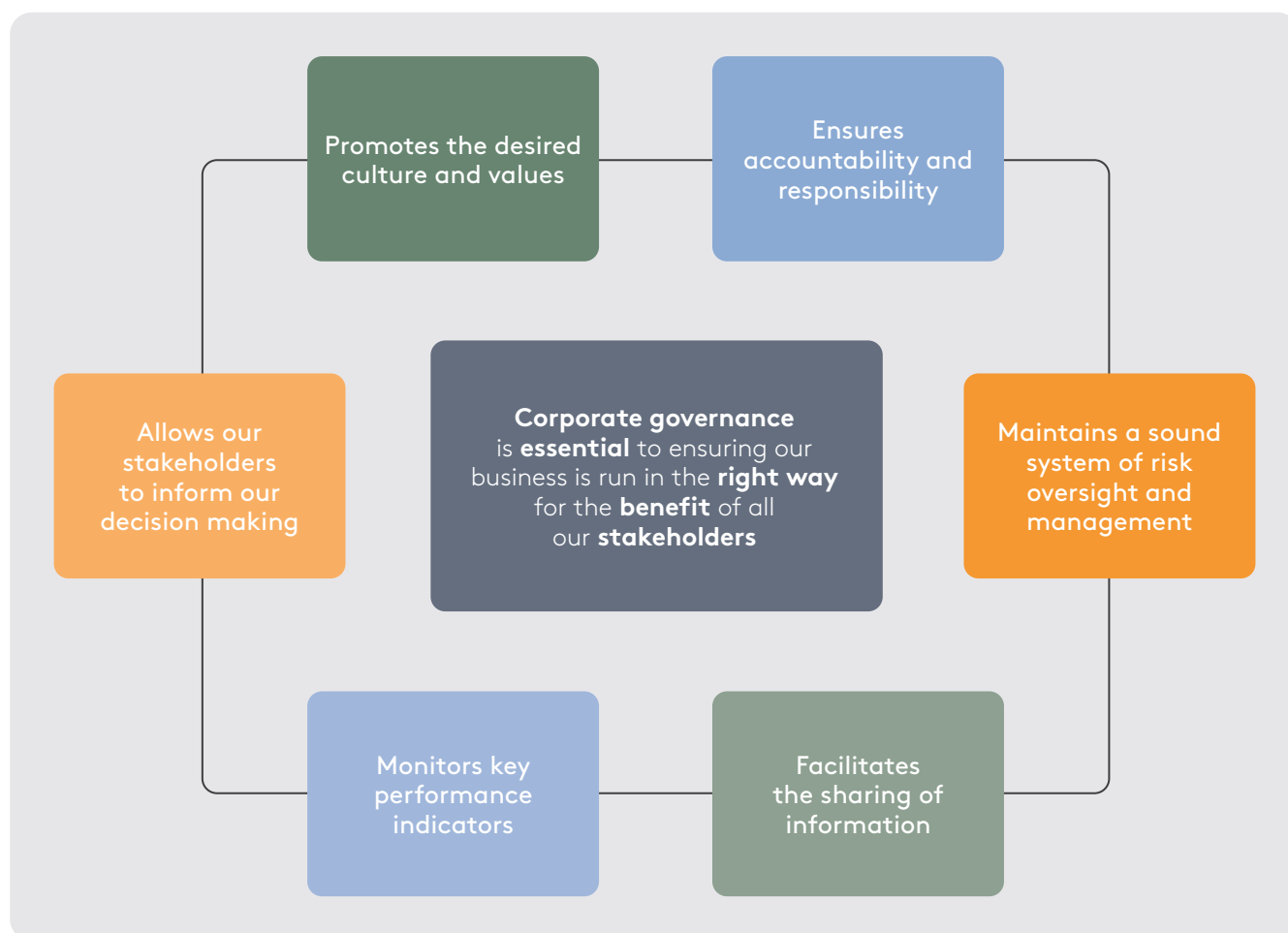


## CORPORATE GOVERNANCE STATEMENT

# Governance

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



### The Section 172(1) Statement

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

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

➔ Further information / See page 132

### Public Interest Statement

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

We extend our obligations beyond the statutory requirements to add value and build long-term mutually beneficial relationships. Our obligations are incorporated into our purpose, which strongly influences our values (see page 4).

We have detailed on pages 38 to 59 and 126 to 155 how we have acted in the public interest during 2024.

# Running our business in the right way

## Effective leadership

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

Non-Executive Director recruitment was a focus area for 2024. Robert Wilkinson and Madeleine McDougall were appointed with effect from 1 June and 1 November 2024, respectively. See page 142 for further information on the induction process.

