

# DERWENT LONDON PLC

## NOTICE OF ANNUAL GENERAL MEETING

**DL/78 at 78 Charlotte Street, London W1T 4QS  
on Friday 12 May 2023 at 10.30 a.m.**

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### **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to any aspect of the proposals referred to in this document or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other independent professional adviser.

If you have sold or otherwise transferred all of your shares in Derwent London plc (the "Company"), please pass this document together with the accompanying documents to the purchaser or transferee, or to the person who arranged the sale or transfer, so they can pass these documents to the person who now holds the shares.

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## GENERAL INFORMATION

### Form of Proxy

Whether or not you propose to attend the Annual General Meeting, please complete and submit a Form of Proxy in accordance with the instructions printed on the enclosed form. To be valid, the Form of Proxy should be returned as soon as possible and, in any event, by no later than 10:30 a.m. on 10 May 2023. Completion and return of a Form of Proxy will not prevent a shareholder from attending and voting at the Annual General Meeting should they choose to do so. Further instructions relating to the Form of Proxy are set out in the notes to the Notice of the Annual General Meeting.

### Documents available at the Meeting

The following documents are available for inspection at the registered office of the Company until the time of the AGM and at DL/78 at 78 Charlotte Street, London W1T 4QS from 15 minutes before the AGM until it ends:

- Copies of the Executive Directors' service contracts.
- Copies of the letters of appointment of the Non-Executive Directors.
- Draft rules of the Derwent London Performance Share Plan 2023.

### AGM venue

The AGM on 12 May 2023 is being held at DL/78. A map to the venue is available on page 19. The venue will be open for your arrival from 10.00 a.m. DL/78 does not have a car park, therefore, the best mode of transport is the tube. The nearest tube stations are:

- Goodge Street (0.1 miles)
- Warren Street (0.4 miles)
- Tottenham Court Road (0.4 miles)
- Great Portland Street (0.5 miles)
- Regent's Park (0.5 miles)

# PART I

## LETTER FROM THE CHAIRMAN OF DERWENT LONDON PLC

### Directors:

Mark Breuer (Chairman)  
Paul Williams (Chief Executive Officer)  
Damian Wisniewski (Chief Financial Officer)  
Claudia Arney (Non-Executive Director)  
Lucinda Bell (Non-Executive Director)  
Nigel George (Executive Director)  
Helen Gordon (Non-Executive Director)  
Emily Prideaux (Executive Director)  
Sanjeev Sharma (Non-Executive Director)  
Cilla Snowball (Non-Executive Director)

### Derwent London plc

(Incorporated and registered in  
England and Wales under  
number 1819699)

Registered and Head Office:  
25 Savile Row  
London  
W1S 2ER  
020 7659 3000

12 April 2023

Dear Shareholder,

I am pleased to be writing to you with details of our Annual General Meeting (AGM) which we are holding at DL/78 at 78 Charlotte Street, London W1T 4QS on 12 May 2023 at 10.30 a.m.

If our shareholders are unable to physically attend the AGM, we will provide audio facilities so that they may follow the proceedings of the AGM remotely. To register for access to the audio facilities, please visit our website at [www.derwentlondon.com/investors/shareholder-information/information-on-the-2023-agm](http://www.derwentlondon.com/investors/shareholder-information/information-on-the-2023-agm). Registration for use of the audio facilities will close at 10.00 a.m. on Friday 12 May 2023.

Please be advised that the audio facilities will be "listen only", although you will be able to submit a question to the Board during the proceedings by emailing the Company Secretary, David Lawler, at [company.secretary@derwentlondon.com](mailto:company.secretary@derwentlondon.com). It would be helpful to the smooth running of the AGM if questions could be submitted to the Company Secretary up to one day before the commencement of the AGM.

### Dividends

Shareholders are being asked to approve a final dividend of 54.50p per ordinary share for the year ended 31 December 2022. Of this amount, 38.50p will be paid as a Property Income Distribution (PID) with the balance of 16.0p paid as a conventional dividend. If you approve the recommended final dividend, it will be paid on 2 June 2023 to all ordinary shareholders who are on the register of members as at 28 April 2023.

### New Long Term Incentive Plan

Resolution 17 seeks shareholder approval for a new Performance Share Plan 2023 ("PSP") to replace the Company's existing long-term incentive plan which will terminate in 2024. The PSP is very similar to the existing plan but has been updated since the last plan was approved to take account of continued developments in corporate governance and best practice. These updates include formalising the introduction of post-vesting holding periods and the ability to adjust formulaic vesting outcomes.

Furthermore, given that the Company is submitting a new Directors' Remuneration Policy to shareholders under resolution 2, it is operationally sensible for these PSP updates and other features to be aligned to the new remuneration policy as soon as possible. A summary of the principal terms of the PSP can be found in Part III of this Notice.

### Re-election of Directors

In accordance with the 2018 UK Corporate Governance Code, all Directors will be putting themselves forward for re-election at the AGM. Following a formal external performance evaluation, I can confirm that each Director's performance continues to be highly effective and demonstrates a high level of commitment to their roles.

