

CORPORATE GOVERNANCE STATEMENT

The Governance section has been organised to follow the structure (1 to 5) and principles (A to R) of the 2018 UK Corporate Governance Code (the Code) and illustrates how we have applied the Code principles and complied with the provisions. Further information on the Code and our compliance is on pages 128 and 129.

1. BOARD LEADERSHIP AND COMPANY PURPOSE

Effective Board

Our Board is composed of highly skilled professionals who bring a range of skills, perspectives and corporate experience to our boardroom.

To ensure sufficient time for discussion, the Board utilises its five principal committees to effectively manage its time (see page 141). At each Board meeting, the agenda ensures sufficient time for the committee chairs to report on the contents of discussions, any recommendations to the Board which require approval and the actions taken.

➤ BOARD BIOGRAPHIES / See pages 134 to 135

➤ BOARD SKILLS AND EXPERIENCE / See page 147

➤ BOARD TRAINING DURING 2022 / See page 148

The Board conducts a detailed annual review of our strategy (including our purpose and strategic objectives). This year, the strategy awayday was held in Scotland and was extended over two days. The Board received a tour of our Scottish assets and was able to gain a deeper understanding of its contribution to our sustainability initiatives. Some of the key aspects discussed by the Board during its strategy discussions included:

- changes to the London office market and investment market (see pages 32 to 35);
- nature of office occupation;
- our aspirations, culture and purpose;
- feedback received from our employees and other key stakeholders;
- climate change risk and opportunities;
- our development pipeline in respect to its replenishment and future potential; and
- review of the five-year plan including the potential impact of external risk factors on the business and our stakeholders, including inflation, interest rates and recession.

The Board required no significant changes to the Group's strategy which continues to assist in the achievement of our purpose and is aligned with our values.

➤ REASONS TO INVEST / See page 4

➤ OUR STRATEGY / See pages 38 to 44

➤ THE SECTION 172(1) STATEMENT / See pages 131 to 133

Value creation and preservation

In accordance with the Code, the role of the Board is to promote the long-term sustainable success of the Company, generate value for shareholders and contribute to wider society. The appropriateness of our business model is regularly reviewed by the Board at its strategy review meetings to ensure it remains capable of generating long-term sustainable value for our shareholders and other key stakeholders. As a business, we continue to create value responsibly through:

Sustainable initiatives

- Science-based targets for operational energy intensity reduction across our managed portfolio.
- Phased embodied carbon targets for office new build developments.
- We commissioned a costed third party EPC upgrade survey and the recommendations are now being implemented.
- Obtained resolution to grant planning permission for a c.100-acre, 18.4MW solar park on our Scottish land which is expected to generate >40% of the electricity needs of our managed London portfolio.

Conservative balance sheet

- At 31 December 2022, our EPRA loan-to-value ratio was 23.9% and our net interest cover ratio was 423% (inc. share of joint ventures).
- Limited near-term refinancing: weighted average debt maturity of 6.2 years. Next refinancing in October 2024.
- 100% of drawn debt fixed or hedged at 31 December 2022.
- £650m green debt facilities, comprising a £300m green revolving credit facility and £350m 1.875% green bond, issued in line with our Green Finance Framework.

In order for the business to continue to generate long-term sustainable value, the Board's actions during 2022 included:

- Continuing with our strategy of capital recycling through the selling of assets with a lower forward return profile and reinvesting proceeds into higher returning opportunities, such as developments.
- Based on the feedback received from stakeholders on DL/78 in Fitzrovia, the Board approved DL/28 an equivalent shared amenity hub in The Featherstone Building EC1.
- Monitored the phased roll out of the Intelligent Building Programme, which will help to deliver further cost and carbon efficiencies.

Governance arrangements

Corporate governance is essential to ensuring our business is run in the right way for the benefit of all of our stakeholders. Our governance arrangements support the development and delivery of strategy by:

- ensuring accountability and responsibility;
- facilitating the sharing of information to inform decisions;
- establishing engagement programmes with key stakeholders (see page 132);
- maintaining a sound system of risk oversight, management and an effective suite of internal controls (see pages 160 to 161 and 174 to 176);
- providing independent insight and knowledge from the Non-Executive Directors; and
- facilitating the development and monitoring of key performance indicators (see pages 45 to 49).