To ensure sufficient time for discussion, the Board utilises its five principal committees to effectively manage its time (see page 129). At each Board meeting, the agenda ensures sufficient time for the committee chairs to report on the contents of discussions, any recommendations to the Board which require approval, and the actions taken.

The Board, its principal committees and individual Directors are subject to annual effectiveness evaluations to identify areas for improvement or action (see page 139). The Chairman discusses with each Director their training needs to ensure they keep their knowledge and skills up to date.

## Value creation and preservation

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

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

- changes to the London office market and investment market (see pages 15 to 17);
- nature of office occupation;
- 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 geopolitical tensions, inflation, interest rates and technological changes.

The Board required no significant changes to the Group's strategy during 2024, which continues to assist in the achievement of our purpose and is aligned with our values. As a business, we continue to create value responsibly through responsible initiatives, a conservative balance sheet and resilient strategy (see pages 8 and 9).

## Applying best practice principles

During the year ended 31 December 2024, we have applied the principles and complied with the provisions of good governance contained in the UK Corporate Governance Code 2018 (the Code). Our Compliance Statement for 2024 is on page 121. Further details on how we have applied the Code can be found in the Governance section on pages 126 to 139.

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# Ensures accountability and responsibility

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

## Code of Conduct for Directors

In October 2024, the Institute of Directors (IoD) launched a voluntary Code of Conduct for Directors, which is centred on six principles:

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

The Derwent London Board has confirmed that they have complied with the IoD Code of Conduct and its principles for director conduct during 2024. Further information on the IoD Code of Conduct for Directors can be found here: [www.iod.com](http://www.iod.com)

## Workforce policies and practices

The Executive Directors have been delegated responsibility for ensuring that policies and behaviours set at Board level are effectively communicated and implemented across the business. Policies are published on the intranet and where relevant included in the employee handbook. To ensure policies are embedded in our business practices, we operate a mandatory training programme which aims to reinforce key compliance messages in areas such as anti-bribery, fraud, modern slavery, etc. If the Board is concerned or dissatisfied with any behaviours or actions, it seeks assurance that corrective action is being taken. No such action was required during 2024.

→ Compliance training / See page 165

## Anonymous reporting of concerns

All employees have access to our 'Speak up' system. Our procedures are included within our employee handbook, on our Group intranet and staff noticeboards. Our procedures aim to support and reassure staff that they are able to raise genuine concerns without fear of victimisation or unfair treatment, even if they turn out to be mistaken. In 2024, our 'Speak up' Policy was updated to specifically reference modern slavery and bullying/harassment as reportable concerns. Following receipt of a 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 'Speak up' system. During the year under review, we did not receive any messages via our system (2023: no messages). Due to the 'open door' nature of our business, concerns are often raised directly with management, the CEO or the HR team.

## Conflicts of interest

All employees (including the Board) are required to notify the Company as soon as they become aware of a situation that could give rise to a conflict or potential conflict of interest. Prior to all major Board decisions, the Chairman requires the Directors to confirm that they do not have a potential personal conflict with the matter being discussed. If a conflict does arise, the Director is excluded from discussions and voting, unless the Board unanimously decides otherwise.

→ Independence / See page 136

## Delegated authority limits

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

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

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

If any Director has concerns about the running of the Group or a proposed course of action, they are encouraged to express those concerns which are then minuted. No such concerns were raised during 2024.