## Invitation to engage

PricewaterhouseCoopers (PwC) were appointed as the Group's external Auditors in 2014. In accordance with the Competition and Markets Authority order, the Audit Committee will conduct a comprehensive audit tender during 2023. The Board extends an invitation to all interested shareholders to engage with us on the tender. Dialogue with our shareholders is important to us and will inform the Committee's discussions and decisions. You can reach us via our Company Secretary, David Lawler. Further information on the tender process, including the proposed timetable, is on pages 168 to 169 of the 2022 Report & Accounts.

## Notice of Annual General Meeting

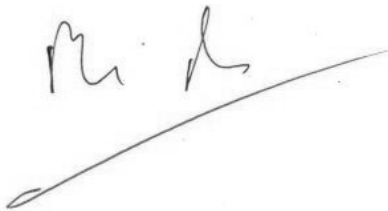
The formal Notice of AGM is set out on pages 5 to 7 of this document. If you would like to vote on the resolutions but are unable to attend the AGM, please fill in the Form of Proxy sent to you with this notice and return it to our Registrars as soon as possible. They must receive it by 10.30 a.m. on 10 May 2023. We strongly encourage all shareholders attending remotely to vote in advance of the AGM using this method.

Explanatory notes on all the business to be considered at this year's AGM appear on pages 10 to 14 of this document.

The Directors consider that all the resolutions to be put to the meeting are in the best interests of the Company and its shareholders as a whole, and unanimously recommend that you vote in favour of all resolutions, as they intend to do in respect of their own shareholdings.

We look forward to welcoming you to the 2023 AGM. We hope that you will join us in experiencing DL/78 and will attend our AGM in person.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M. Breuer', is written above a long, thin, slightly curved horizontal line that serves as a separator.

Mark Breuer  
**Chairman**

## PART II

# Derwent London plc NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the thirty-ninth Annual General Meeting of Derwent London plc will be held at DL/78 at 78 Charlotte Street, London W1T 4QS at 10.30 a.m. on 12 May 2023. You will be asked to consider and, if thought fit, pass the resolutions below. Resolutions 19 to 22 (inclusive) will be proposed as special resolutions. All other resolutions will be proposed as ordinary resolutions.

### Ordinary resolutions

1. To receive the report of the Directors and the Accounts for the year ended 31 December 2022 and the independent auditor's report thereon.
2. To approve the Directors' Remuneration Policy as set out on pages 194 to 202 of the 2022 Report & Accounts.
3. To approve the Annual Statement by the Chair of the Remuneration Committee as set out on pages 190 to 193 and the Annual Report on Directors' Remuneration for the financial year ended 31 December 2022, as set out on pages 202 to 223 of the Company's 2022 Report & Accounts.
4. To declare a final dividend of 54.50p per ordinary share for the year ended 31 December 2022, which shall be paid on 2 June 2023 to shareholders who are members at the close of business on 28 April 2023.
5. To re-elect Claudia Arney as a Director.
6. To re-elect Lucinda Bell as a Director.
7. To re-elect Mark Breuer as a Director.
8. To re-elect Nigel George as a Director.
9. To re-elect Helen Gordon as a Director.
10. To re-elect Emily Prideaux as a Director.
11. To re-elect Sanjeev Sharma as a Director.
12. To re-elect Cilla Snowball as a Director.
13. To re-elect Paul Williams as a Director.
14. To re-elect Damian Wisniewski as a Director.
15. That PricewaterhouseCoopers LLP be re-appointed as independent auditor to the Company to hold office from the conclusion of the AGM until the conclusion of next year's AGM.
16. To authorise the Directors to determine the independent auditor's remuneration.
17. That the Derwent London Performance Share Plan 2023 (PSP), the principal terms of which are summarised in Part III of this Notice and the rules of which are produced to the meeting and signed by the Chair of the meeting for the purposes of identification, be approved and the directors be authorised to:
  - (A) do all or such acts and things as they may consider necessary or desirable to establish the PSP;
  - and

(B) adopt any plans or sub-plans based on the PSP but modified to take account of local tax, exchange control or securities laws in any overseas jurisdiction, provided that any shares made available under such further plans are treated as counting against any limit on individual or overall participation in the PSP.

18. That the Board be generally and unconditionally authorised under section 551 of the Companies Act 2006 to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:

(A) up to a nominal amount of £1,871,324 (such amount to be reduced by any allotments or grants made under paragraph (B) below in excess of such sum); and

(B) comprising equity securities (as defined in section 560(1) of the Companies Act 2006) up to a nominal amount of £3,743,210 (such amount to be reduced by any allotments or grants made under paragraph (A) above) in connection with an offer by way of a rights issue:

- (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter, such authorities to apply until the end of next year's AGM (or, if earlier, until the close of business on 12 August 2024) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority ends and the Board may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not ended.