If any Director has concerns about the running of the Group or a proposed course of action, they are encouraged to express those concerns which are then minuted. No such concerns were raised during 2022.

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

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

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

We ensure that the information shared with our Board is of sufficient depth to facilitate debate and to fully understand the content without becoming unwieldy. We often invite the preparer of the report to attend meetings so the Board can question management directly. The agenda for upcoming meetings is set by the Board Chairman, or Committee Chair, with support from the Company Secretary.

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

Workforce policies and practices

The Executive Directors, with assistance from members of the Executive Committee, review and approve all key policies and practices which could impact on our workforce or influence their behaviours to ensure they support the Group's purpose and reflect our values (see page 140).

Policies are published on the intranet and where relevant included in the employee handbook. Our employees are required to confirm their understanding of these policies upon recruitment and on an annual basis.

To ensure policies are embedded in our business practices, we hold presentations to staff which highlight the key messages and notify them of any changes. We operate a mandatory training programme which aims to reinforce key compliance messages in areas such as anti-bribery, modern slavery, conflicts of interest, etc.

COMPLIANCE TRAINING / See page 171

All employees (including the Board) are required to notify the Company as soon as they become aware of a situation that could give rise to a conflict or potential conflict of interest. The register of potential conflicts of interest is regularly reviewed to ensure it remains up to date (see page 146).

Anonymous reporting of concerns

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

All employees have access to a whistleblowing system. Our whistleblowing procedures are included within our employee handbook, on our Group intranet and staff noticeboards. Following receipt of a whistleblowing message we have procedures in place to ensure an independent and proportionate investigation.

The Board receives updates from the Company Secretary on the operation of the whistleblowing system. During the year under review, we did not receive any messages via our whistleblowing system (2021: no messages). Due to the 'open door' nature of our business, concerns are often raised directly with management, the CEO or the HR team.

CORPORATE GOVERNANCE STATEMENT continued

PURPOSE

Why we do what we do

Our purpose communicates the Group's strategic direction and intentions to our employees, occupiers and wider stakeholders. Due to its importance, it is regularly reviewed by the Board.

During the year under review, the Board continued its discussions on how best to streamline our purpose and provide greater clarity to stakeholders on what is important to Derwent London (our core values). With assistance from third party advisers, the Board agreed its vision, made refinements to the Group's purpose and condensed our values into three 'core values'. Our progress towards achieving our purpose during 2022 can be reviewed on the following pages:

- LONG-LIFE, LOW CARBON, INTELLIGENT BUILDINGS / See page 23
- DELIVERING ABOVE AVERAGE LONG-TERM RETURNS FOR ALL OUR STAKEHOLDERS / See pages 46 and 205

VALUES

The qualities we embody

Our values articulate the qualities we embody and our underlying approach to doing business. They are embedded in our operational practices through the policies approved by the Board and the direct oversight and involvement of the Executive Directors.

The Executive Directors have been delegated responsibility for ensuring that policies and behaviours set at Board level are effectively communicated and implemented across the business. If the Board is concerned or dissatisfied with any behaviours or actions, it seeks assurance that corrective action is being taken. No such action was required during 2022.

- A DYNAMIC AND INCLUSIVE TEAM / See page 28
- DESIGN-LED DEVELOPMENT / See page 23
- ESG HIGHLIGHTS / See page 7

CULTURE

How we work together

Our culture has developed from our values and is a key strength of our business. The benefits of a strong culture is seen in our employees' engagement scores, retention rate and levels of productivity. As the cultural tone of a business comes from the boardroom, safeguarding our culture is a key factor in the development of the Board's succession plans.

Embedding our culture

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

As part of the six-monthly performance review cycle, our employees reflect on whether they demonstrate the core 'competencies' outlined in the review. These competencies include the ability to build strong internal and external relationships, communicate clearly, build trust, and demonstrate creativity, initiative and teamwork. These discussions reinforce the behaviours we wish to foster within our workforce and link our culture to our reward mechanisms.

Our senior management team undertake training to ensure they are supporting their teams and encouraging the behaviours which align with our culture. During 2022, management training covered allyship and inclusion, recognising and supporting mental health concerns and unconscious bias.

