

2021 AT A GLANCE

ENVIRONMENT

NET ZERO CARBON

In our first full year following our commitment to be net zero carbon (NZC) by 2030, we set building-specific energy targets aligned with a 1.5°C climate scenario, introduced embodied carbon targets for our new developments, and released our first net zero carbon survey to ramp up our NZC-focused engagement with our occupiers.

+1%

ENERGY INCREASE – TOTAL LANDLORD & TENANT CONSUMPTION

We saw a 1% increase in our absolute landlord and tenant energy consumption. With increased occupancy, we had anticipated this figure to increase more, but this was largely offset by the disposal of Angel Square EC1, 19-35 Baker Street W1 moving into the construction phase and continued building optimisation by our property management team.

14%

ALL ELECTRIC

Over 55,000 sq ft of floor space was converted to being all electric in 2021 and more than 70,000 sq ft is currently on site. Our total portfolio is now 14% all electric based on net internal area (NIA).

49%

OCCUPIER ENGAGEMENT ON NET ZERO CARBON

We undertook our first net zero carbon occupiers survey which, along with our first Stakeholder Day has helped us better understand our occupiers' net zero journeys and how we can collaborate to reduce operational carbon. By the end of 2021 we had engaged with 49% of our occupiers (by ERV).

0%

CHANGE IN LANDLORD SCOPE 1-3 CARBON EMISSIONS

While our absolute energy and water consumption has increased from last year, largely because of the increased occupancy of our buildings, we have seen minimal change in our total carbon footprint. Landlord emissions alone, reduced by 3%. These minimal changes can be attributed to lower carbon factors and the start of our transition to all electric heating and cooling systems.

99.4%

EPC 2023 COMPLIANCE

Our portfolio is 99.4% compliant (by ERV) with 2023 EPC legislation and already 61% compliant with proposed 2030 legislation, which requires EPC 'A' or 'B'. We have a fully costed plan of c.£97m to cover 2030 compliance, supported by third parties.

+7%

WATER

We saw a 7% increase in absolute water consumption (excluding retail) which closely follows in line with the increased occupancy of our buildings.

23%

GREEN GAS

23% of total gas consumption is covered by a green tariff.

-28%

ENERGY INTENSITY – SBTi

We reduced our like-for-like energy intensity by 28% against our 2013 baseline science-based target.

-55%

CARBON INTENSITY – SBTi

We reduced our carbon intensity in our like-for-like portfolio by 55% against our 2013 baseline science-based target.

SOCIAL

£105K

COMMUNITY FUND

We committed £105k towards the Community Fund for 2021, supporting 19 projects. To date, the fund has supported around 130 projects since inception with £850k of funding.

£620K

SPONSORSHIPS & DONATIONS

Additional community and sponsorship donations for 2021, including our provision of accommodation to NHS staff in Fitzrovia.

GOVERNANCE

20

PAYMENT DAYS TO SUPPLIERS

The Finance team worked hard to reduce our average payment term to 20 days, which assisted our contractors and suppliers with their cash flow and liquidity.

LOW

TAX RISK STATUS

Our attitude towards tax risk is primarily governed by the Board's objectives to retain our REIT status and maintain our 'low-risk' rating from HMRC. The Board was pleased to have received a 'low-risk' rating from HMRC which is valid until 2022.

18

MENTAL HEALTH CHAMPIONS

Staff Mental Health First Aid (MHFA) Champions trained in supporting and signposting colleagues.

94%

PROUD TO WORK FOR DERWENT LONDON

Staff 'proud to work for Derwent London'. Our latest staff survey revealed that 94% of staff said they are proud to work for us with 91% either satisfied or very satisfied to work for us.

7.5%

EXECUTIVE DIRECTOR BONUS

7.5% of the Executive Directors' annual bonus is dependent upon the achievement of climate-related targets. A further 2.5% is reliant on staff satisfaction.

143 HOURS

COMPLIANCE TRAINING HOURS UNDERTAKEN BY ALL STAFF

We continue to operate a mandatory training programme which aims to reinforce key compliance messages in areas such as anti-bribery, modern slavery, conflicts of interest etc. All staff (including our Directors) completed 143 hours of training during 2021, in aggregate

TOP 5%

NES POSITION

Placed in the top 5% of all companies achieving the National Equality Standard (NES). Our Diversity & Inclusion Working Group established clear priorities and KPIs to help guide the business