### **Special resolutions**

19. That, if resolution 18 is passed, the Board be given power to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such power to be limited:

(A) to the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph (B) of resolution 18, by way of a rights issue only):

- (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
- (ii) to holders of other equity securities, as required by the rights of those securities or, as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter;

(B) in the case of the authority granted under paragraph (A) of resolution 18 and/or in the case of any sale of treasury shares for cash, to the allotment of equity securities or sale of treasury shares in connection with a scrip dividend scheme or similar arrangement implemented in accordance with the Articles of Association of the Company; and

(C) in the case of the authority granted under paragraph (A) of resolution 18 and/or in the case of any sale of treasury shares for cash, to the allotment (otherwise than under paragraphs (A) and (B) above) of equity securities or sale of treasury shares up to a nominal amount of £280,727,

such power to apply until the end of next year's AGM (or, if earlier, until the close of business on 12 August 2024) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.

20. That, if resolution 18 is passed, the Board be given power in addition to any power granted under resolution 20 to allot equity securities (as defined in section 560(1) of the Companies Act 2006) for cash under the authority given by that resolution and/or to sell ordinary shares held by the Company as treasury shares for cash as if section 561 of the Companies Act 2006 did not apply to any such allotment or sale, such authority to be:
- (A) limited to the allotment of equity securities or sale of treasury shares up to a nominal amount of £280,727; and
  - (B) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors of the Company determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice, such power to apply until the end of next year's AGM (or, if earlier, at the close of business on 12 August 2024) but, in each case, during this period the Company may make offers, and enter into agreements which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power ends and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the power had not ended.
21. That the Company be authorised for the purposes of section 701 of the Companies Act 2006 to make one or more market purchases (as defined in section 693(4) of the Companies Act 2006) of its ordinary shares of 5 pence each, provided that:
- (A) the maximum number of ordinary shares hereby authorised to be purchased is 11,229,068;
  - (B) the minimum price which may be paid for an ordinary share is 5 pence and the maximum price which may be paid for an ordinary share is the highest of:
    - (i) an amount equal to 5 per cent. above the average market value of an ordinary share for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased; and
    - (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out at the relevant time, in each case, exclusive of expenses,

such authority to apply until the end of next year's AGM (or, if earlier, 12 August 2024) but in each case so that during this period the Company may enter into a contract to purchase ordinary shares which would, or might be, completed or executed wholly or partly after the authority ends and the Company may purchase ordinary shares pursuant to any such contract as if the authority had not ended.

22. That a general meeting other than an AGM may be called on not less than 14 clear days' notice.

By order of the Board



David A. Lawler  
**Company Secretary**

Registered Office:

Derwent London plc  
25 Savile Row  
London W1S 2ER  
Registered in England and Wales No. 1819699

12 April 2023



## Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the AGM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A Form of Proxy which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a Form of Proxy and believe that you should have one, or if you require additional forms, please contact Equiniti on + 44 (0) 371 384 2192 (UK). Lines are open 8.30 a.m. to 5.30 p.m. (UK time), Monday to Friday (excluding public holidays in England and Wales).
2. To be valid any Form of Proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA or online at [www.sharevote.co.uk](http://www.sharevote.co.uk). Members who have already registered with Equiniti's online portfolio service, Shareview, can appoint their proxy electronically by logging onto their portfolio at [www.shareview.co.uk](http://www.shareview.co.uk). In each case no later than 10.30 a.m. on 10 May 2023.
3. The return of a completed Form of Proxy, other such instrument or any CREST Proxy Instruction (as described in paragraph 8 below) will not prevent a shareholder attending the AGM and voting in person if he/she wishes to do so.
4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.
6. To be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 6.30 pm on 10 May 2023 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting. In the case of a joint shareholder, only the vote of the most senior shareholder present (in person or by proxy) at the AGM (as determined by the order in which the names are listed on the register of members) shall be accepted.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via [www.euroclear.com](http://www.euroclear.com)). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to an instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA19) by 10.30 a.m. on 10 May 2023. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
10. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 10.30 a.m. on 10 May 2023 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.



11. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
12. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
13. As at 5 April 2023 (being the latest practicable date prior to the publication of this notice), the Company's issued share capital consists of 112,290,929 ordinary shares, carrying one vote each. The Company holds no treasury shares, and, therefore, the total voting rights in the Company as at 5 April 2023 are 112,290,929.
14. The Directors' interests in the Company, disclosable under article 19 of the Market Abuse Regulation, that had been notified to the Company by 31 December 2022 are set out on page 222 of the 2022 Report & Accounts. Between 1 January 2023 and 12 March 2023 (one month prior to the Notice of Meeting), no change in the directors' interests occurred.
15. The voting interests in the share capital of the Company, disclosable under the Disclosure Guidance and Transparency Rule DTR 5, that had been notified to the Company by 27 February 2023 are set out on page 225 of the 2022 Report & Accounts. Between 27 February 2023 and 12 March 2023 (one month prior to the Notice of Meeting), the Company was notified that APG Asset Management had direct voting interests over 5,724,389 shares (5.09% of ordinary share capital as at date of disclosure). Between 12 March 2023 and the date of this Notice of Meeting, the shareholders' interests in the Company may have changed.
16. Under section 527 of the Companies Act 2006, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the AGM; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual report and accounts were laid in accordance with section 437 of the Companies Act 2006. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Companies Act 2006 to publish on a website.
17. Any member physically attending the AGM has the right to ask questions, and those attending remotely may ask questions in the manner outlined in the Letter from the Chair. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
18. A copy of this notice and other information required by section 311A of the Companies Act 2006, can be found in the investors section of the Company's website at [www.derwentlondon.com](http://www.derwentlondon.com).
19. You may not use any electronic address provided either in this notice of meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.
20. Except as provided above, members who have general queries about the AGM should either email [investors@derwentlondon.com](mailto:investors@derwentlondon.com) or call the Company Secretary on 020 7659 3000.

