



Homes Communities People

2025 ANNUAL REPORT

OUR VISION
2030
TRANSFORMING TOMORROW

 **Berkeley**
Group



Contents

STRATEGIC REPORT

 Read more on
pages 02 to 91

CORPORATE GOVERNANCE

 Read more on
pages 92 to 167

FINANCIAL STATEMENTS

 Read more on
pages 168 to 237



Gasworks revival wins global design award

Regent's View, by St William and RSHP, has been named 'Best Future Residential Project' at the 2024 World Architecture Festival.

The site's two Victorian gasholders are being carefully restored to form the centrepiece of the new neighbourhood, with five distinctive cylindrical buildings providing 555 private and affordable homes, as well as 45,000 square feet of commercial and community space.

Now under construction, the project will open up a stretch of Regent's Canal and create new green open spaces in the heart of Bethnal Green.



Who we are

Berkeley builds homes and neighbourhoods across London, Birmingham and the South of England.

Our purpose

Our passion and purpose is to build quality **homes**, strengthen **communities** and make a positive difference to **people's** lives.

We use our sustained commercial success to make valuable and enduring contributions that benefit all of our stakeholders.



Brownfield focus

We fulfil our purpose through long-term brownfield regeneration.

We believe that reviving underused urban land is the most sustainable form of development, delivering good green homes where they are needed most, and driving the growth and productivity our country needs.



Read more on
pages 06 and 07



The former Bethnal Green gasworks

Strategic Report

Pages 02 to 91



STRATEGIC REPORT

- 04 | Highlights of the year
- 06 | Brownfield regeneration at scale
- 08 | Driving growth and value
- 10 | Case study: Grand Union
- 12 | Our business model
- 14 | Chairman's Statement
- 16 | Chief Executive's Review
- 26 | Market overview
- 29 | Trading and Financial Review
- 32 | Key Performance Indicators (KPIs)
- 34 | Responsible business at a glance
- 36 | Our Vision 2030 strategy overview
- 38 | Our Vision 2030 progress
- 56 | ESG performance
- 58 | Climate-related disclosures
- 76 | Section 172(1) Statement
- 77 | Non-financial and Sustainability Information Statement
- 78 | How we manage risk
- 81 | Viability Statement
- 82 | Risk tables



Prince of
Wales Drive,
Wandsworth

Set within 2.5 acres of beautifully landscaped gardens, Prince of Wales Drive has transformed a former industrial site into a peaceful new neighbourhood.

Highlights of the year

Financial highlights

Profit before tax

£529m

2024 | £557m

Cash due on forward sales¹

£1,403m

2024 | £1,701m

Net asset value per share¹

£35.95

2024 | £33.63

Net cash

£337m

2024 | £532m

Pre-tax return on equity¹

14.9%

2024 | 16.2%

Future gross margin in land holdings¹

£6,722m

2024 | £6,929m

 See our Trading and Financial Review on [pages 29 to 31](#)

¹ Read more about our alternative performance measures on [pages 221 and 222](#) (Note 2.25)

Homes

Brownfield 92%

of homes delivered during the year are on regenerated brownfield land

Quality 67%

of homes had zero defects reported by customers, compared to just 6% across the industry (HBF, March 2025)

Homes delivered 4,047

homes delivered (plus 282 in joint ventures), including some 10% of London's new private and affordable homes

Communities

Regeneration 32

long-term regeneration sites, of which 26 are under construction

Regreening cities >1,200

acres of new or measurably improved natural habitats across 57 biodiversity net gain sites to date

Community benefit £580m

of subsidies provided to deliver affordable housing and committed to wider community and infrastructure benefit

People

Customer satisfaction +81.6

Net Promoter Score (NPS) from our customers, compared to an industry average of +59 (HBF, March 2025)

Skills training 8.7%

of our employees are graduates, apprentices or sponsored students

Jobs

27,000

UK jobs supported per annum over the last five years, an average of 6.2 jobs per completed home

Berkeley named 'Britain's Most Admired Company 2024'



We were proud to be named Britain's Most Admired Company for 2024, topping the rankings among over 230 FTSE-listed firms across 27 industry sectors.