Assessment and monitoring

The Board measures the culture of the Group via:

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

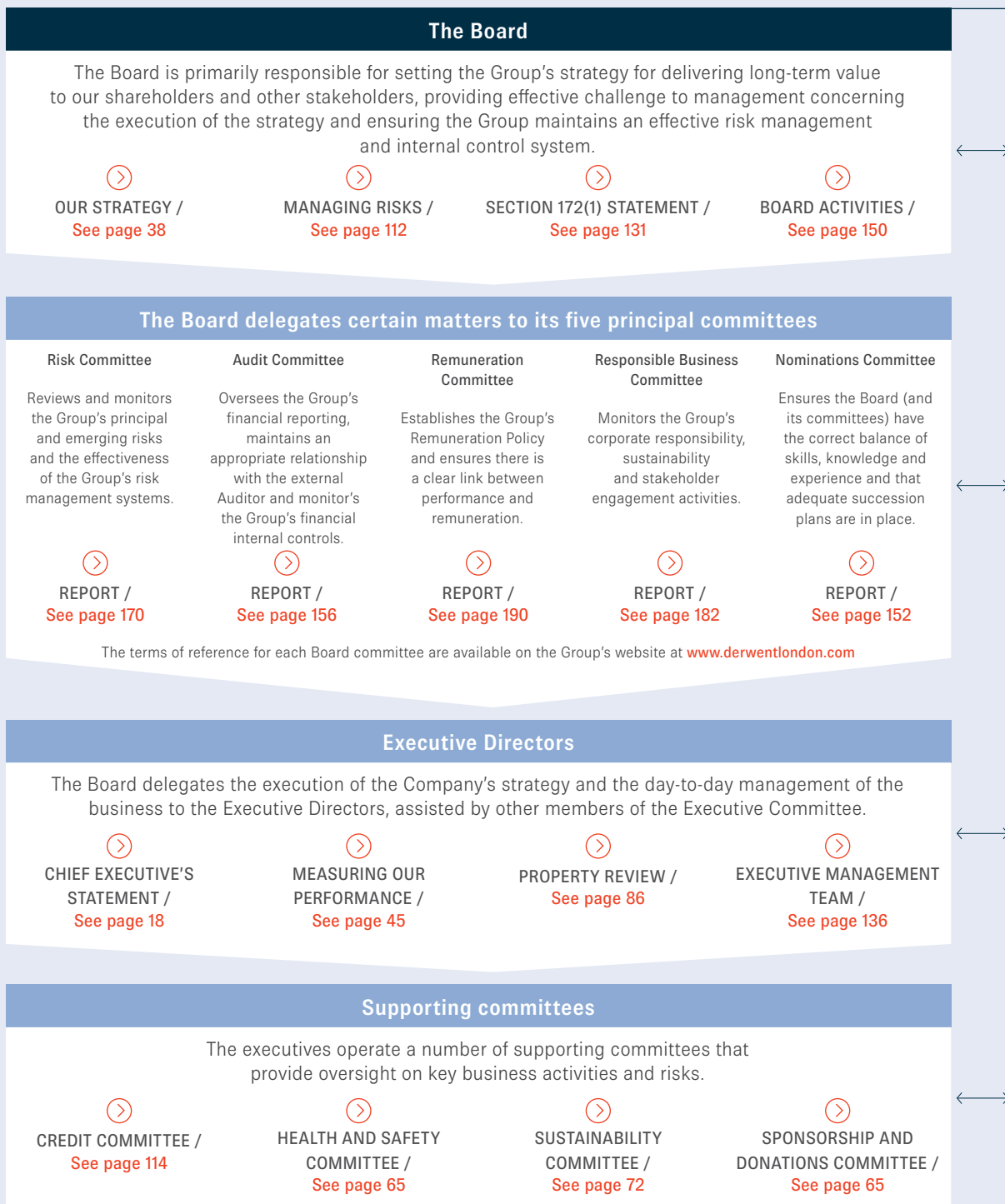
The feedback received from employee surveys provides valuable insights into what is valued and seen as corporate norms. The biennial Employee Survey includes a specific question on how our employees would describe our culture. These monitoring activities helped to inform the Board's discussions on our vision, purpose and values during 2022.