# EXPLANATORY NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

The notes on the following pages give an explanation of the proposed resolutions. Resolutions 1 to 18 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 19 to 22 (inclusive) are proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

## **Resolution 1: Directors' report and accounts**

For each financial year, the Directors must present the Directors' report, the audited accounts and the independent auditor's report to shareholders at a general meeting. Those to be presented at the AGM are in respect of the year ended 31 December 2022.

## **Resolution 2: Directors' Remuneration Policy**

Under section 439A of the Companies Act 2006, the Director's Remuneration Policy must be approved by shareholders. The Directors' Remuneration Policy is set out in the first part of the Directors' Remuneration Report, on pages 194 to 202 of the 2022 Report & Accounts.

If approved by shareholders, the policy is intended to be valid for a period of three years from the date of the AGM barring any unforeseen requirement to change the policy before then. Once the policy is effective, the Company will not be able to make remuneration payments to a prospective or current director, or loss of office payments to a current or past director, unless any such payment is consistent with the approved policy or has otherwise been approved by shareholders.

## **Resolution 3: Annual Report on Directors' Remuneration**

Under section 439 of the Companies Act 2006, the Company is required to seek the approval of shareholders of its annual report on remuneration practice, which details the remuneration of the Directors for the year under review.

Resolution 3 seeks shareholder approval for the Annual Statement by the Chair of the Remuneration Committee as set out on pages 190 to 193 and the Annual Report on Directors' Remuneration for the financial year ended 31 December 2022, as set out on pages 202 to 223 of the Company's 2022 Report & Accounts.

## **Resolution 4: Final Dividend**

Shareholders are being asked to approve a final dividend of 54.50p per ordinary share for the year ended 31 December 2022 of which 38.50p will be paid as a Property Income Distribution ('PID') and 16.0p will be paid as a conventional dividend to be paid on 2 June 2023 to shareholders who are members at the close of business of 28 April 2023.

## **Resolutions 5 to 14: Re-election of Directors**

In accordance with the UK Corporate Governance Code, all the Directors will be putting themselves forward for re-election. The Directors believe that the Board continues to maintain an appropriate balance of knowledge and skills and that all the non-executive directors are independent in character and judgement.

The Chairman has confirmed that, following formal external performance evaluations, the Directors continue to perform effectively and demonstrate commitment to their roles. Biographies of the Directors including their areas of expertise relevant to their role as Director are given on pages 134 and 135 of the 2022 Report & Accounts.

### **Contributions and reasons for re-election**

- **Claudia Arney, Non-Executive Director:** Claudia joined the Board as an independent Non-Executive Director in 2015. Claudia is Chair of the Remuneration Committee and a member of the Audit, Responsible Business and Nominations Committees. Claudia was Group Managing Director of Emap

until 2010. Prior to that, Claudia held senior roles at HM Treasury, Goldman Sachs and the Financial Times. As well as her general contribution to the Board and its Committees, the Board benefits from Claudia's knowledge and understanding of remuneration issues which she brings to her role as Chair of the Remuneration Committee. The Board recommends Claudia's reappointment.

