

GOVERNANCE AT A GLANCE

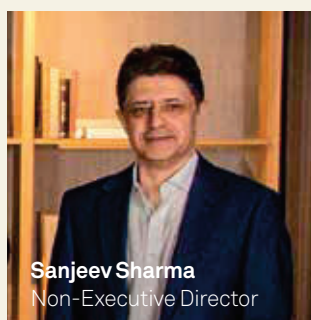
Transparency and strong corporate governance helps us to generate value for our stakeholders and underpins our success.

NON-EXECUTIVE DIRECTOR CHANGES

In October 2021, we announced the appointment of Helen Gordon as the new Senior Independent Director and Sanjeev Sharma as a Non-Executive Director. We are fully compliant with the Hampton-Alexander Review and Parker Review recommendations on Board diversity (see page 147).



Helen Gordon
Senior Independent Director



Sanjeev Sharma
Non-Executive Director

[Non-Executive Director appointment page 146](#) →

UK CORPORATE GOVERNANCE CODE – 2021 COMPLIANCE STATEMENT

The Board confirms that for the year ended 31 December 2021, the principles of good corporate governance contained in the 2018 UK Corporate Governance Code (the Code) have been consistently applied. However, we were unable to comply in full with provisions 9, 19 and 38 (our explanation for non-compliance is provided below). From 1 January 2022, we have been compliant with all provisions of the Code. Further information on the Code can be found on the Financial Reporting Council's website at: www.frc.org.uk

Provision	Explanation	Current status
9: The chair should be independent on appointment. A chief executive should not become chair of the same company. If, exceptionally, this is proposed by the board, major shareholders should be consulted ahead of appointment	For the period 1 January 2021 to 14 May 2021, we were non-compliant with provisions 9 and 19 of the Code as our Chairman during this period (John Burns) was not independent upon appointment, was previously our CEO and had served for more than nine years. John Burns was Chairman for two years to facilitate an orderly succession and protect our culture. The Nominations Committee's decision was made after careful deliberation and consultation with major shareholders. To ensure the separation of leadership between the Chairman and CEO we implemented numerous safeguards (see page 116 of the 2019 Report & Accounts) which operated effectively	We appointed an independent Non-Executive Chairman, Mark Breuer, on 14 May 2021. We are now fully compliant with provisions 9 and 19
19: The chair should not remain in post beyond nine years from the date of their first appointment to the board		
38: The pension contribution rates for executive directors, or payments in lieu, should be aligned with those available to the workforce	Pension contribution rates for newly appointed Executive Directors is aligned with the workforce at 15% of base salary. Since 1 January 2020, the Remuneration Committee has been implementing its transition plan which reduced pension contribution rates for the current Executive Directors (being, Paul Williams, Damian Wisniewski, David Silverman and Nigel George) from 20% to 15% by 1 January 2022. During 2021, the pension contribution rates for the current Executive Directors was 17.5% of salary	From 1 January 2022, we are fully compliant with provision 38 as the pension contribution rates for all Executive Directors is 15% (aligned with the wider workforce)

EMPLOYEE ENGAGEMENT

Employee engagement continuously remains a priority, to inspire and engage, our talented and diverse workforce. In 2021, we achieved the National Equality Standard accreditation and received feedback from our 4th biennial employee survey:

90.5%

employee satisfaction

81%

of employees recognised Derwent London's commitment to health and wellbeing

[Our people page 56](#) →

[The section 172\(1\) statement page 124](#) →

MAJOR BOARD ACTIVITIES

The Board's major decisions and activities during 2021 included:

Key decisions:

- Disposal of Angel Square EC1
- Acquisition of Bush House WC2, Headlease
- Acquisition of 250 Euston Road NW1
- Acquisition of 171-174 Tottenham Court Road W1
- Agreed three off-market transactions with Lazari Investments
- Acquisition of 230 Blackfriars Road SE1
- Raised £350m via a 10-year 1.875% green bond
- Terms agreed to acquire The Moorfields Estate EC1
- Disposal of New River Yard EC1

Key activities:

- Reviewed the Group's talent pipeline and succession plans
- Monitored the Group's performance towards net zero carbon
- Investor Day held on 28 September at DL/78
- Achieved the National Equality Standard accreditation

[Key activities of the Board page 142](#) →