- ATTRACTING AND OPTIMISING TALENT / See page 59
- INVESTING IN TEAM COACHING / See page 61

GOVERNANCE FRAMEWORK

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

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



Our shareholders and other key stakeholders play an important role in monitoring and safeguarding the governance of our Group. Further information on how we engage with our shareholders (see page 143), employees (see page 144) and other key stakeholders are on pages 8 to 9.

How do we engage with our shareholders?

Shareholders play a valuable role in safeguarding the Group’s governance through, for example, the annual re-election of Directors, monitoring and rewarding their performance and engagement and constructive dialogue with the Board. The Group aims to be as transparent as possible with the information it provides to investors and welcomes face-to-face dialogue and engagement. Further information on how we assure the information we publicly disclose is on pages 162 to 164.

Our Chairman aims to routinely meet with institutional investors and report their views to the Board. On an annual basis, Mark Breuer writes to all our major shareholders inviting them to meet with him to discuss any areas of concern or provide feedback. For our private investors, there is an opportunity to meet the entire Board (including the Non-Executive Directors) at our Annual General Meeting (AGM).

If shareholders have any concerns, which the normal channels of communication to the CEO, CFO or Chairman have failed to resolve, or for which contact is inappropriate, then our Senior Independent Director, Helen Gordon, is available to address them. Helen Gordon can be contacted via the Company Secretary whose contact details are on page 315.

To engage with our shareholders, the Board utilises the following engagement methods:

- **Shareholder consultation:** We will always seek to engage with shareholders when considering material changes to either our Board, strategy or remuneration policies. In 2022, the Remuneration Committee consulted with 20 of our largest shareholders, representing approximately 64% of our issued share capital (see page 198). During 2023, we will seek engagement with shareholders on the external audit tender (see page 168).
- **Investor meetings, presentations and property tours:** Investor meetings are predominantly attended by our CEO, CFO and at least one other senior executive. During the year, these meetings focused on the Group’s portfolio, strategy, capital structure, outlook for yields and the occupational market backdrop. Where significant views were expressed, either during or following the meetings, these were recorded and circulated to all Directors. During 2022, we hosted year end and interim results presentations and 70 property tours.

- **Property conferences:** During 2022, we attended eight property conferences (Amsterdam, London, Miami and New York).
- **AGM:** The AGM provides an opportunity for private shareholders, in particular, to question the Directors and the chairs of each of the Board committees. Information on the 2023 AGM is on page 226, including how we would engage with shareholders in the event of a significant vote against an AGM resolution. We ensure that the Notice of AGM is issued at least 20 working days in advance of the AGM date.
- **Annual Report & Accounts:** Our annual Report & Accounts is available to all shareholders. Through our electronic communication initiatives, we aim to make our annual Report & Accounts as accessible as possible. Shareholders can opt to receive a hard copy in the post or PDF copies via email or from our website. Additionally, if a shareholder holds their Derwent London shares via a nominee account and encounters difficulty receiving our annual Report & Accounts via their nominee provider, they are welcome to contact the Company Secretary to request a copy.
- **Websites:** Our website, www.derwentlondon.com, has a dedicated investor section which includes our annual Report & Accounts, results presentations (which are made to analysts and investors at the time of the interim and full year results) and our financial calendar for the upcoming year. We also create websites for specific developments which are used to explain the Group’s current projects in greater detail.

INVESTOR MEETINGS

230

we engaged with c.72% of our shareholder register during 2022

JUL	AUG	SEP	OCT	NOV	DEC
Property tours.	Published our interim results for 2022. Investor roadshows in London.	Property conferences (New York).	Payment of the 2022 Interim Dividend. Property tours.	Property tours. Property conferences (London).	Property tours. Roadshows for private investors (Leeds).

CORPORATE GOVERNANCE STATEMENT continued

HOW DO WE ENGAGE WITH OUR EMPLOYEES?

We have an experienced, diverse and dedicated workforce which is recognised as a key asset of our business. The Board and its committees routinely invite members of the management team to join meetings to present on the matters being discussed. In order to reach all employees, the Board utilises a combination of formal and informal engagement methods which are detailed below.

