



MODERN SLAVERY STATEMENT

DERWENT
LONDON

MODERN SLAVERY STATEMENT

Introduction

This is Derwent London plc's third statement under the Modern Slavery Act 2015 (the "Act") which applies to companies and partnerships which have a global turnover in excess of £36 million and conduct any of their business in the UK. As required by the Act, the statement reports on the steps that Derwent London has taken during the financial year ended 31 December 2018 to ensure that slavery and human trafficking is not taking place in any of our supply chains or in any part of our wider business.

Our business

Derwent London is a real estate investment trust (REIT) listed on the London Stock Exchange which operates in the UK and owns a portfolio of commercial real estate, predominantly in central London, valued at £5.2 billion as at 31 December 2018. We have a team of 123 employees which, together with an extensive supply chain, manages the portfolio and developments, fostering well established relationships with occupiers, third party professionals and local communities, enabling all parties to thrive.

This is underpinned by our five key responsibility priorities:

- Designing and delivering buildings responsibly
- Managing our assets responsibly
- Creating value in the community and for our wider stakeholders
- Health and safety
- Engaging & developing our employees

Internal progress

Based on our on-going risk assessment, we continue to believe the risk of any slavery or human trafficking in respect of our employees is low.

We have a number of policies in place that we believe promote a culture and behaviours which accord with the Act's objectives. These are all set out in the Employee handbook and are available on our intranet site and include:

- Anti-bribery policy and guidelines
- Bullying and harassment policy
- Equal opportunities and diversity policy
- Grievance procedure
- Health and safety policy
- Whistleblowing policy

Our culture is maintained and communicated through a robust recruitment and induction process together with ongoing training initiatives with all employees being aware of the high standards of behaviour expected as set out in our Employee Handbook and policies. Adopting strong ethical values and procedures which are aligned to the Act's objectives allows us to reinforce our expectations at the same time ensuring procedures are in place to mitigate any potential issues.

Supply chain progress

Following the introduction of the Act, the risk assessment of our supply chain to identify the areas where slavery or human trafficking could occur indicated the potential greatest risk existed in the use of building contractors for our development schemes, as their work involves the use of sub-contractors. This risk also exists in some of the companies which provide Derwent London with services such as cleaning and security. We ensure all of these suppliers are aware of the Act and we require them to formally confirm they are in compliance with the legislation.

One of the tools we have introduced to help us identify any potential risk is our supply chain standard which clearly sets out our expectations of suppliers across a series of issues which include:

- Governance;
- Employment and labour practices;
- Payment Practices;
- Health & Safety;
- Community; and
- Environmental Standards

This is a working document and requires formal acknowledgement from the supplier in question that they are aware of the standards required and, at a minimum, adhere to them, an example of which is the implementation of the London Living Wage. The requirements encompass the wide range of services being provided together with the varied risk levels inherent in the supplier's labour force being employed either directly or through sub-contractors.

We believe reiterating strong ethical values and communicating them from the start of the relationship reinforces standards of behaviour which allow us to build long term and successful partnerships with stakeholders.

2018 progress

During 2018, we implemented further measures which will allow us, even more robustly, to actively mitigate the risk of any slavery or human trafficking as a result of our operations. These include:

- Implementation of a new supplier form for all new contractors which asks for confirmation details in relation to the Act
- Inclusion of a request for a Commitment Statement from suppliers in all contractual documentation, supported by evidence, in relation to the Act
- Implementation of a new process to review contracts on the managed portfolio to ensure the Act is being appropriately addressed

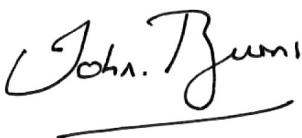
Future progress

In summary, Derwent London has continued to enhance its robust programme to ensure slavery and human trafficking is not taking place in any of our supply chains or in any part of our business. Our ethos is to seek continued improvement in all areas of our business, and its impact on the community as well as other third parties.

Taking this into account, during 2019 we will continue to identify and implement ways to strengthen our programme. This includes more detailed and targeted training, awareness and ownership internally, together with an even more cohesive and collaborative approach to monitoring and cross-checking our supply chain, from procurement to delivery.

In addition, the impending update of our responsibility programme, which encompasses all our material environmental, social & governance risks will further strengthen the framework in place.

This statement is made pursuant to Section 54 of the Act and relates to Derwent London plc and all its subsidiaries. It is made in respect of its financial year ended 31 December 2018 and was approved by the Board on 22 February 2019.



John Burns
Chief Executive Officer