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

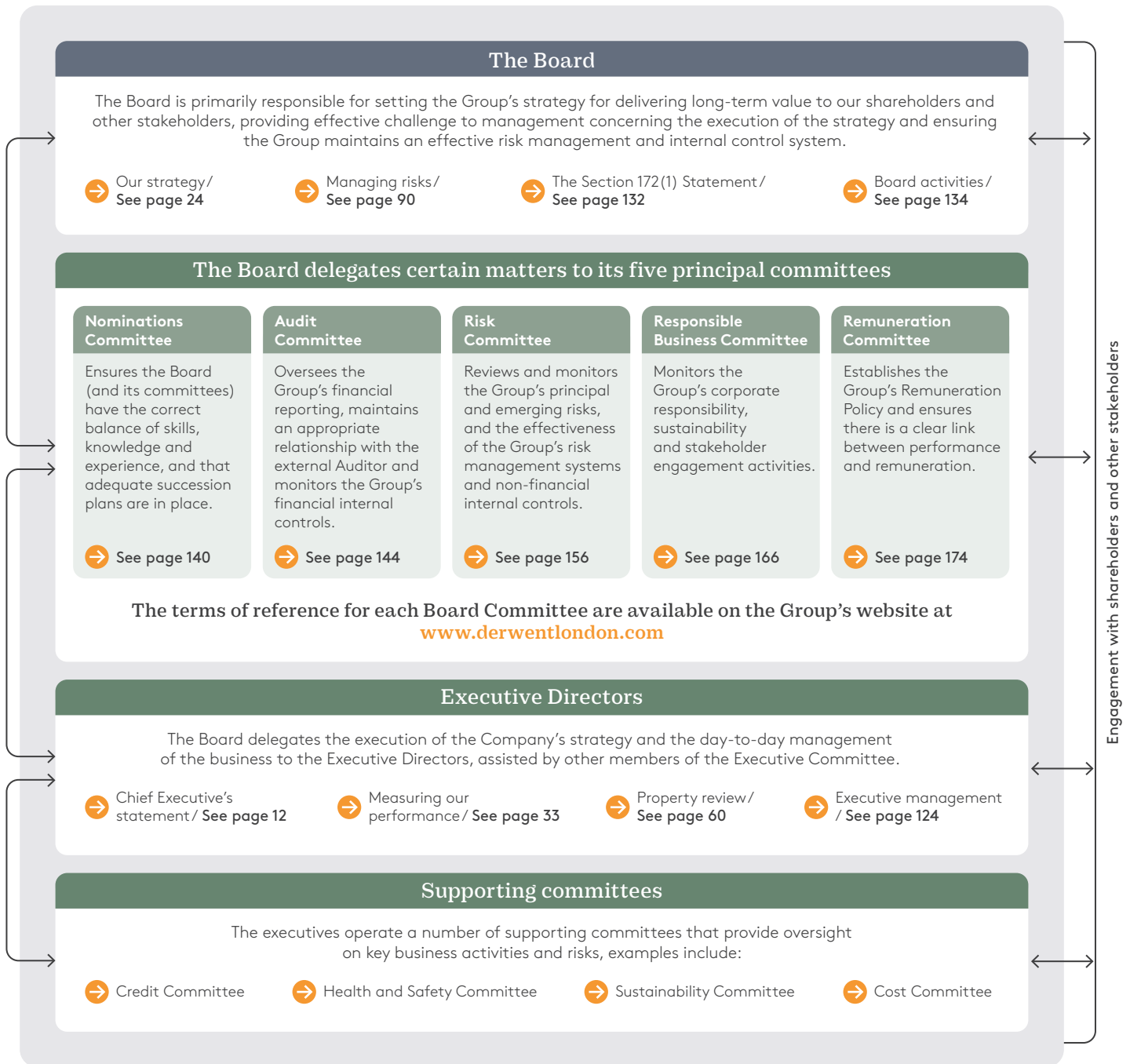
→ Governance framework / See page 129

→ Key activities of the Board / See pages 134 and 135

# Governance framework

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

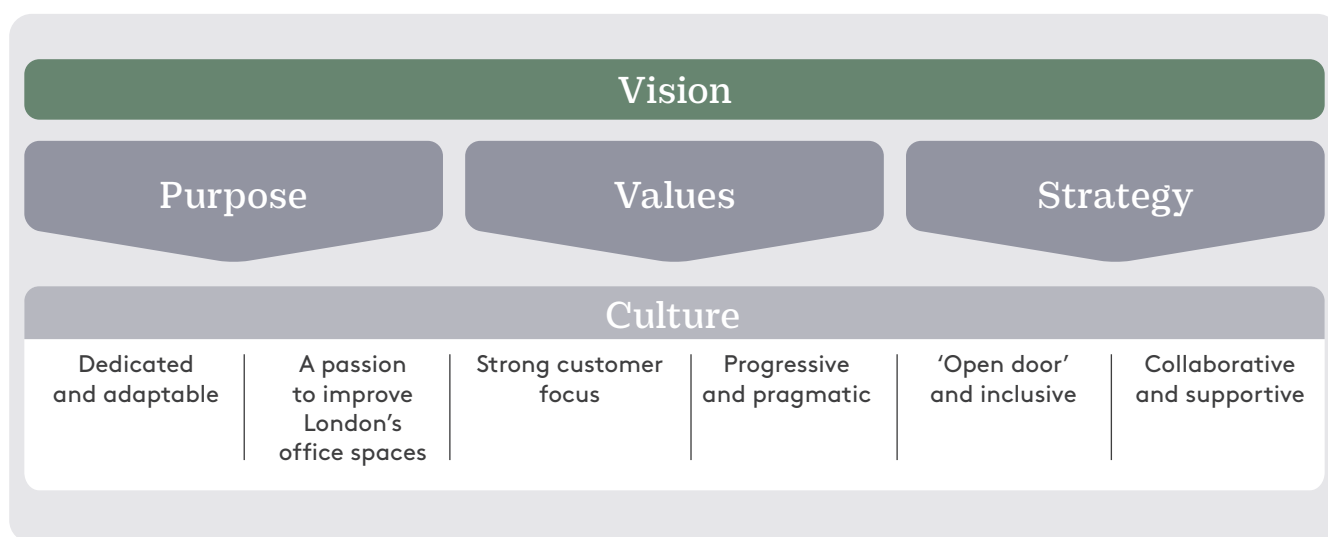
Our well-established culture ensures that our governance framework remains flexible, allowing for fast decision making, effective oversight and clear accountability throughout the organisation.