Dedicated Non-Executive Director

Dame Cilla Snowball is the dedicated Non-Executive Director for gathering the views of the workforce. As Chair of the Responsible Business Committee, Cilla oversaw and received updates on our employee engagement methods.

➤ FURTHER INFORMATION ON CILLA'S ROLE / See page 145

Responsible Business Committee

The Responsible Business Committee has four employee members which allows our employees to have direct involvement in decision making and works to bring the voice of our employees directly to the boardroom.

➤ See page 182

Whistleblowing

Our whistleblowing system offers an anonymous reporting line for employees to raise any concerns directly with the Board. The business continues to have an 'open door' nature where concerns are often raised directly with management, the CEO or HR team, and appropriately investigated.

➤ See page 139

Town hall meetings

The CEO hosts monthly town hall meetings to ensure all employees are kept informed of business activity. Employees are encouraged to put questions forward in advance (anonymously if they wish), which are then answered during the sessions.

DERWENT
LONDON

HOW DO WE
ENGAGE WITH OUR
EMPLOYEES?

Awayday

On 22 September we held our employee awayday which provided an opportunity for our CEO to share the vision and strategy for the future and encourage collaboration across the business.

➤ See page 62

Intranet

A variety of social media channels are utilised to enhance engagement and the exchange of information on the Company's activities to all stakeholders. These channels include Facebook, Twitter, Instagram, the DL/App and our intranet. The DL/App has been an active channel during 2022 providing information to our customers on notices, meeting rooms and events.

Employee surveys

We gather feedback regularly from our employees to assess their levels of engagement. We conduct a formal biennial employee survey, designed and developed in conjunction with an independent provider. A working group is established after each formal employee survey with the aim of making recommendations to the Executive Committee.

➤ See page 59

Working groups

The Group currently operates a number of working groups covering areas such as diversity and inclusion, innovation, and social events. Feedback received from these working groups are given to the Responsible Business Committee or the Executive Directors, which is transferred to the Board.

➤ THE DIVERSITY AND INCLUSION WORKING GROUP / See page 186

2. DIVISION OF RESPONSIBILITIES

Board roles

There is clear division between executive and non-executive responsibilities which ensure accountability and oversight. The roles of the Chairman and Chief Executive are separately held and their responsibilities are well defined, set out in writing and regularly reviewed by the Board.

Chairman, Mark Breuer

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

Chief Executive, Paul Williams

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

Senior Independent Director, Helen Gordon

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

Chief Financial Officer, Damian Wisniewski

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

Designated NED for gathering the views of our workforce¹, Dame Cilla Snowball

Cilla Snowball has been designated the NED responsible for gathering the views of our workforce. This is achieved by:

- Attendance at key employee and business events, including property launches and the Summer Party
- Review messages received through the whistleblowing system from the Group's employees
- Monitor the effectiveness of engagement programmes established for employees
- Provide regular updates to the Board
- Monitor the outcome of employee surveys and provide input on their design

Other Executive Directors

- Support the CEO in developing and implementing strategy
- Oversee the day-to-day activities of the Group
- Manage, motivate and develop staff
- Develop business plans in collaboration with the Board
- Ensure that the policies and practices set by the Board are adopted at all levels of the Group
- Investor relation activities, including communications with investors, alongside the CEO

Non-Executive Directors (NEDs)

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

Company Secretary, David Lawler

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

¹ In addition, the Chairman ensures that all Directors continue to remain engaged with our employees, and challenge and contribute to discussions on workforce engagement.

