

**Terms of Reference – Remuneration Committee
of The Board of The Berkeley Group Holdings plc (the "Company")**

*References to "the Committee" shall mean the Remuneration Committee.
References to "the Board" shall mean the Board of Directors.*

1. Constitution

- 1.1 The Remuneration Committee shall be formed under the provisions of the Company's Articles of Association and shall conduct itself as prescribed therein.

2. Membership

- 2.1 The Committee shall be made up of at least three members, all of whom are independent non-executive directors. The Chairman of the Committee shall be appointed by the Board. Other members of the Committee shall be appointed by the Board in consultation with the Chairman of the Remuneration Committee.
- 2.2 Only members of the Committee have the right to attend Committee meetings. However other individuals and external advisers may be invited to attend for all or part of any meeting as and when appropriate.
- 2.3 Appointments to the Committee shall be for a period of up to three years, which may be extended, provided the director remains independent.
- 2.4 In the absence of the Committee Chairman, the remaining members present shall elect one of themselves to chair the meeting. The Chairman of the Board shall not be Chairman of the Committee.

3. Secretary

- 3.1 The Company Secretary or his nominee shall act as the Secretary of the Committee.

4. Quorum

- 4.1 The quorum necessary for the transaction of business shall be two members. A Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in, or exercisable by, the Committee.

5. Meetings

- 5.1 The Committee shall meet at least twice a year and at such other times as the Chairman of the Committee shall require to carry out the duties of the Committee.
- 5.2 Meetings of the Committee shall be summoned by the Secretary of the Committee at the request of any of its members.

**Terms of Reference – Remuneration Committee
of The Board of The Berkeley Group Holdings plc (the "Company")**

- 5.3 Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than 5 working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

6. Minutes of Meetings

- 6.1. The Secretary shall minute the proceedings and resolutions of all Committee meetings, including the names of those present and in attendance.
- 6.2. The Minutes of Committee meetings shall be circulated promptly to all members of the Committee and, once agreed by the Chairman of the Committee, to all members of the Board, unless a conflict of interest exists.

7. Annual General Meeting

- 7.1. The Chairman of the Committee shall attend the Annual General Meeting of the Company prepared to respond to any shareholder questions on remuneration principles and practice.

8. Responsibilities

The Committee shall:

- 8.1. determine and agree with the Board the broad policy for the remuneration of the Group Chairman, the Group Managing Director and the Executive Directors. The remuneration of Non-Executive Directors shall be a matter for the Group Chairman and the Executive Directors of the Board. No director shall be involved in any decisions as to their own remuneration. The Committee shall also monitor the level and structure of remuneration for divisional heads;
- 8.2. in determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
- 8.3. review the ongoing appropriateness and relevance of the remuneration policy;
- 8.4. within the terms of the agreed policy and in consultation with the Group Managing Director, the Committee shall determine as appropriate:-
- 8.4.1. the total individual remuneration package of each Executive Director including where appropriate, bonuses, incentive payments and share options and other share based incentives;
- 8.4.2. targets for any performance related incentive schemes operated by the

**Terms of Reference – Remuneration Committee
of The Board of The Berkeley Group Holdings plc (the "Company")**

- company and approve the total annual payments made under such schemes;
- 8.4.3. all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors and other senior executives and the performance targets to be used;
- 8.4.4. the scope of pension arrangements for each executive;
- 8.5 ensure that contractual terms on termination, and ensure that any payments made, are fair to the individual, and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;
- 8.6 in determining such packages and arrangements, give due regard to any relevant legal requirements, the provisions and recommendations in the Combined Code and the UK Listing Authority's Listing Rules and associated guidance;
- 8.7 note annually the remuneration trends and any major changes in employee benefit structures across the Company or Group;
- 8.8 establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the committee: and to obtain reliable, up-to-date information about remuneration in other companies. The Committee shall have full authority to commission any reports or surveys which are necessary to help it fulfil its proper obligations.

9. Reporting

- 9.1 The Committee Chairman shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2 The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall ensure that all provisions regarding disclosure of remuneration including pensions, as set out in the Directors' Remuneration Report Regulations 2002 and the Combined Code are fulfilled.
- 9.4 The Committee shall produce in a timely manner an annual report of the Company's remuneration policy and practices which will form part of the Company's Annual Report and ensure each year that it is put to shareholders for approval at the Annual General Meeting. The report shall disclose the membership of the Committee, describe its work and processes and provide disclosure in accordance with the Directors' Remuneration Report Regulations 2002, the Listings Rules and the Combined Code.
- 9.5 These Terms of Reference shall be made available on application to the Secretary and published on the Company's website.

**Terms of Reference – Remuneration Committee
of The Board of The Berkeley Group Holdings plc (the "Company")**

10. Other

- 10.1 The Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

11. Authority

- 11.8 The Committee is authorised by the Board to seek any information it properly and reasonably requires from any employee of the company in order to perform its duties.
- 11.9 In connection with its duties the Committee is authorised by the Board to obtain, at the company's expense, any outside legal or other professional advice to enable it to fulfill its proper obligations.