Our shareholders and other key stakeholders play an important role in monitoring and safeguarding the governance of our Group. Further information on how we engage with our key stakeholders is on pages 38 to 39 and 131.

# Promotes the desired culture and values

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



## Monitoring culture and values

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

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

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 2024.

## Embedding our culture and values

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, town halls run by the CEO, and is monitored through performance appraisals.

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

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

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

→ Employees on the Responsible Business Committee/ See page 170

→ Responsible payment practices/ See page 171

**Stakeholder engagement**

We recognise the importance of clear communication and proactive engagement with all of our stakeholders. We utilise various engagement channels to receive informative feedback from our key stakeholders which can be factored into our principal decisions and activities.

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).

Stakeholders	Material concerns
<b>Occupiers</b>	<ul style="list-style-type: none"> <li>Well-designed and sustainable buildings</li> <li>Suitable lease terms</li> <li>Exclusive access to available amenities</li> <li>Adaptable space to accommodate new and collaborative ways of working</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Overall health and wellbeing</li> <li>A diverse and inclusive working environment</li> <li>Opportunities for training, development and progression</li> <li>Adoption of smart working principles</li> </ul>
<b>Local communities and others</b>	<ul style="list-style-type: none"> <li>Minimising local disruption</li> <li>Impact on the local economy</li> <li>Effective communication and engagement</li> <li>Being a responsible neighbour</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Long-term partnerships</li> <li>Collaborative approach</li> <li>Open terms of business</li> <li>Fair payment practices</li> </ul>
<b>Central and local government</b>	<ul style="list-style-type: none"> <li>Openness and transparency</li> <li>Proactive engagement with local authorities</li> <li>Support for local economic plans and strategies</li> <li>Compliance with legislation</li> </ul>
<b>Shareholders and debt providers</b>	<ul style="list-style-type: none"> <li>Financial performance</li> <li>Environmental, social and governance performance</li> <li>Openness and transparency</li> <li>Dividend</li> </ul>

# 25 Baker Street

## Stakeholder impact analysis

25 Baker Street is due to achieve practical completion during 2025. The development includes 218,000 sq ft of office space as well as 28,000 sq ft of retail and 52,000 sq ft of residential. During the early preparatory stages of the project, a stakeholder impact analysis was undertaken to ensure the decisions made by the Board were well-informed and considered the interests of key stakeholders.

**Key benefits:**

- The creation of a new place of interest
- Enhancing the public experience at street-level by including a pedestrian step-free accessible passageway and courtyard
- Assisting in improving local infrastructure, with significant contribution made to the 'Baker Street two-way project'
- Endeavouring to use local procurement opportunities and local labour to assist with employment levels

**Key concerns:**

- Noise levels, vibrations and dust
- General disruption to the local road network
- Management and impact of construction works on neighbouring residents and businesses
- Implementation of biodiverse roofs/plantation of trees
- Minimisation of site waste

To mitigate these concerns, the following measures were implemented:

**Construction:**

- Noise and dust monitoring equipment was positioned around the site and within buildings to affirm that the site operations remain within the limits stipulated by Westminster City Council.
- A vibration and movement monitoring strategy was implemented, and construction activities were actively managed to minimise the impact of vibration.
- To control on-site waste a Site Waste Management Plan was prepared, with all contractors required to implement methods to reduce waste.

**Community and environment:**

- Construction logistics strategies were developed by our contractors to minimise the impact on the surrounding area by ensuring the site is self-sufficient within its boundary.
- Maintained close engagement with local residents through public exhibitions, consultations, regular newsletters and resident meetings.

**s.172 factors** (see page 132)



# Allows our stakeholders to inform our decision making

## The Section 172(1) Statement

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

## Informed decision making

The Board's procedures require a stakeholder impact analysis to be completed for all material decisions requiring its approval that could impact on one or more of our stakeholder groups. The stakeholder impact analysis assists the Directors in performing their duties under s.172 of the Companies Act 2006 and provides the Board with assurance that the potential impacts on our stakeholders are being carefully considered by management when developing plans for Board approval. The key activities and principal decisions undertaken by the Board in 2024 are detailed on pages 134 and 135.

