

Directors' report

For the year ended 31 December 2020

The Group continues to focus on building pride in the Group, encouraging and celebrating staff equality, diversity, inclusion and human rights. The Group's diversity and inclusion practices are in line with the Universal Declaration of Human Rights and the Group supports diversity through its internal diversity forum: Diversity Network Alliance.

The Group provides a cost-effective way for employees to acquire shares in DLIG. In early 2020, the Group offered all eligible employees a Free Share award of 180 Ordinary Shares and eligible employees are permitted to participate in the Group's Buy As You Earn ("BAYE") Share Incentive Plan. The Group also complies with the principles of the Living Wage Foundation.

The Group believes that the engagement and morale of employees, and their pride in working for the Company is linked to its reputation in the community. The Group and the Company seek to align their giving with their employees' interests through our community and social committees, volunteering, and participating in a payroll giving scheme.

Further examples of how the Group has engaged with employees, and how DLIG's directors have had regard to the interests of employees, can be found throughout the DLIG annual report.

Employees with disabilities

The Group and the Company are committed to promoting diversity and inclusion across every area of the business through initiatives such as the Diversity Network Alliance. At recruitment, we adjust and enhance our application and selection process, and guide and provide additional training for interviewees, where necessary. Our Diversity Network Alliance focuses on a number of strands including employees with disabilities. It identifies areas where we can improve and help people to continue working for us. We reasonably adjust employees' working environments and equipment, and roles and role requirements. We also ensure that everyone can access the same opportunities.

Community fund

The Group immediately responded to the Covid-19 crisis by establishing its very own Community Fund targeting much needed resource to charities and local authorities where our main office sites are based. It was a small way of providing a helping hand to a variety of causes throughout the UK.

Disclosure of information to the Auditor

Each person who was a Director of the Company on the date of approval of this report confirms that:

- i. so far as the Director is aware, there is no relevant audit information, being information needed by auditors in connection with preparing their report, of which the Company's Auditor is unaware; and
- ii. each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information, and to establish that the Auditor is aware of that information.

This confirmation is given and shall be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Auditor

Deloitte LLP has expressed its willingness to continue in office as Auditor and it is the intention of the Directors to reappoint Deloitte LLP under the deemed appointment rules of section 487 of the Companies Act 2006.

Directors' indemnities

The Directors have the benefit of an indemnity provision contained in the Company's Articles of Association, subject to the conditions set out in the Companies Act 2006.

Statement of corporate governance arrangements

The Directors are committed to maintaining the highest standards of corporate governance, but do not regard it to be necessary or appropriate for the Company formally to adopt a corporate governance code. The Group provides each member company with access to its central resources and provides policies in all key areas such as finance, risk human resources and the environment. These central resources and policies are aligned to the Group's governance framework, which is consistent with the 2018 UK Corporate Governance Code.

The core elements of the governance framework are the:

- schedule of Matters Reserved to the DLIG Board and the DLIG Board Committees' Terms of Reference;
- High Level Control and System of Governance Framework document;
- Risk appetite statements;
- Enterprise Risk Management Strategy and Framework;
- Group policies, which address specific risk areas, are aligned to the Group's risk appetite, and inform the business how it needs to conduct its activities to remain within risk appetite; and
- Minimum Standards, which interpret the Group policies into a set of requirements that can be implemented throughout the Group.

During the year, the Company complied with the Group's governance framework. Further information on the system of governance in operation throughout the Group can be found in DLIG's annual report.