

Workforce policies and practices

The Board and Executive Committee review and approve all key policies and practices which could impact on our workforce and drive their behaviours. All policies are checked to ensure they support the Group's purpose and reflect our values (see page 102).

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

To ensure policies are embedded in our business practices, we hold presentations to staff which highlight the key messages and notify them of any changes. A mandatory training programme was approved during 2019 which aims to reinforce key compliance messages in areas such as anti-bribery, modern slavery, conflicts of interest, etc (see page 134).

All employees (including the Board) are required to notify the Company as soon as they become aware of a situation that could give rise to a conflict or potential conflict of interest. The register of potential conflicts of interest is regularly reviewed to ensure it remains up to date. The Board is satisfied that potential conflicts have been effectively managed throughout the year (see page 110).

The Board approve the Remuneration Policy for the Executive Directors and via the Remuneration Committee, has oversight of the wider workforce remuneration practices (further information on pages 140 to 165).

Our remuneration policies and practices are aligned with our pay principles, described on page 150, being:

- attract, retain and motivate;
- clarity and simplicity;
- alignment to strategy and culture;
- risk management;
- stewardship; and
- proportionality and fairness.

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.

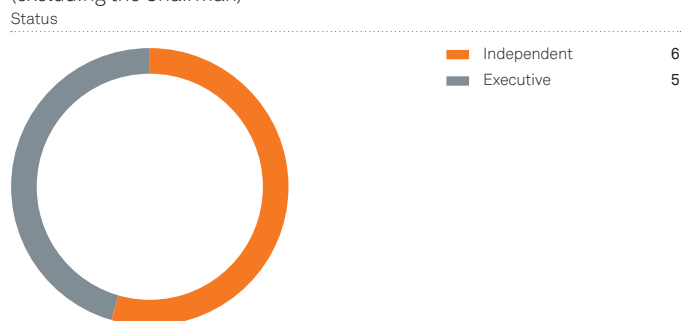
Our whistleblowing procedures are included within our employee handbook, on our Group intranet and staff noticeboards. In addition to an independent telephone line and online portal for anonymous reporting of concerns, the Senior Independent Director acts as an independent point of contact for whistleblowing concerns.

Following receipt of a whistleblowing message we have procedures in place to ensure an independent and proportionate investigation. Any significant issue relating to potential fraud is escalated to the chair of the Audit Committee immediately. In addition, Cilla Snowball (chair of the Responsible Business Committee and designated Director for gathering the views of the workforce) will be advised of any significant concerns raised by our employees.

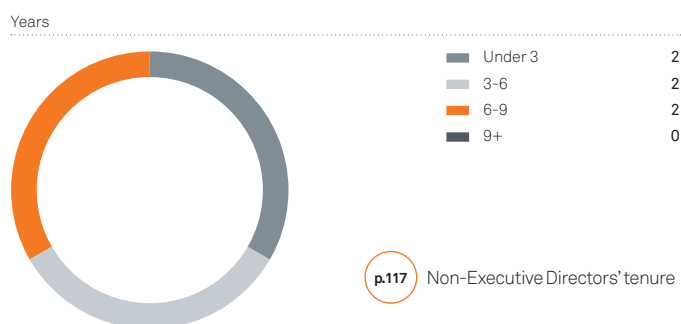
The Board receives updates from the Company Secretary on the operation of the whistleblowing system. During the year under review, we did not receive any whistleblowing messages (2018: no messages).

Independence

Independence of the Board (excluding the Chairman)



Tenure of the Non-Executive Directors



The Board has identified on page 110 which Directors are considered to be independent. As at 1 January 2020, 54.5% of our Board (excluding the Chairman) are independent Non-Executive Directors, which is compliant with provision 11 of the Code.

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

The Non-Executive Directors play an important role in ensuring that no individual or group dominates the Board's decision making. It is therefore of paramount importance that their independence is maintained. To safeguard their independence, Non-Executive Directors are not permitted to serve more than three three-year terms unless in exceptional circumstances (further information on page 117).

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.

John Burns, a founder of Derwent London plc and the CEO for over 30 years, was appointed Non-Executive Chairman for a fixed two-year term from the 2019 AGM. The appointment was considered by the Nominations Committee to be a natural transitional step to preserve our culture and ensure an orderly succession following Robbie Rayne's decision to retire.