## Principal methods used by the Board in 2024

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

- strategy reviews which assess the long-term sustainable success of the Group and our impact on key stakeholders;
- the Responsible Business Committee monitors the Group's corporate responsibility, sustainability and stakeholder engagement activities and reports to the Board on its activities (see pages 166 to 173);
- assessing the potential impact of significant capital expenditure decisions on our stakeholders;
- identifying the risks and potential consequences of decisions in the short, medium and long-term so that mitigation plans can be put in place;
- direct and indirect stakeholder engagement (see page 131);
- external assurance is received from stakeholder surveys, brokers and advisers; and
- specific training for our Directors and senior managers, in addition to the mandatory compliance training programme (see pages 137 and 165).

## Issues, factors and stakeholders

Case studies have been included throughout the Governance section (see pages 119, 131 and 133). Within each case study we have identified the s.172 factors which were most relevant in the Board's decision making. Additionally, we have provided an explanation of how our stakeholders impacted on the Board's discussions during 2024 on the following pages:

→ Network W1 / See page 133

→ 25 Baker Street / See page 131

s.172 factor	Relevant disclosures	Page
<b>a) the likely consequences of any decision in the long-term</b>	Company purpose	4
	Central London office market	15
	Our business model and strategy	24
<b>b) the interests of the Company's employees</b>	Our people	50
	Diversity and inclusion	172
	Non-financial reporting	56
	Employee engagement	51
<b>c) the need to foster the Company's business relationships with suppliers, customers and others</b>	Social Value Strategic Framework	48
	Responsible payment practices	171
	Modern slavery	171
	Supply Chain Responsibility Standard	171
<b>d) the impact of the Company's operations on the community and the environment</b>	Our journey to net zero	44
	Double materiality assessment	42
	Community Fund	49
	Streamlined Energy and Carbon Reporting (SECR) disclosure	58
	Task Force on Climate-related Financial Disclosures (TCFD)	102
<b>e) the desirability of the Company maintaining a reputation for high standards of business conduct</b>	'Speak up' procedures	128
	Purpose, values and culture	130
	Internal financial controls	151
	Risk management	161
	Anti-bribery and corruption	165
	Awards and recognition	288
<b>f) the need to act fairly between members of the Company</b>	Annual General Meeting	202
	Voting	202
	Rights attached to shares	203

## Network, W1

During the year, the Board continued to monitor the development at Network W1. The Network W1 development consists of 134,519 sq ft of commercial office space and 4,919 sq ft of retail space.

Engagement and collaboration with the communities and local councils in the Boroughs in which we operate, is imperative in fostering long-term sustainable relationships.

Throughout the development, the Board has carefully considered the impact on key stakeholder groups. During the planning application stage of the Network development, we worked with Camden Council to understand how the public realm in close proximity to Network could be improved for the benefit of the local community and our occupiers.

Factors that were considered:

- Greening opportunities including incorporation of rain gardens and planting street trees.
- Improving pedestrian access through widening of pavements in the surrounding area.
- Improving quality and capacity of existing public open space in the vicinity to the development.

As a result of this engagement, it was decided to widen the footpaths around Network and utilise the benefits of plants and trees to improve both the amenity space and wellbeing of our stakeholders. To support this initiative Derwent London agreed to provide a financial contribution within the planning consent to support delivery by Camden Council.

The public realm improvements are due for delivery at the end of 2025.

Other decisions that have considered our stakeholders:

### Community management

As the Network development has progressed, our occupiers have been engaged through a series of newsletters and presentations from contractors. This approach is replicated across developments within our portfolio, ensuring stakeholders are at the forefront of the Group's decisions and positive long-term relationships with occupiers and communities are upheld.

### Delivering lower carbon solutions

The Development team has been working with contractors on delivering lower carbon solutions on site. So far, this has included electric arc furnace steel and lower carbon concrete cement replacements, which contributes to reducing the embodied carbon of the development and positively impacts our ability to achieve net zero carbon.

### Social Value Strategy

The ongoing engagement with Camden Council in prioritising community engagement and local employment opportunities has influenced the creation of our Social Value Strategic Framework.

The creation of partnerships across our stakeholder groups maximises the social value that our developments create. Through a dedicated online portal, jobs and apprenticeships at Network are communicated. As the scheme progresses to its operational phase, local employment and training opportunities will be made accessible to Camden residents.

### s.172 factors

**C D E**





# Board activities

The Board met six times during the year (including the Annual General Meeting). An overview of our Board's key activities in 2024 is provided below.

## Property portfolio

### Recycling of capital

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

- reviewed our portfolio pipeline for future acquisition and disposal opportunities;
- approved the sale of the freehold interest in Turnmill EC1 for £77.35m (before costs). The proceeds were recycled into our two on-site developments, 25 Baker Street W1 and Network W1; and
- approved the acquisition of the remaining 50% stake in the proposed 50 Baker Street W1 scheme from Lazari Investments, our joint venture partner, for £44.4m, following the pre-letting success at our adjacent 25 Baker Street W1 project.