- **Lucinda Bell, Non-Executive Director:** Lucinda Bell joined the Board as an independent Non-Executive Director in 2019. Lucinda is chair of the Audit Committee and a member of the Risk, Nominations and Remuneration Committees. Lucinda is a Chartered Accountant and has considerable financial experience from her previous role as CFO of The British Land Company PLC ("British Land"). Prior to which, she held a range of finance and tax roles at British Land. As well as her general contribution to the Board and its Committee's, the Board benefits from Lucinda's financial knowledge and experience within the real estate industry. The Board recommends Lucinda's reappointment.
- **Mark Breuer, Non-Executive Chairman:** Mark Breuer joined the Board as an independent Non-Executive Director in 2021. Mark is Non-Executive Chairman of the Board and is chair of the Nominations Committee. Mark is highly experienced in business and corporate finance having operated at senior levels in the UK and abroad. He worked in investment banking for thirty years and, in 2017, retired from a 20-year career at JP Morgan in London, where he held the position of Vice Chairman Global M&A and was a member of the Global Strategic Advisory Council. Mark is a Fellow of the Institute of Chartered Accountants of England and Wales, having qualified in 1987, and has a B.A. from Vassar College in the US. As well as his general contribution to the Board and its Committee's, the Board benefits from Mark's financial knowledge and experience. The Board recommends Mark's reappointment.
- **Nigel George, Executive Director:** Nigel George joined the Group in 1988 and was appointed to the Board in 1998. Nigel is a chartered surveyor whose responsibilities include leading Derwent's investment acquisitions, disposals and analysis, as well as overseeing the Group's property development and sustainability teams. The Board recommends Nigel's reappointment.
- **Helen Gordon, Senior Independent Director:** Helen Gordon joined the Board as an independent Non-Executive Director in 2018. Helen is Senior Independent Director and is a member of the Remuneration, Nominations and Risk Committees. Helen is a chartered surveyor and is Chief Executive Officer of Grainger plc. Previously, she was Global Head of Real Estate Asset Management of Royal Bank of Scotland plc and has held senior property positions at Legal & General Investment Management, Railtrack and John Laing Developments. As well as her general contribution to the Board and its Committee's, the Board benefits from Helen's extensive knowledge of the real estate industry. The Board recommends Helen's reappointment.
- **Emily Prideaux, Executive Director:** Emily Prideaux joined the Group in 2010 and was appointed as an Executive Director in 2021. Emily is a chartered surveyor who was previously Director of Investment Management at CB Richard Ellis North America. Emily has overall responsibility for overseeing leasing and asset management transactions as well as building our excellent customer service and relations, leading our marketing and digital strategy. The Board recommends Emily's reappointment.
- **Sanjeev Sharma, Non-Executive Director:** Sanjeev Sharma joined the Board as an independent Non-Executive Director in 2021. Sanjeev is a member of the Risk Committee, Audit Committee, Nominations Committee and Remuneration Committee. Sanjeev Sharma is Chief Property Portfolio Officer at M&G Real Estate - a leading financial solutions provider for global real estate investors, which is part of M&G plc's £67.2 billion Private & Alternative Assets division. Sanjeev has significant experience in the real estate sector and financial services and chairs the People in Property group. Sanjeev Sharma was previously a Non-Executive Director of Urban & Civic PLC, a publicly quoted company, for the period May 2019 to January 2021. The Board recommends Sanjeev's reappointment.
- **Dame Cilla Snowball, Non-Executive Director:** Dame Cilla Snowball joined the Board as an independent Non-Executive Director in 2015. Cilla is chair of the Responsible Business Committee and is a member of the Risk Committee and Nominations Committee. Cilla is the former Group Chairman and Group CEO at AMV BBDO, one of the top advertising agencies in the UK. As well as her general contribution to the Board and its Committee's, Cilla is the designated director for employee engagement and ensures the employee voice is brought to the boardroom discussions, principally in

her role as chair of the Responsible Business Committee which, includes four employee representatives. Cilla is also Non-Executive Director of Whitbread PLC. The Board recommends Cilla's reappointment.

- **Paul Williams, Chief Executive:** Paul Williams is a chartered surveyor who joined the Group in 1987, was appointed to the Board in 1998 and has been Chief Executive since May 2019. Paul has overall responsibility for Group strategy, business development, sustainability, health & safety and day-to-day operations. Paul is a member of the Responsible Business Committee. Paul is also Director of Sadler's Wells Foundation, Chair of the Westminster Property Association and Board member of the New West End Company (NVEC). The Board recommends Paul's reappointment.
- **Damian Wisniewski, Chief Financial Officer:** Damian Wisniewski was appointed to the Board in 2010. Damian is a chartered accountant who, prior to joining Derwent London, held previous senior roles within the real estate sector. Damian has overall responsibility for financial strategy, treasury, taxation and financial reporting as well as strategic and operational responsibilities. The Board recommends Damian's reappointment.

### **Resolution 15 and 16: Auditor**

The Company is required to appoint auditors at each general meeting at which its report and accounts are presented to shareholders. On the recommendation of the Audit Committee, resolution 15 proposes the re-appointment of PricewaterhouseCoopers LLP as auditor (to hold office until the conclusion of next year's AGM).

The directors may set the remuneration of the auditors if authorised to do so by the shareholders. In accordance with normal practice, resolution 16 authorises the Audit Committee, for and on behalf of the Board, to determine the auditor's remuneration. Under the Competition and Markets Authority's Statutory Audit Services Order, the Audit Committee has specific responsibility for negotiating and agreeing the statutory audit fee for and on behalf of the Board.

You are asked to approve the re-appointment of PricewaterhouseCoopers LLP and, following normal practice, to authorise the Audit Committee, on behalf of the Board, to determine the remuneration of the auditor.

### **Resolution 17: Approval of Performance Share Plan 2023**

Resolution 17 seeks shareholder approval for a new Performance Share Plan 2023 ("PSP") to replace the Company's existing long-term incentive plan which will terminate in 2024. The PSP is very similar to the existing plan but has been updated since the last plan was approved to take account of continued developments in corporate governance and best practice. These updates include formalising the introduction of post-vesting holding periods and the ability to adjust formulaic vesting outcomes.

Furthermore, given that the Company is submitting a new Directors' Remuneration Policy to shareholders under resolution 2, it is operationally sensible for these PSP updates and other features to be aligned to the new remuneration policy as soon as possible.

A summary of the principal terms of the PSP can be found in Part III of this Notice. PSP awards intended to be granted in 2023 will be granted before the AGM and accordingly would be granted under the current plan and in accordance with the current prevailing directors' remuneration policy.

