	09/03/2022	29.36	42,942	–	–	(42,942)	–	–	09/03/2025
	14/03/2023	24.32	55,921	–	–	–	55,921	–	14/03/2026
	11/03/2024	21.00	67,352	–	–	–	67,352	–	11/03/2027
	04/03/2025	18.13	–	80,750	–	–	80,750	–	06/03/2028
			166,215	80,750	–	(42,942)	204,023	–	–
Damian Wisniewski ⁵	09/03/2022	29.36	34,352	–	–	(34,352)	–	–	09/03/2025
	14/03/2023	24.32	43,133	–	–	–	43,133	–	14/03/2026
	11/03/2024	21.00	51,952	–	–	–	51,952	–	11/03/2027
	04/03/2025	18.13	–	62,283	–	–	62,283	–	06/03/2028
			129,437	62,283	–	(34,352)	157,368	–	–
Nigel George	09/03/2022	29.36	34,352	–	–	(34,352)	–	–	09/03/2025
	14/03/2023	24.32	43,133	–	–	–	43,133	–	14/03/2026
	11/03/2024	21.00	51,952	–	–	–	51,952	–	11/03/2027
	04/03/2025	18.13	–	62,283	–	–	62,283	–	06/03/2028
			129,437	62,283	–	(34,352)	157,368	–	–
Emily Prideaux	09/03/2022	29.36	30,653	–	–	(30,653)	–	–	09/03/2025
	14/03/2023	24.32	40,501	–	–	–	40,501	–	14/03/2026
	11/03/2024	21.00	51,952	–	–	–	51,952	–	11/03/2027
	04/03/2025	18.13	–	62,283	–	–	62,283	–	06/03/2028
			123,106	62,283	–	(30,653)	154,736	–	–
Other employees	09/03/2022	29.36	61,199	–	–	(61,199)	–	–	09/03/2025
	14/03/2023	24.32	116,698	–	–	–	116,698	–	14/03/2026
	11/03/2024	21.00	148,989	–	–	–	148,989	–	11/03/2027
	04/03/2025	18.13	–	188,924	–	–	188,924	–	06/03/2028
			326,886	188,924	–	(61,199)	454,611	–	–
Total			875,081	456,523	–	(203,498)	1,128,106	–	–

1 The share price on the dealing day immediately preceding the grant date.

2 The performance share awards granted on 4 March 2025 will vest on 4 March 2028. The performance targets attached to these awards are detailed on pages 204 and 205.

3 The performance share awards granted on 11 March 2024 will vest on 11 March 2027. The performance targets attached to these awards are detailed on page 195 of the 2024 Directors' remuneration report.

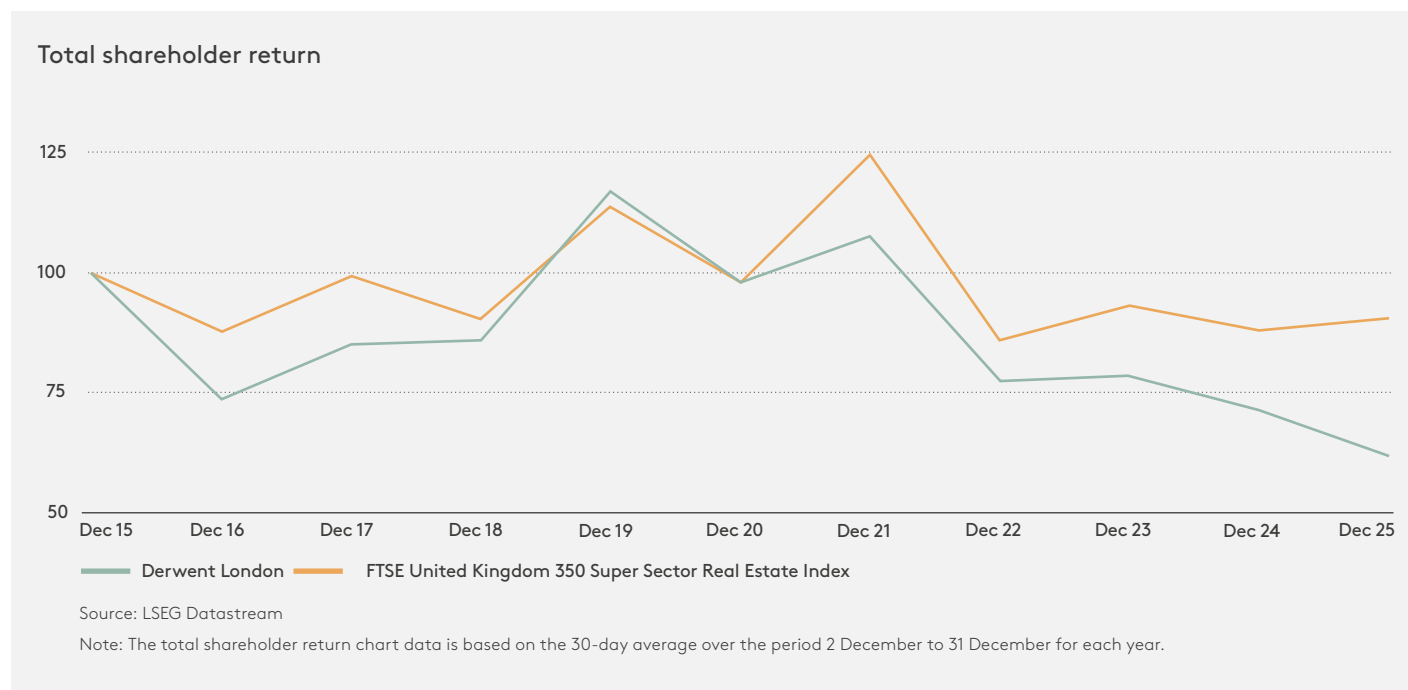
4 The performance share awards granted on 14 March 2023 will vest at 3.6% on 14 March 2026. Further details are on page 203. The weighted average exercise price of awards that lapsed in 2025 was £nil (2024: £nil).