### Construction projects

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

### Leasing activity

Monitored letting activity throughout the year, which remained strong at 6.2% above December 2023 ERV.

#### Strategic objectives

1 2 4

s.172 factors (see page 132)

A C D

## Strategy and financing

### Strategy Awayday

In addition to ongoing updates from the Executive Directors on the implementation of strategy throughout the year, a Board Strategy Awayday was held in June.

### Financing strategy

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

- **Our secured debt instruments:** The £83m Mass Mutual secured loan was repaid in October 2024, releasing c.£240m of security and increasing our unsecured borrowings to 88% of the total. Our only remaining secured debt instruments as at 31 December 2024 are the £175m LMS bonds due in March 2026.
- **Refinancing strategy:** During the year under review, a new £100m unsecured term loan from NatWest and a short-term unsecured £100m term loan from Barclays were negotiated.
- **Future financing options:** The Board considered various options, including a conventional or convertible bond issuance or private placement notes.

### Dividends

Approved the 2024 interim and final dividends.

#### Strategic objectives

1 4 5

s.172 factors

A F

## Risk management and internal control

### Internal Control Project

The Internal Controls Project continues to remain on track to achieve compliance with the UK Corporate Governance Code 2024 effective from 1 January 2026. During the year the Audit Committee discussed defining our material controls and the required assurance levels.

### Assurance

Received assurance reports in respect to green finance, and environmental and health & safety metrics.

### Principal risks

Approved the consolidation and simplification of the Group's principal risks. Agreed that change management systems was a principal risk for 2025 (see page 92).

### Finance system project

Continued to monitor the finance system project and approved the utilisation of Oracle NetSuite as the new finance system.

### Supply chain insolvency

The trend of rising insolvencies within the real estate industry has continued over the past year. Updates were received on the risk of insolvencies and how we are seeking to monitor the financial solvency of contractors and consultants.

#### Strategic objectives

2 3 4

s.172 factors

E D

**Strategic objectives**

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

**Corporate reporting and performance monitoring**

**Review of 2024 Report & Accounts**

Reviewed the 2024 Report & Accounts to ensure it is fair, balanced and understandable.

**Board evaluation**

Our Chairman, Mark Breuer, conducted the 2024 internal Board evaluation of the Board, its committees and individual Directors. The Chairman confirmed that each Director’s performance continues to be highly effective and demonstrates a high level of commitment to the role (see page 139).

**Reporting**

- Reviewed the rolling forecasts and approved the 2025 budget.
- Approved the full year and interim results, in addition to the Q1 and Q3 business updates.
- Reviewed and approved the Group’s five-year plan and forecast.
- Reviewed quarterly project cost reports.
- Approved the portfolio valuation as at 30 June and 31 December 2024.

**Net zero carbon**

Received updates on the Group’s Net Zero Carbon Pathway and the latest climate risk assessment.

**Strategic objectives**

**1 2 5**

s.172 factors

**E A**

**Stakeholder engagement**

**‘Meet the Board’ event**

On 17 October, the Board received a tour of the portfolio, including buildings in the development pipeline. Following which, a reception to ‘meet the Board’ was held at Savile Row with a range of employees invited to attend from across the workforce.

**Employee ‘pulse survey’**

Sought feedback from our employees during Q4 2024, in order to assess staff satisfaction.

**National Equality Standard**

Achieved the National Equality Standard, following Board approval to partake in the re-accreditation.

**AGM**

Hosted the 40th Annual General Meeting (AGM) on 10 May 2024 at DL/78. Paul Williams provided our shareholders with a business update presentation. During 2024, the Board considered the structure of the AGM.

**Tracing our ‘gone away’ shareholders**

In Q4 2024, the Board initiated a tracing exercise, led by the Company Secretarial team, which sought to trace the 171 shareholders with whom our share registrar had lost contact.

**Stakeholder engagement**

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

**Strategic objectives**

**3 4**

s.172 factors

**B C D E F**

**Governance**

**Corporate governance**

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

**Succession planning**

Approved the recruitment of Robert Wilkinson and Madeleine McDougall during the year. In line with the change in Board composition, a thorough review of the Board’s skill matrix was conducted.

**Modern slavery**

Reviewed the results of an independent gap analysis on our modern slavery policies and procedures and approved the 2024 Modern Slavery Statement.

**Audit exemption**

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

**Economic Crime and Corporate Transparency Act 2023**

The Board received updates on the new regulations, our responsibilities and how we are ensuring our compliance. An in-depth review of our fraud procedures against the Home Office’s guidance will be conducted during Q1 2025.

**Board policies**

The Board reviewed and approved the ‘Schedule of Matters Reserved for the Board’.