A copy of the rules of the PSP will be available to view through the National Storage Mechanism at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism> from 12 April 2023. The rules will also be in display at the AGM venue from 15 minutes prior to its commencement until its conclusion.

### **Resolution 18: Authority to allot relevant securities**

Paragraph (A) of this resolution would give the Directors the authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £1,871,324 (representing 37,426,483 ordinary shares of 5 pence each). This amount represents approximately one-third of the issued ordinary share capital of the Company as at 5 April 2023, the latest practicable date prior to publication of this notice.

In line with guidance issued by the Investment Association, paragraph (B) of this resolution would give the Directors authority to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares in connection with a rights issue in favour of ordinary shareholders up to an aggregate nominal amount equal to £3,743,210 (representing 74,864,196 ordinary shares of 5 pence each), as reduced by the nominal amount of any shares issued under paragraph (A) of this resolution. This amount (before any reduction) represents approximately two-thirds of the issued ordinary share capital of the Company as at 5 April 2023, the latest practicable date prior to publication of this notice.

The authorities sought under paragraphs (A) and (B) of this resolution will expire at the earlier of 12 August 2024 and the conclusion of the AGM of the Company held in 2024.

The Directors have no present intention to exercise either of the authorities sought under this resolution, other than to allot ordinary shares as share dividends instead of cash dividends and following the exercise of options and awards under the Company's share schemes. However, if they do exercise the authorities, the Directors intend to follow Investment Association recommendations concerning their use.

As at 5 April 2023, the latest practicable date prior to the publication of this notice, no ordinary shares are held by the Company in treasury.

### **Resolutions 19 and 20: Disapplication of pre-emption rights**

Under resolution 19, it is proposed that the Directors be authorised to issue shares for cash and/or sell any treasury shares without offering them first to existing shareholders in proportion to their current holdings. Such authority would be limited to allotments or sales in connection with pre-emptive offers and offers to holders of other equity securities if required by the rights of those shares or as the Board otherwise considers necessary, in connection with a scrip dividend scheme or similar arrangement where the scrip election is made after the declaration (but before payment) of a final dividend, or otherwise up to an aggregate nominal amount of £280,727 representing 5,614,534 ordinary shares of 5 pence each. This aggregate nominal amount represents 5 per cent. of the issued share capital of the Company as at 5 April 2023, the latest practicable date prior to the publication of this notice.

Under resolution 20, it is proposed that the Directors (in addition to the authority referred to in resolution 19) be authorised to disapply statutory pre-emption rights in respect of an issuance of shares for cash/sale of treasury shares up to an aggregate nominal amount of £280,727 representing 5,614,534 ordinary shares of 5 pence each. This aggregate nominal amount represents 5 per cent. of the issued share capital of the Company as at 5 April 2023, the latest practicable date prior to the publication of this notice. In accordance with the Pre-Emption Group's Statement of Principles, the Directors confirm that this authority will only be used in connection with one or more acquisitions or specified capital investments that are announced contemporaneously with the issue, or that shall have taken place in the preceding six-month period and are disclosed in the announcement of the issue.

In line with the Pre-Emption Group's Statement of Principles, the Directors confirm their intention that (except in relation to an issue pursuant to the additional 5 per cent. referred to in resolution 19) no more than 7.5 per cent of the issued share capital will be issued for cash on a non-pre-emptive basis during any rolling three-year period without prior consultation with shareholders.

The authorities conferred by resolutions 19 and 20 will expire at the earlier of 12 August 2024 and the conclusion of the AGM of the Company held in 2024.

### **Resolution 21: Authority to undertake market purchase of own shares**

Resolution 21 is another special resolution and renews the Directors' authority granted by the shareholders at previous AGMs to make market purchases of up to 10 per cent of the Company's issued ordinary shares (excluding any treasury shares).

The Company may make purchases of its own shares if, having taken account of all major factors such as the effect on earnings and net asset value per share, gearing levels and alternative investment opportunities, such purchases are considered to be in the Company's and shareholders' best interests while maintaining an efficient capital structure.



If the Company purchases any of its ordinary shares pursuant to resolution 21, the Company may cancel these shares or hold them in treasury. Such decision will be made by the Directors at the time of purchase. The minimum price, exclusive of expenses, which may be paid for an ordinary share is 5 pence. The maximum price, exclusive of expenses, which may be paid for an ordinary share is the highest of: (i) an amount equal to 5 per cent. above the average market value for an ordinary share for the five business days immediately preceding the date of the purchase; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out at the relevant time.

At last year's AGM, the Company was given authority to make market purchases of up to 11,220,851 shares. No shares have been purchased by the Company in the market since then.

Options to subscribe for a total of 2,036,986 shares, being 1.81 per cent. of the issued ordinary share capital, were outstanding at 5 April 2023 (being the latest practicable date prior to the publication of this notice). If the existing authority given at the 2022 AGM and the authority being sought under resolution 21 were to be fully used, these would represent 2.27 per cent. of the Company's issued ordinary share capital at that date.

The Directors do not have any current plans to exercise the authority to be granted pursuant to resolution 21. The Directors will exercise this authority only when to do so would be in the best interests of the Company, and of its shareholders generally.

