

Modern Slavery Statement
Year to 31 December 2024

EXECUTIVE SUMMARY

This is Derwent London plc's ninth statement under the Modern Slavery Act 2015 (the "Act") pursuant to Section 54 (1). As required by the Act, the statement reports on the steps that Derwent London has taken during the financial year ended 31 December 2024, to endeavour to ensure that the risk of modern slavery and human trafficking occurring in any of our activities, our supply chains (as far as we can infer) or in any part of our wider business is reduced as much as practicable.

We all deserve a life free from harm and exploitation. To this end we understand that preventing modern slavery is vital and we remain committed to eradicating any possibility of modern slavery or human trafficking occurring with respect to our business operations. Our aim is to seek continued improvement in this and all areas of our business.

Measures we have taken include the following:

- Implemented key recommendations following the anti slavery charity Unseen undertaking a review and analysis of our current policies and procedures
- Continuing with our comprehensive risk-based assessment approach for operations both within the business and with our supply chain partners, to assess the risk of whether modern slavery or human trafficking are likely to occur in any of these areas
- Operating as a responsible business, balancing and managing our environmental, social and governance opportunities proactively and in accordance with our policies

We believe that reiterating strong ethical values and communicating them regularly reinforces standards of behaviour which allow us to build long-term and successful partnerships.

Based on our company policies and procedures, we believe the risk of modern slavery or human trafficking occurring in our own business activities and affecting the recruitment and engagement of our direct employees is very low. Due to the nature of our supply chain we recognise that extra vigilance must be taken but based on the risk assessments and the measures we have taken throughout 2024 we believe the risk within our supply chains is reasonably low.

This statement is made pursuant to Section 54 of the Act and relates to Derwent London and all its subsidiaries, as listed in the Appendix including those entities which would otherwise be bound to make a statement under Section 54(1) of the Act. It is made in respect of its financial year ended 31 December 2024 and approved by the Board on 24 February 2025.



Paul Williams
Chief Executive Officer

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Derwent London's business operations and structure

Derwent London is a Real Estate Investment Trust ("REIT") which operates in the UK and owns a portfolio of commercial real estate of 5.4 million sq ft, predominantly in central London, valued at £5.0 billion as at 31 December 2024. The company is listed on the London Stock Exchange and is a member of the FTSE 250.

We apply our asset management and regeneration skills to the Group's property portfolio using our people, relationships and financial resources to add value and grow income while benefitting the communities in which we operate and the wider environment.

Derwent London's core activities can be split into two broad categories. First is asset management of the property portfolio which comprises managing the occupational leases and maintaining relationships. Second is the development and refurbishment of our buildings and acquiring properties with future regeneration opportunities while disposing of those with limited future potential to deliver above average long-term returns.

In undertaking our business activities, we appoint a number of external suppliers. These suppliers fall into three categories:

- A. Professional consultants including lawyers, architects, engineers, valuers, agents, auditors and further design professionals
- B. Main contractors in the construction industry
- C. Property management suppliers and maintenance contractors

Derwent London's environmental, social & governance priorities

As a responsible business, we balance and manage our environmental, social and governance opportunities proactively. This focus is visible in our culture, approach, design and management of our buildings, underpinned by our seven key responsibility priorities:

- Designing and delivering buildings responsibly
- Managing our assets responsibly
- Creating value in the community
- Engaging and developing our employees
- Setting the highest standards of health and safety
- Protecting human rights
- Setting the highest standards of corporate governance, including our modern slavery policy

We recognise the responsibility we have to all our stakeholders. Through our engagement strategy, existing relationships with our key stakeholders and our understanding of their key concerns and issues, we offer wherever possible proactive support.

1. Assessing the risk of modern slavery within the business

We have a team of circa. 200 employees which, together with an extensive supply chain, manages the property portfolio and developments, fostering well established relationships with occupiers, third party professionals, our supply chain and local communities. All our direct employees are based and employed entirely in the UK, primarily in the Greater London area and are typically office based.

Everyone in the Derwent London Group who is an employee is paid more than the London Living Wage.

Based on our ongoing risk assessments and measures in place, we continue to believe the risk of any modern slavery or human trafficking occurring in respect of our employees is very low.

2. Assessing the risk of modern slavery in our supply chain

Since the introduction of the Act, we have adopted a risk-based approach in the assessment of our supply chain to identify the areas where modern slavery or human trafficking could occur.