**Strategic objectives**

**1 3**

s.172 factors

**C E F**

## Policies and practices

### Independence

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

The Board has identified in the table on page 137 which Directors are considered to be independent. To safeguard their independence, Non-Executive Directors are not permitted to serve more than three three-year terms unless in exceptional circumstances (see page 141).

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

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

→ Related party disclosures/ See page 254

### External commitments

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

When assessing additional directorships, the Board considers the number of public directorships held by the individual already and their expected time commitment for those roles (see biographies on pages 122 and 123).

Executive Directors may accept a non-executive role at another company with the approval of the Board. Currently, none of our Executive Directors are directors of other listed companies. However, several of our Executive Directors are trustees of charitable organisations or members of industry-related bodies.

All Directors have confirmed (as they are required to do annually) that they have been able to allocate sufficient time to discharge their responsibilities effectively (see page 137 for Board meeting attendance).

The 2024 Board evaluation conducted by Mark Breuer, Chairman, also considered whether each Director had sufficient time to discharge their responsibilities effectively at Derwent London (see page 139).

### Other publicly listed appointments

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

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

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

### Training

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

As required, we invite professional advisers to provide in-depth updates. Updates and training are 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.

#### During 2024

- The Risk Committee reviewed a legal update on upcoming legislative changes in November and were presented with an overview of cyber security trends and its changing landscape.
- The Remuneration Committee received an update on remuneration market trends and the latest proxy agency guidance.
- All Directors attended regular external briefing sessions from the major accountancy firms.
- All employees (including Directors) participated in compliance training courses on a range of topics including anti-money laundering, modern slavery, tax evasion and cyber fraud awareness.

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

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

→ Compliance training / See page 165

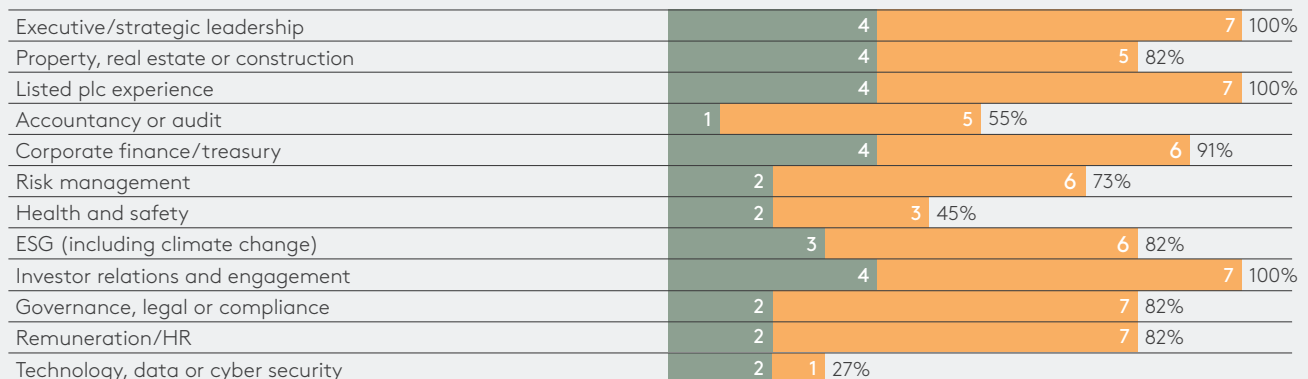
### Board members and attendance in 2024

	Independent	Number of meetings	Attendance <sup>1</sup>
<b>Chairman</b>			
Mark Breuer	Yes	6	100%
<b>Executive Directors</b>			
Paul Williams	No	6	100%
Damian Wisniewski	No	6	100%
Nigel George	No	6	100%
Emily Prideaux	No	6	100%
<b>Non-Executive Directors</b>			
Claudia Arney (until 10 May) <sup>2</sup>	Yes	2	100%
Lucinda Bell	Yes	6	100%
Helen Gordon	Yes	6	100%
Cilla Snowball <sup>3</sup>	Yes	5	83%
Sanjeev Sharma	Yes	6	100%
Robert Wilkinson (from 1 June)	Yes	4	100%
Madeleine McDougall (from 1 November)	Yes	2	100%

- 1 Percentages based on the number of meetings that each Director is entitled to attend for the 12 months ended 31 December 2024.
- 2 Claudia Arney stepped down from the Board on 10 May 2024.
- 3 Cilla Snowball was unable to attend the Board meeting in December.

### Board skills and experience

The chart below provides an overview of the skills and experience of our Directors as at 31 December 2024. To be counted for each skill area, a Director is required to have executive or senior management experience.