The authority will expire at the earlier of 12 August 2024 and the conclusion of the AGM of the Company held in 2024.

### **Resolution 22: Notice of general meetings**

Changes made to the Companies Act 2006 by The Companies (Shareholders' Rights) Regulations 2009 increase the notice period required for general meetings of the Company to 21 days unless shareholders approve a shorter notice period, which cannot however be less than 14 clear days. AGMs will continue to be held on at least 21 clear days' notice.

Before The Companies (Shareholders' Rights) Regulations 2009 came into force, the Company was able to call general meetings other than an AGM on 14 clear days' notice without obtaining such shareholder approval. In order to preserve this ability, resolution 21, which is a special resolution, seeks such approval.

The approval will be effective until the Company's next AGM, when it is intended that a similar resolution will be proposed. The shorter notice period would not be used as a matter of routine for such meetings, but only where the flexibility is merited by the business of the meeting and is thought to be to the advantage of shareholders as a whole.

Note that the changes to the Companies Act 2006 mean that, in order to be able to call a general meeting on less than 21 clear days' notice, the Company must make a means of electronic voting available to all shareholders for that meeting.

## PART III

# SUMMARY OF THE PRINCIPAL TERMS OF THE DERWENT LONDON PERFORMANCE SHARE PLAN 2023 (PSP)

### Introduction

The PSP replaces the Derwent London Performance Share Plan 2014 which will expire in May 2024 and is materially similar in structure and content.

The PSP is a discretionary share plan that gives participants the right to receive shares in the company subject to the satisfaction of any performance conditions that may apply (as described further below) and continued employment. Its purpose is to incentivise and retain selected senior executives including executive directors. The remuneration committee (Remco) will have overall responsibility for the operation and administration of the PSP.

### Eligibility

All group employees (including executive directors of the company) are eligible to participate in the PSP. The Remco will decide who participates in the PSP each year and how many shares they are to be awarded.

### Operation

Under the PSP, participants are granted an award over company shares which will vest subject to the participant remaining in employment and the satisfaction of any performance conditions. Awards will typically take the form of nil cost options but may also be granted as nominal cost options or as conditional rights to acquire shares at no cost to the participant.

Where permitted under the company's prevailing directors' remuneration policy, restricted share awards (being awards that are subject to a performance underpin) are also capable of being granted under the PSP.

Awards structured as options will normally be capable of being exercised at the time of vesting until the tenth anniversary of the grant date.

Awards will normally only be granted within 42 days of a shareholders meeting or the announcement of the company's results for any period. In exceptional circumstances (such as in connection with recruitment) awards may be granted at other times. Awards may not be granted after the tenth anniversary that the PSP was approved by shareholders.

### Individual limits

The value of shares comprised in an award for any financial year may not exceed 200% of the participant's annual salary. The level of award will be consistent with the company's prevailing directors' remuneration policy. Awards may also be granted in excess of this limit to an eligible participant in connection with their recruitment by way of compensating them for any awards or payments forfeited as a result of leaving their former employer (**Buy-Out award**).

### Satisfying awards and dilution limits

Awards may be satisfied by the issue of new shares or the transfer of existing shares including from treasury. The PSP is subject to the following overall limits:

- the number of shares which may be issued to satisfy awards granted in any 10 year period under the PSP and under any other employees' share plan adopted by the company, may not exceed 10% of the company's issued ordinary share capital from time to time;



- the number of shares which may be issued to satisfy awards granted in any 10 year period under the PSP and any other discretionary employees' share plan adopted by the company, may not exceed 5% of the company's issued ordinary share capital from time to time.

These limits do not include awards that have lapsed or been surrendered or which are satisfied or are intended to be satisfied with existing shares and/or cash. Shares transferred out of treasury will count towards these limits for so long as this is required under institutional shareholder guidelines.

The above limits may be varied by the Remco to take into account any variation in the company's share capital from time to time.

### **Vesting of awards**

Awards will normally vest on the later of: a) the date when the performance conditions have been satisfied (see below); and b) the vesting date specified by the Remco on the grant date (which shall normally be the third anniversary of the grant date).

The Remco has discretion to adjust the vesting outcome achieved by the operation of any performance conditions for any reason it considers appropriate, including where the vesting outcome is not a fair or accurate reflection of corporate or individual performance, would deliver unjustified windfall gains to the participant due to circumstances outside of their control or is consistent with the experience of shareholders or employees.

At any time before or after the point at which an award has vested (or been exercised), but before the underlying shares have been issued or transferred to the participant, the Remco may decide that a participant should receive a cash amount equal to the value of the shares they would otherwise have received. There is no intention to use this feature other than in exceptional circumstances.

### **Performance conditions**

Vesting of awards granted to Executive Directors of the company (other than a Buy-Out award granted to a new Executive Director) will be subject to a performance condition. Buy-Out awards, or awards granted to participants who are not Executive Directors of the company, may be subject to the satisfaction of a performance condition.

Any performance conditions shall normally be measured over a three-year performance period and the Remco can set different performance conditions, targets and performance periods for new joiners.

The terms relevant to performance conditions attaching to awards granted to executive directors shall be set in accordance with the company's prevailing directors' remuneration policy.