5 Damian Wisniewski has a vested but unexercised 2019 performance share award of 5,253 shares (see pages 209 and 213).

	31 December 2025	31 December 2024	31 December 2023
Weighted average exercise price of performance share awards	–	–	–
Weighted average remaining contracted life of performance share awards	1.19 years	1.19 years	1.20 years

Pay for performance comparison

The graph below shows the value on 31 December 2025 of £100 invested in Derwent London on 31 December 2015, compared to that of £100 invested in the FTSE 350 Super Sector Real Estate Index. The other points plotted are the values at intervening financial year ends. This index has been chosen by the Committee as it is considered the most appropriate benchmark against which to assess the relative performance of the Company for this purpose.



Remuneration of the Chief Executive

The table below shows the remuneration earned by the Chief Executive over the past 10 years.

Financial year ended	31/12/2016	31/12/2017	31/12/2018	31/12/2019 ^{1,2}		31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025
Chief Executive	John Burns	John Burns	John Burns	John Burns	Paul Williams	Paul Williams	Paul Williams	Paul Williams	Paul Williams	Paul Williams	Paul Williams
Total remuneration (single figure) (£'000)	1,403	1,681	2,219	1,399	2,100	2,214	1,238	1,549	1,133	1,496	1,520
Annual bonus (% of maximum)	23.3	53.6	68.5	97.0	97.0	66.3	30.9	83.1	31.0	61.3	55.5
Long-term variable pay (% of maximum)	24.9	26.5	46.0	65.75	65.75	81.6	18.1	0.0	0.0	0.0	3.56

1 Paul Williams' 2019 total remuneration is in respect of his tenure as Chief Executive from 17 May 2019. His salary, bonus and performance share awards were subject to a pro rata time reduction.

2 The annual bonus (% of maximum) and long-term variable pay (% of maximum) for John Burns in 2019 is based on remuneration in the role of the Chief Executive.

Remuneration Committee report continued

Annual report on remuneration continued

Sharesave Plan (audited)

Grant of Sharesave options

To encourage Group-wide share ownership, the Company has operated an HMRC tax efficient Sharesave Plan since the 2018 AGM. No grant was made during 2025.

Outstanding Sharesave options

The outstanding Sharesave options held by Directors and employees are set out in the table below:

	At grant		During the year (number)					Maturity date	Market price at date of exercise £	Value of award at exercise £'000
	Date of award	Option price £	1 January 2025	Granted	Exercised	Lapsed	31 December 2025			
Executive Directors										
	21/09/2022	19.61	458	-	-	-	458	01/12/2025	-	-
Paul Williams	21/09/2023	14.87	623	-	-	-	623	01/11/2026	-	-
			1,081	-	-	-	1,081		-	-
	21/09/2022	19.61	458	-	-	-	458	01/12/2025	-	-
Damian Wisniewski	21/09/2023	14.87	311	-	-	-	311	01/11/2026	-	-
	19/09/2024	19.00	244	-	-	-	244	01/11/2027	-	-
			1,013	-	-	-	1,013		-	-
	21/09/2022	19.61	458	-	-	-	458	01/12/2025	-	-
Nigel George	21/09/2023	14.87	623	-	-	-	623	01/11/2026	-	-
			1,081	-	-	-	1,081		-	-
	21/09/2022	19.61	458	-	-	-	458	01/11/2025	-	-
Emily Prideaux	21/09/2023	14.87	623	-	-	-	623	01/11/2026	-	-
			1,081	-	-	-	1,081		-	-
Other employees	21/09/2022	19.61	21,244	-	-	(4,672)	16,572	01/12/2025	-	-
	21/09/2023	14.87	40,515	-	-	(2,516)	37,999	01/11/2026	-	-
	19/09/2024	19.00	13,851	-	-	(3,389)	10,462	01/11/2027	-	-
			75,610	-	-	(10,577)	65,033		-	-
Total			79,866	-	-	(10,577)	69,289		-	-

1 On 1 December 2025, the options granted on 21 September 2022 became capable of exercise at a price of £19.61 per share.

Directors' interests in shares (audited)

Details of the Directors' (and their connected persons) interests in shares are provided in the table below.

	Number at 31 December 2025					Number at 31 December 2024				
	Beneficially held	Deferred shares	Conditional shares ⁵	Share options ⁶	Total	Beneficially held	Deferred shares	Conditional shares	Share options	Total
Executive Directors										
Paul Williams ¹	95,757	13,140	204,023	1,081	314,001	92,921	6,570	166,215	1,081	266,787
Damian Wisniewski ²	71,931	10,323	157,368	6,266	245,888	69,095	5,256	129,437	6,266	210,054
Nigel George ³	105,732	10,323	157,368	1,081	274,504	100,046	5,256	129,437	1,081	235,820
Emily Prideaux	6,081	9,757	154,736	1,501	172,075	6,081	4,690	123,106	4,001	137,878
Total	279,501	43,543	673,495	9,929	1,006,468	268,143	21,772	548,195	12,429	850,539
Non-Executive Directors										
Mark Breuer	7,000	–	–	–	7,000	7,000	–	–	–	7,000
Helen Gordon ⁴	1,051	–	–	–	1,051	1,009	–	–	–	1,009
Lucinda Bell	1,000	–	–	–	1,000	1,000	–	–	–	1,000
Sanjeev Sharma	1,261	–	–	–	1,261	1,261	–	–	–	1,261
Robert Wilkinson	1,500	–	–	–	1,500	1,500	–	–	–	1,500
Madeleine McDougall	–	–	–	–	–	–	–	–	–	–
Former Directors										
Cilla Snowball	–	–	–	–	–	–	–	–	–	–
Total	11,812	–	–	–	11,812	11,770	–	–	–	11,770

There have been no other changes to the above interests between 31 December 2025 and 25 February 2026.

1 On 6 March 2025, Paul Williams purchased 2,836 shares at an average share price of £17.63.

2 On 7 March 2025, Damian Wisniewski purchased 2,836 shares at an average share price of £17.49.

3 On 6 March 2025, Nigel George purchased 5,686 shares at an average share price of £17.59.

4 During 2025, Helen Gordon reinvested her dividend to purchase an additional 42 shares.

5 Conditional shares are those which are subject to performance conditions. For further information on the Performance Share Plan see pages 203 to 206.

6 Share options principally relate to the Sharesave Plan (see page 208) and are unvested, except for:

- Damian Wisniewski: Damian's share options also include his vested but unexercised performance share 2019 award (5,253 shares); and
- Emily Prideaux: Emily has 420 outstanding Employee Share Option Plan (ESOP) awards as at 31 December 2025 which were granted in respect of her role prior to being appointed an Executive Director. During 2025, 2,500 ESOP awards (granted in 2015) lapsed.

Managing shareholder dilution

The table below sets out the available dilution capacity for the Company's employee share plans based on the limits set out in the rules of those plans that relate to issuing new shares.

	2025	2024
Total issued share capital as at 31 December	112.3m	112.3m
Employee share plan limits (in any consecutive 10-year period):		
Current dilution for all share plans	3.0%	2.7%
Headroom relative to 10% limit	7.0%	7.3%
5% for executive plans – current dilution for discretionary (executive) plans	1.4%	1.3%
Headroom relative to 5% limit	3.6%	3.7%