→ Board biographies / See pages 122 and 123

■ Executive Directors ■ Non-Executive Directors (including Chairman)

## 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 subject to review 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 of the Board, if the Chairman is conflicted

#### Chief Financial Officer, Damian Wisniewski

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

#### Designated director for gathering the views of our workforce<sup>1</sup>, Dame Cilla Snowball

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

- attendance at key employee and business events, including property launches;
- reviewing messages received through the 'Speak up' system from the Group's employees;
- monitoring the effectiveness of engagement programmes established for employees; and
- monitoring the outcome of employee surveys and providing input on their design.

#### Other Executive Directors

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

#### 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

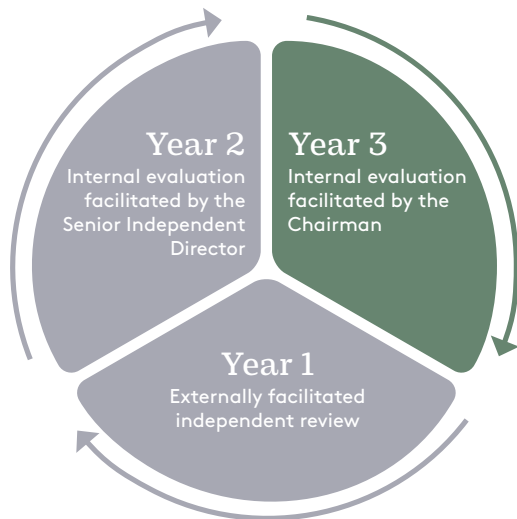
- Secretary to the Board and its committees
- Develop Board and committee agendas and collate and distribute papers
- Ensure compliance with Board procedures
- Advise on regulatory compliance and corporate governance
- Facilitate induction programmes for Directors and assist with their training and development,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

<sup>1</sup> Cilla Snowball was chosen for this position as she chairs the Responsible Business Committee which oversees stakeholder engagement. The Chairman ensures that all Directors continue to remain engaged with our employees, and challenge and contribute to discussions on workforce engagement. Madeleine McDougall will succeed Cilla Snowball as the designated director responsible for gathering the views of our workforce.

# Ensures the long-term sustainable success of the Company

## Annual Board evaluation

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



## Evaluation for the year ended 31 December 2023

The 2023 Board evaluation was internally facilitated by Helen Gordon, Senior Independent Director, and was outlined in the 2023 Report & Accounts on page 137. As a result of this evaluation, the Board identified a number of areas which it wished to focus upon during 2024:

Focus area	Actions during 2024
<b>Interaction and engagement between the Board and wider workforce</b>	On 17 October the Board received a presentation from members of the senior management team on the key construction projects. Additionally, the Board hosted a 'meet the Board' event with employees from across the workforce (see page 119).
<b>Broader debate on risk appetite</b>	Our risk appetite was reviewed by the Risk Committee during the year with details of the current risk appetite on page 93.
<b>Discussions around the use of Artificial Intelligence (AI)</b>	The role of AI and the impact on our customer base continues to be reviewed by Paul Williams, CEO with a further update scheduled to go to the Board in Q2 2025. During the year the Company introduced Microsoft Copilot to a focus group of employees with the aim of streamlining workflows.

## Evaluation for the year ended 31 December 2024

The 2024 Board evaluation was internally facilitated by Mark Breuer, our Chairman, who was informed by the recommendations arising from the 2023 external Board evaluation. The process covered the following areas:

- Strategy review and execution monitoring
- Balance of Board's skills
- Succession planning
- Format of Board meetings
- Effective use of committees

## Feedback from the 2024 Board evaluation

As a result of the evaluation, the Board confirmed that its structure, balance of skills and operation continues to be satisfactory and appropriate for the Group. Overall, the feedback of the internal evaluation was positive from all Board members, however, for continuous improvement the Board identified a number of focus areas for 2025:

- To include a greater focus on the long-term strategy, facilitated by both the Strategy Awayday and an additional strategy pre-meeting.
- Continue to receive contributions from middle management in Board meetings and at on-site visits.
- An additional Board meeting to be held in September in order to balance the Board calendar.

## Re-election of Directors

In accordance with the Code, all Directors (excluding Cilla Snowball) will be putting themselves forward for re-election at the 2025 AGM and both Robert Wilkinson and Madeleine McDougall will be put forward for election following their appointments to the Board during the year. Following the formal performance evaluation (detailed above), and taking into account the Directors' skills and experience (set out on page 137), the Board believes that the re-election and election of all Directors respectively is in the best interests of the Company.

## Evaluation for the year ending 31 December 2025

In accordance with our three-year cycle, the performance evaluation for the year ending 31 December 2025 will be externally facilitated by an independent provider. The Board has already commenced the process to appoint the board evaluator, with each shortlisted firm required to provide a written proposal and present to the Chairman, Senior Independent Director and Company Secretary. Following appointment, the provider will commence the evaluation process in Q4 2025 with the outcome of the evaluation reported in the 2025 Report & Accounts.