A performance condition may be amended if an event occurs which causes the Remco reasonably to consider an amendment to be appropriate.

### **Holding periods**

The Remco can determine that an award should be subject to a post-vesting holding period during which vested shares may not be sold other than to pay tax liabilities or otherwise as the Remco may permit.

The application of holding periods to any award granted to an Executive Director will be in accordance with the company's prevailing Directors' remuneration policy.

### **Dividend equivalent payments**

The Remco may determine that on the vesting of an award, a participant shall receive an amount (in cash and/or additional shares) equal in value to any dividends that would have been paid on the vested shares during the period between the grant date and the vesting date or such other period as the Remco may decide. Whilst the intention is for dividend equivalent payments to be settled in shares, the Remco will have discretion to decide the basis on which dividend equivalents will be calculated and paid which may assume the reinvestment of dividends and either include or exclude any special dividends.

## Malus and clawback

The Remco may at any time between the grant date and the second anniversary of an award vesting, either operate malus (being a reduction in the number of shares subject to an unvested award) or clawback (being the recovery of value in respect of a vested award). The circumstances in which malus or clawback may be operated include:

- a material misstatement of the company's financial results;
- where assessment of a performance condition was based on a miscalculation or incorrect information;
- the participant has engaged in misconduct (as determined by the Remco);
- an event, act or omission occurs which results in any group company suffering material reputational damage;
- corporate failure.

## Leavers

If a participant leaves the group, their awards will be treated as follows:

Reason for leaving the group	Treatment
Death	<p>Awards will vest as soon as reasonably practicable after the participant's death to the extent that the Remco determines, having regard to:</p> <ul style="list-style-type: none"><li>• any performance conditions; and</li><li>• time pro-rating, unless the Remco determines otherwise.</li></ul> <p>Any holding period will cease to apply.</p>
Injury Ill health Disability Redundancy Retirement Sale of the participant's employing company or business out of the group Any other reason at the discretion of the Remco	<p><b>Timing of vesting</b> Awards will normally vest on the original vesting date.</p> <p>Where appropriate, the Remco may determine that Awards will vest on such earlier date as the Remco shall determine.</p> <p><b>Extent of vesting</b> The Remco will determine the extent to which Awards vest in these circumstances having regard to:</p> <ul style="list-style-type: none"><li>• any performance conditions; and</li><li>• time pro-rating, unless the Remco determines otherwise.</li></ul> <p>Any holding period will continue to apply unless otherwise determined by the Remco.</p>
Any other circumstances	<p>Awards will lapse on the date on which the participant:</p> <ul style="list-style-type: none"><li>• leaves employment; or</li><li>• if the Remco so determines, gives or receives notice to leave employment.</li></ul>

## Corporate events

Awards will generally vest early in the event of a takeover, merger or other corporate event. Alternatively, participants may be allowed or required to exchange their awards for awards over shares in the acquiring company.

In the event of a takeover or other earlier corporate event, the Remco will determine the number of shares in respect of which an award vests based on the extent to which it determines that the performance

conditions have been satisfied at the relevant time, taking into account the shortened performance period and such other factors as the Remco considers relevant. Awards will be time pro-rated to reflect the earlier vesting unless the Remco determines otherwise.

The Remco may decide that similar treatment will apply if there is a demerger, delisting, special dividend or other similar event which in the Remco's opinion may affect the current or future value of shares.

### **Adjustments**

If there is a variation of the company's share capital or a demerger, special dividend, rights issue or other event which in the Remco's opinion may affect the value of shares, the number of shares subject to awards and/or any exercise price or any performance condition relevant to awards, may be adjusted.

### **Rights attaching to shares**

Shares delivered under the PSP will not confer any rights on the participant until that participant has received the underlying shares. Any shares issued will rank equally with shares then in issue (except for rights arising by reference to a record date prior to their issue).

### **Amendments**

The Remco can amend the PSP or the terms of any award in any way. However provisions relating to:

- the eligibility of participants;
- the limits on the number of shares which may be issued under the PSP;
- the individual limit;
- the basis for determining a participant's entitlement to shares or cash under the PSP;
- the adjustment of awards in the event of a variation of capital; and
- the amendment power,

cannot be amended to the advantage of participants without shareholder approval.

However any minor amendments to benefit how the PSP is administered, to comply with or to take into account any proposed, existing or changed legislation or to obtain or maintain favourable tax treatment, exchange control or regulatory treatment in any jurisdiction, can be made by the Remco without shareholder approval. Shareholder approval will also not be required for any amendments to any performance condition applying to any awards amended in accordance with their terms.

### **General**

Awards will normally lapse if a participant sells, transfers, assigns, charges or otherwise disposes of their award (other than on a transfer of an award to the participant's personal representatives on their death).

Awards will not form part of an employee's pensionable earnings.

The PSP may be terminated at any time (and the rights of existing participants will be unaffected by any termination).

# APPENDIX

## MAP TO THE VENUE

The AGM on 12 May 2023 at 10.30 a.m. is being held at DL/78 at 78 Charlotte Street, London W1T 4QS. The venue will be open for your arrival from 10.00 a.m.