3. COMPOSITION, SUCCESSION AND EVALUATION

Board composition, skills, experience and knowledge

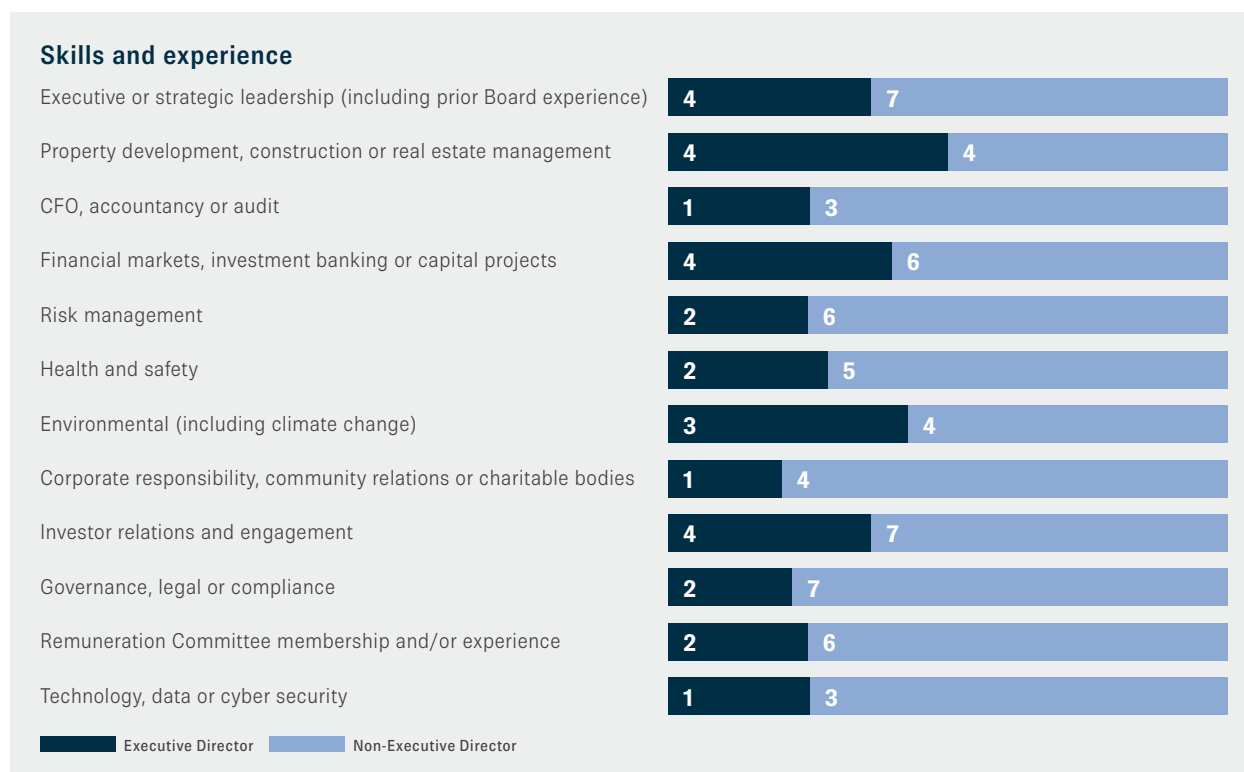
Our Board is a diverse and effective team, focused on promoting the long-term success of the Group for the benefit of all stakeholders.

	Independent	Number of meetings	Attendance at Board meetings ¹
Chairman			
Mark Breuer	Yes	7	100%
Executive Directors			
Paul Williams	No	7	100%
Damian Wisniewski	No	7	100%
Nigel George	No	7	100%
Emily Prideaux	No	7	100%
David Silverman (until 14 April 2022) ²	No	1	100%
Non-Executive Directors			
Claudia Arney	Yes	7	100%
Lucinda Bell	Yes	7	100%
Richard Dakin	Yes	7	100%
Helen Gordon	Yes	7	100%
Cilla Snowball	Yes	7	100%
Sanjeev Sharma	Yes	7	100%

¹ Percentages based on the meetings entitled to attend for the 12 months ended 31 December 2022.

² David Silverman stepped down from the Board on 14 April 2022.

The chart below provides an overview of the skills and experience of our Directors as at 31 December 2022. To be counted for each skill area, a Director is required to have executive or senior management experience.



For the skill areas which our Directors have less experience at an executive-level, we provide training and regular updates either to the entire Board or to specific committees.

CORPORATE GOVERNANCE STATEMENT continued

Training

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

As required, we invite professional advisers to provide in-depth updates. Updates and training are not solely reserved for legislative developments but aim to cover a range of issues including, but not limited to, market trends, the economic and political environment, environmental, technological and social considerations.

