

The background of the entire page is a photograph of numerous thin, black vertical lines hanging from the top, each with a small, dark, circular cap. Several of these lines have a glowing, spherical light bulb at the bottom, creating a pattern of vertical lines and points of light against a light, overcast sky. The text is centered over this background.

MODERN SLAVERY STATEMENT

DERWENT
LONDON

MODERN SLAVERY STATEMENT

INTRODUCTION

This is Derwent London plc's first 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 the Company has taken during the financial year ended 31 December 2016 to ensure that slavery and human trafficking is not taking place in any of our supply chains or in any part of our own business.

OUR BUSINESS

Derwent London is a real estate investment trust (REIT) listed on the London Stock Exchange and operates only in the UK. It owns a portfolio of commercial real estate, predominantly in central London, valued at £5.0 billion as at 31 December 2016. We have a team of 116 employees which, together with an extensive supply chain, manages the portfolio and coordinates the regeneration of properties when appropriate. Through this activity we aim to provide London's businesses with modern, efficient and good value office space, thereby helping our tenants succeed and local communities thrive.

OUR APPROACH TO HUMAN RIGHTS

Derwent London supports the aims of the Act to combat slavery and human trafficking and improve the transparency of reporting on modern slavery.

INTERNAL PROGRESS

Based on our initial risk assessment, we consider that the risk of any slavery or human trafficking in the employment 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 staff handbook and include:

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

Whilst many of the group's employees are aware of the Act and its implications, we are planning to roll out a staff awareness programme after the initial publication of this statement.

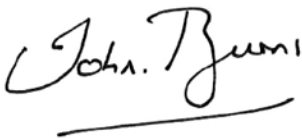
SUPPLY CHAIN PROGRESS

In most cases we aim to develop long term relationships with our suppliers and this is best achieved with entities that have similar cultures and values to our own. Following the introduction of the Act, we undertook a risk assessment of our diverse supply chain to identify the areas that were potentially most prone to slavery or human trafficking. The assessment showed that the greatest risk existed at the two extremes of our supply chain.

First are the large, first tier building contractors where their work involves the use of sub-contractors. In these cases, we can take some, limited assurance from the size of the business which means that they will need to introduce their own procedures in order to comply with the Act. However, we have also inserted a clause in their contracts which specifically requires compliance with the Act and with the terms of this statement. In future we will assess the extent to which we request evidence of their compliance with this clause.

Second are the smaller companies which provide the group with such services as cleaning and security. We consider the level of risk in these cases to be elevated due to the diversity of the labour force employed and the fact that generally these companies do not have to comply with the Act. Here we can take some comfort from our work over recent years to ensure that all such suppliers pay the London Living Wage to their staff. To supplement this, we have reviewed the policies of such companies and have added a specific clause dealing with the requirements of the Act into supplier contracts. Again, we will decide on the extent to which we obtain evidence of compliance during 2017.

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 2016 and was approved by the Board on 24 February 2017.

A handwritten signature in black ink, reading "John Burns", with a horizontal line underneath.

John Burns
Chief Executive Officer