We remain a member of Unseen's Construction Hub and are able to collaborate with other businesses in the sector, share best practice and benefit from being kept up to date with the latest advice.

Our procedures indicate the potential greatest risk exists in the long supply chains of our construction contractors as well as the property management suppliers and maintenance contractors used in our buildings, which include cleaning and security services.

Before entering into business the higher risk suppliers are assessed by the Property Management and Development teams. We ensure that all these suppliers are aware of the Act and we require them to formally confirm they are in compliance with the legislation.

Based on our ongoing procedures and measures, we believe the risk of modern slavery or human trafficking in respect of our supply chain is reasonably low.

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Managing emerging risks internally

We understand the role our business has in addressing modern slavery and playing our part in identifying and preventing risks. We have remained focused on responding to and addressing the subject with respect to our business operations, our employees and our supply chain.

Human Resource & other procedures

We have a number of policies in place that we believe reinforce and promote our culture and the behaviour we expect, which accord with the Act's objectives. The policies are clearly set out in our Employee Handbook and are made available in full on our intranet site.

Our policies include:

- [Anti-bribery policy and guidelines](#)
- [Equal opportunities and diversity policy](#)
- [Code of Conduct & Business Ethics](#)
- [Health and safety policy](#)
- [Whistleblowing policy and confidential hotline](#)
- Bullying and harassment policy
- Grievance procedure
- Sexual Harassment Policy

Recruitment and training

Our culture is communicated and maintained through a robust recruitment and induction process with all employees being aware of the high standards of behaviour expected as set out in our Employee Handbook and policies.

Our recruitment and induction processes continued throughout 2024. This includes compulsory compliance training for all new joiners which must be completed within their 6 month probation period, including a section on modern slavery.

These e-training courses must be completed to pass probation.

In addition refresher training on modern slavery for all existing Derwent London employees took part in Q2 of 2024 as part of our ongoing mandatory compliance training programme.

Measures taken with our supply chain to minimise the risk of modern slavery

With an estimated 2.6 million people globally in forced labour within the construction industry, the sector faces significant challenges.* 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.

Construction supply chain

Before the selection and appointment of any main contractor, their compliance with the requirements of the Act is checked. Our risk assessment has identified that the greatest risk of modern slavery occurring is within the sub-contractor and construction supply chain rather than the main contractor operations, which are more management related. On this basis, we expect our main contractors to conduct due diligence within their supply chains to ensure that the risk of modern slavery or human trafficking occurring is checked and minimised. Our Tier 1 construction contractors are asked as part of their quarterly updates to provide updates on their site specific modern slavery procedures.

Property management suppliers

For those organisations appointed across the managed portfolio, various checks are made and actions are taken with regards to modern slavery. Suppliers receive Derwent London's latest modern slavery statement. Similarly, modern slavery statements are obtained from all suppliers and logged. All contractors are required by our contracts to pay the London Living Wage. All contracts for higher risk areas such as security, Front of House and cleaning are placed via a formal tender process undertaken by a third party to ensure modern slavery policies are provided and checked. Our standard form of contract incorporates our modern slavery policies and procedures.

* Source: Unseen website - unseenuk.org

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Supporting suppliers & payment terms

Derwent London were a signatory of the Chartered Institute of Credit Management (CICM) Prompt Payment Code up until its cessation on the 3rd of December 2024. The Prompt Payment Code obliged its signatories to support their supply chains with prompt payment by paying 95% of invoices within 60 days.

During 2024 we paid our supplier invoices within 19.7 days on average.

The Fair Payment Code replaced the Prompt Payment Code in December 2024. The new Code is being administered by the Office of the Small Business Commissioner (OSBC) on behalf of the Department for Business and Trade (DBT). The new Code is intended to be more ambitious in setting higher standards, more aspirational by supporting business improve payment practices, and have a more robust approach to compliance and enforcement than the old Code.

The Fair Payment Code has three Award tiers based on the following payment requirements -

Gold: 95% within 30 days,
Silver: 95% within 60 days & if <50 employees 95% within 30 days, and
Bronze: 95% within 60 days.

To be eligible for a Fair Payment Code Award, companies are required to abide by the Fair Payment Code principles, which includes being clear, fair and collaborative with our suppliers, in addition to meeting the payment time criteria relevant to the Award tier. There is a rigorous application process which requires evidence to show the Award tier payment criteria is being met, along with supplier references. The OSBC are taking a more robust approach to enforcement with the new Code, and if granted an Award, it comes with a two-year limit, at which point organisations must re-apply for the Award.