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

Our Directors receive training on their duties under section 172(1) of the Companies Act 2006 as part of their induction process from the Group's corporate lawyers, Slaughter & May LLP. The training is uploaded to the Board's paper portal for easy reference. In addition, at each meeting, the Board's pack of documents includes the codification of its duties alongside the meeting agenda to ensure it is at the forefront of discussions.

➤ COMPLIANCE TRAINING / [See page 171](#)

During 2022:

- All Directors were provided with refresher training on health and safety from external lawyers.
- All employees (including Directors) participated in online compliance training courses on a range of topics including disability awareness, modern slavery and market abuse (further information on page 171).
- The Audit Committee received training on climate-related reporting (see page 158) and the technology used in our finance systems.
- The Risk Committee received a legal update from Slaughter & May LLP in November.
- All Directors attended regular external briefing sessions from the major accountancy firms.

Appointments to the Board

At Derwent London, we ensure that appointments to our Board are made solely on merit with the overriding objective of ensuring that the Board maintains the correct balance of skills, length of service and knowledge of the Group to successfully determine the Group's strategy. The Nominations Committee report on pages 152 to 155 provides further information on:

- Board composition and Non-Executive Director tenure;
- Board appointments and induction;
- succession planning; and
- diversity.



Members of the Company Secretarial team

ANNUAL BOARD EVALUATION

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



Evaluation for the year ended 31 December 2021

The 2021 Board evaluation was internally facilitated by Mark Breuer (Chairman) and was outlined in the 2021 Report & Accounts on page 141. As a result of this evaluation, the Board identified a number of areas which it wished to focus upon during 2022:

Focus area	Actions during 2022
Company culture	With assistance from advisers, it was ensured that the Group’s culture was clearly understood by our employees and key stakeholders
Employee development and career management	The Nominations Committee continued to focus on employee development and career management
Board papers	Board papers were continued to be streamlined and supporting papers were included as appendices Papers to committee members were distributed a week prior to each meeting

Evaluation for the year ended 31 December 2022

Our external Board evaluation for the year ended 31 December 2022 was externally facilitated by Manchester Square Partners LLP. When selecting a board evaluator, each firm was required to provide a written proposal and present to the Chairman, Senior Independent Director and Company Secretary. The following factors were considered:

- The evaluator’s proposed method and approach
- Their experience, skills and references
- Any potential conflicts of interest

The evaluation process

The evaluation process was tailored to Derwent London based on discussions with the Chairman, Senior Independent Director and Company Secretary. The Company Secretary provided the evaluator with any requested information to facilitate the review. The individual interviews with the Directors and the Company Secretary were conducted during November/December and typically lasted for one hour and 30 minutes.

Feedback from the 2022 Board evaluation

The evaluation confirmed that the Board is functioning well, and governance is strong. It was recognised that there was a good degree of trust, confidence and healthy respect between the Executive and Non-Executive Directors. The main recommendations are detailed below:

- Non-Executive Directors to meet privately at the end of each Board meeting and to hold occasional one-to-one meetings with the Chairman
- The Non-Executive Directors are to be provided with more frequent updates on market trends, competitor activity and the outcome of post-project reviews
- Arrange more site visits and ensure some Board meetings are held at other Derwent London buildings
- Consider whether all Non-Executive Directors should become members of each committee
- Continue to focus on succession and talent development
- Review the Board skills matrix to further understand the skills required before agreeing the plans for Non-Executive Directors succession

Re-election of Directors

In accordance with the Code, the Directors will be putting themselves forward for re-election at the AGM on 12 May 2023. Following the formal performance evaluation (detailed above) and taking into account the Directors’ skills and experience (set out on pages 134, 135 and 147), the Board believes that the re-election of each Director is in the best interests of the Company.

Evaluation for the year ended 31 December 2023

In accordance with our three-year cycle, the performance evaluation for the year ending 31 December 2023 will be internally facilitated by Helen Gordon, our Senior Independent Director.

CORPORATE GOVERNANCE STATEMENT continued

KEY ACTIVITIES OF THE BOARD DURING 2022

OVERVIEW

The Board met seven times during the year (including the Annual General Meeting). Additional meetings are arranged if necessary for the Board to properly discharge its duties. An overview of our Board's key activities is provided below.

Property portfolio

- Approved the acquisition of 230 Blackfriars Road, SE1
- Approved the sale of:
 - Bush House, WC2
 - New River Yard, EC1
 - Charterhouse Street, EC1
- Exchanged a conditional contract to acquire the freehold of Old Street Quarter, EC1
- Reviewed a project time plan for Network W1
- Received regular updates on key construction projects
- Regular updates from Asset and Property Management on the portfolio
- Appointed Knight Frank as the Group's external valuer
- Received regular updates on lease expiries and potential vacancies
- Approved DL/28 in Old Street

Strategy and financing

- Ongoing updates from the Executive Directors on the implementation of strategy throughout the year, including a Board strategy awayday in June
- Reviewed and approved the Group's five-year plan and forecast
- Reviewed quarterly project cost reports
- Approved the portfolio valuation as at 30 June 2022
- Approved the new Remuneration Policy ahead of the 2023 AGM
- Approved 2022 interim and final dividends

Risk management and internal control

- Reviewed and approved updates to the key risk indicator schedule
- Updates from the Risk and Audit Committee Chairs on the key areas discussed
- Routinely considered the Board's conflict of interests
- Received an update on Cyber & IT Security
- Regular reports received on health and safety matters
- Followed up on recommendations by the outsourced internal auditors
- Received assurance reports from Deloitte in respect to environmental reporting
- Reviewed the compliance training completion rates and approved the 2022/2023 training programme

Strategic objectives



Strategic objectives




Strategic objectives




	JAN	FEB	MAR	APR	MAY	JUN
Board and committee meetings		Audit Committee & Valuers meeting Executive Committee Main Board Remuneration Committee		Executive Committee Risk Committee	Annual General Meeting Executive Committee Main Board Responsible Business Committee	Main Board (strategy awayday) Nominations Committee
Key announcements	Sale of New River Yard, EC1	Full year results announcement on 24 February 2022		Report & Accounts and Notice of AGM	Q1 Business update Old Street Quarter EC1, Exchange of Contract LMS Bondholders meeting Published results of 2022 AGM	

Key to strategic objectives

 TO OPTIMISE RETURNS AND CREATE VALUE FROM A BALANCED PORTFOLIO

 TO ATTRACT, RETAIN AND DEVELOP TALENTED EMPLOYEES

 TO MAINTAIN STRONG AND FLEXIBLE FINANCING

 TO GROW RECURRING EARNINGS AND CASH FLOW

 TO DESIGN, DELIVER AND OPERATE OUR BUILDINGS RESPONSIBLY

Corporate reporting and performance monitoring

- Reviewed the rolling forecasts and approved the 2023 budget
- Received updates on the Group's Net Zero Carbon Pathway to 2030
- Approved the year end and interim results
- Approved the Q1 and Q3 business updates
- Reviewed the 2022 Report & Accounts to ensure it is fair, balanced, and understandable
- Published our annual Responsibility Report
- Reviewed and approved the half-yearly valuations of the Group's property portfolio

Stakeholder engagement

- Hosted the Annual General Meeting (AGM) on 13 May 2022
- Received updates from the Responsible Business Committee on the Group's sustainability and stakeholder initiatives
- Received updates on our investor engagement programmes and regular investor relations reports
- Engaged with shareholders in advance of the 2023 AGM on the Remuneration Policy
- Hosted a staff awayday that prioritised employee collaboration

Governance

- Performed a review of the Board committees' memberships, led by the Chairman
- Received regular governance updates from the Company Secretary
- Approved the 2022 Modern Slavery Statement
- Appointed Manchester Square Partners LLP to conduct the 2022 Board evaluation
- Reviewed the Group's vision, purpose and values
- Reviewed succession planning and talent development across the business

Strategic objectives



Strategic objectives



Strategic objectives



JUL	AUG	SEP	OCT	NOV	DEC
Executive Committee	Audit Committee & Valuers meeting Main Board Nominations Committee Risk Committee	Executive Committee Remuneration Committee	Executive Committee Main Board Remuneration Committee	Audit Committee Executive Committee Risk Committee	Main Board Remuneration Committee Responsible Business Committee
Disposal of Bush House WC2	Unaudited interim results			Q3 Business update	