Derwent London are committed to being clear, fair and collaborative with our suppliers and we are currently in the process of applying for a Fair Payment Code Award of Silver or higher, in line with the requirements of the new Code.

Managing emerging risks (suppliers & sites)

The built environment is recognised as being higher risk for modern slavery due to such issues as high demand for labour, skills shortages and at times complex supply chains. We, therefore, work with our supply chain to ensure that best practice has been adopted at our managed properties and construction sites, checking with regular site visits. In doing so, we risk-assess our sites and project teams in accordance with current HSE and government guidance. In addition, we apply the same rigorous standards to our smaller contractors, but on a proportionate basis.

Our Supply Chain Responsibility Standard sets out our principles and expectations in terms of the environmental, social, ethical and governance issues, which relate to our supply chains and includes a section on modern slavery. This requires that, at a minimum, suppliers are to comply with relevant legislation. In addition, we expect suppliers to provide training for employees on modern slavery, and to have provisions in place that endeavour to ensure their supply chain also adheres to the Act.

Progress against commitments made for the year to 31 December 2024

Implementation of gap analysis action plan based on a 2023 review and analysis of our current policies and procedure undertaken by the anti slavery charity Unseen.

Modern Slavery Policy - as an extension of our modern slavery procedures, this policy expands on procedures alluded to in the Statement and states the intentions, objectives and values of the organisation.

Refresher training on modern slavery for all Derwent London employees took place in Q2 of 2024 as part of our compliance training programme.

Derwent London remain a member of Unseen's Construction Hub; a group for businesses they work with to share good practice, consider ongoing auditing issues and to improve overall responses to worker exploitation.

Future Commitments

Consider the benefits of a risk assessment undertaken by an external company taking our different supply chains into account.

Review our Supply Chain Responsibility Standard and its dedicated section on modern slavery to ensure our position is clearly communicated to our supply chain.

APPENDIX 1

List of Derwent London PLC subsidiary companies as at 31 December 2024

Subsidiaries

- 80 Charlotte Street Limited
- Asta Commercial Limited
- BBR Property Limited
- Caledonian Properties Limited
- Caledonian Property Estates Limited
- Caledonian Property Investments Limited
- Carlton Construction & Development Company Limited
- Central London Commercial Estates Limited
- Charlotte Apartments Limited
- Derwent Asset Management Limited
- Derwent Central Cross Limited
- Derwent Henry Wood Limited
- Derwent London 50 Baker Street Limited
- Derwent London AD Limited
- Derwent London Angel Building Limited
- Derwent London Asta Limited
- Derwent London Baker Street Limited
- Derwent London BH Limited
- Derwent London Blackfriars Limited
- Derwent London Brixton Limited
- Derwent London BSP Limited
- Derwent London Capital No. 3 (Jersey) Limited
- Derwent London Development Services Limited
- Derwent London Euston Road Limited
- Derwent London Farringdon Limited
- Derwent London Featherstone Limited
- Derwent London Gallery Limited
- Derwent London George Street Limited
- Derwent London Green Energy Limited
- Derwent London Holden House Limited
- Derwent London Holford Works Limited
- Derwent London Horseferry Limited
- Derwent London KSW Limited
- Derwent London Member Services Limited
- Derwent London Network Limited
- Derwent London No.5 Limited
- Derwent London Oliver's Yard Limited
- Derwent London Page Street (Nominee) Limited
- Derwent London Page Street Limited
- Derwent London Savile Row Limited
- Derwent London White Chapel Limited
- Derwent London White Collar Limited
- Derwent London Whitfield Street Limited
- Derwent Valley Central Limited
- Derwent Valley Employee Trust Limited
- Derwent Valley Finance Limited
- Derwent Valley Limited
- Derwent Valley London Limited
- Derwent Valley Property Developments Limited
- Derwent Valley Property Investments Limited
- Derwent Valley Property Trading Limited
- Derwent Valley Railway Company
- Derwent Valley West End Limited

- Kensington Commercial Property Investments Limited
- LMS (City Road) Limited
- LMS Finance Limited
- LMS Offices Limited
- London Merchant Securities Limited
- The New River Company Limited
- Urbanfirst Limited
- West London & Suburban Property Investments Limited

Joint ventures

- Dorrington Derwent Holdings Limited
- Dorrington Derwent Investments Limited
- Primister Limited

For more information, please email sustainability@derwentlondon.com

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