The honour, unveiled at the London Stock Exchange, reflects the results of a detailed survey of corporate reputation, as judged by leading businesses, analysts, and industry commentators. Alongside the overall award, we were pleased to be recognised for coming top in key areas such as 'Clarity of Strategy', 'Long-term Value Potential', and 'Reducing Environmental Impact'.



Accreditations



ISS ESG Corporate Rating 2025
Prime status



MSCI ESG Rating 2024
AAA



FTSE4Good
Listed since 2003

S&P Global Corporate Sustainability Assessment 2024
Member of Dow Jones Best-in-Class World Index and Dow Jones Best-in-Class Europe Index, Sustainability Yearbook
Member; Top 10% S&P Global CSA Score and Industry Mover

Sustainalytics ESG Risk Rating 2025
Low risk rating and Industry Top-Rated Company

Financial Times
Europe's Climate Leaders 2025

Brownfield regeneration at scale

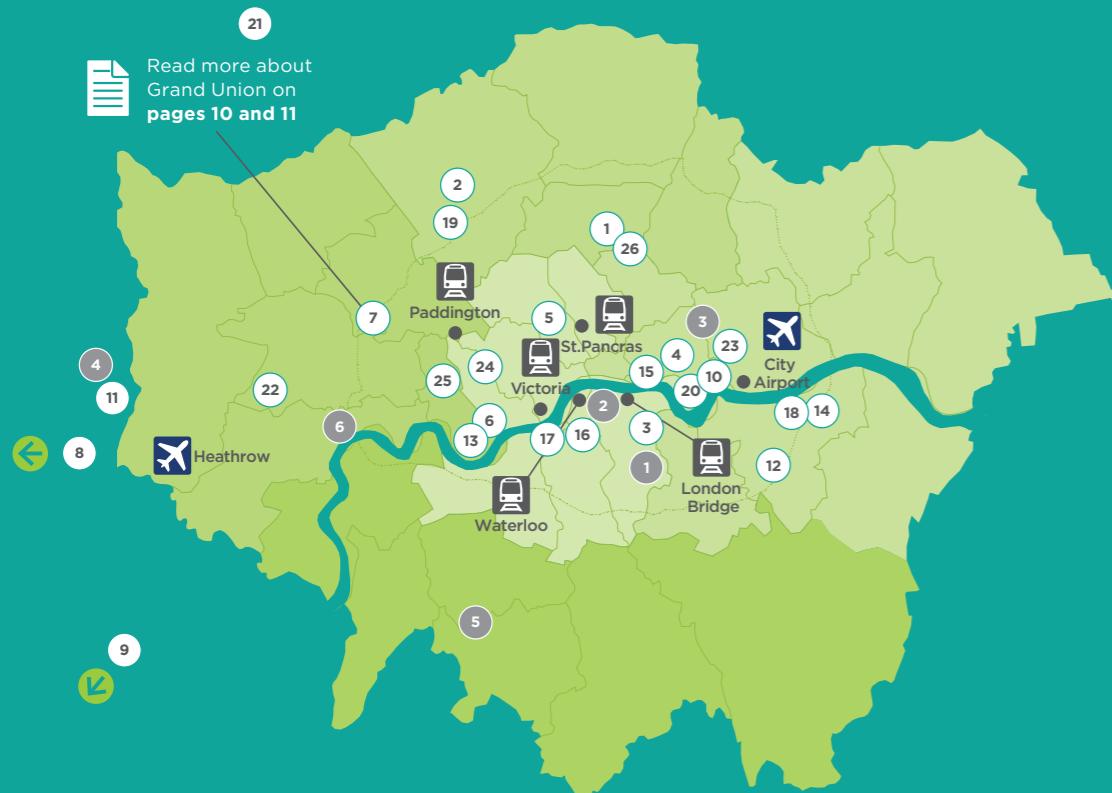
Berkeley is the only large UK homebuilder to align with the Government's brownfield-first housing agenda.

We are taking forward 32 complex regeneration projects. Each will deliver over 1,000 new homes, alongside new investment in public infrastructure, amenities and the green open spaces a strong community needs.



Our brownfield-first approach will not only ramp up housebuilding, but also create more jobs, deliver much needed infrastructure, and boost economic growth across the country.

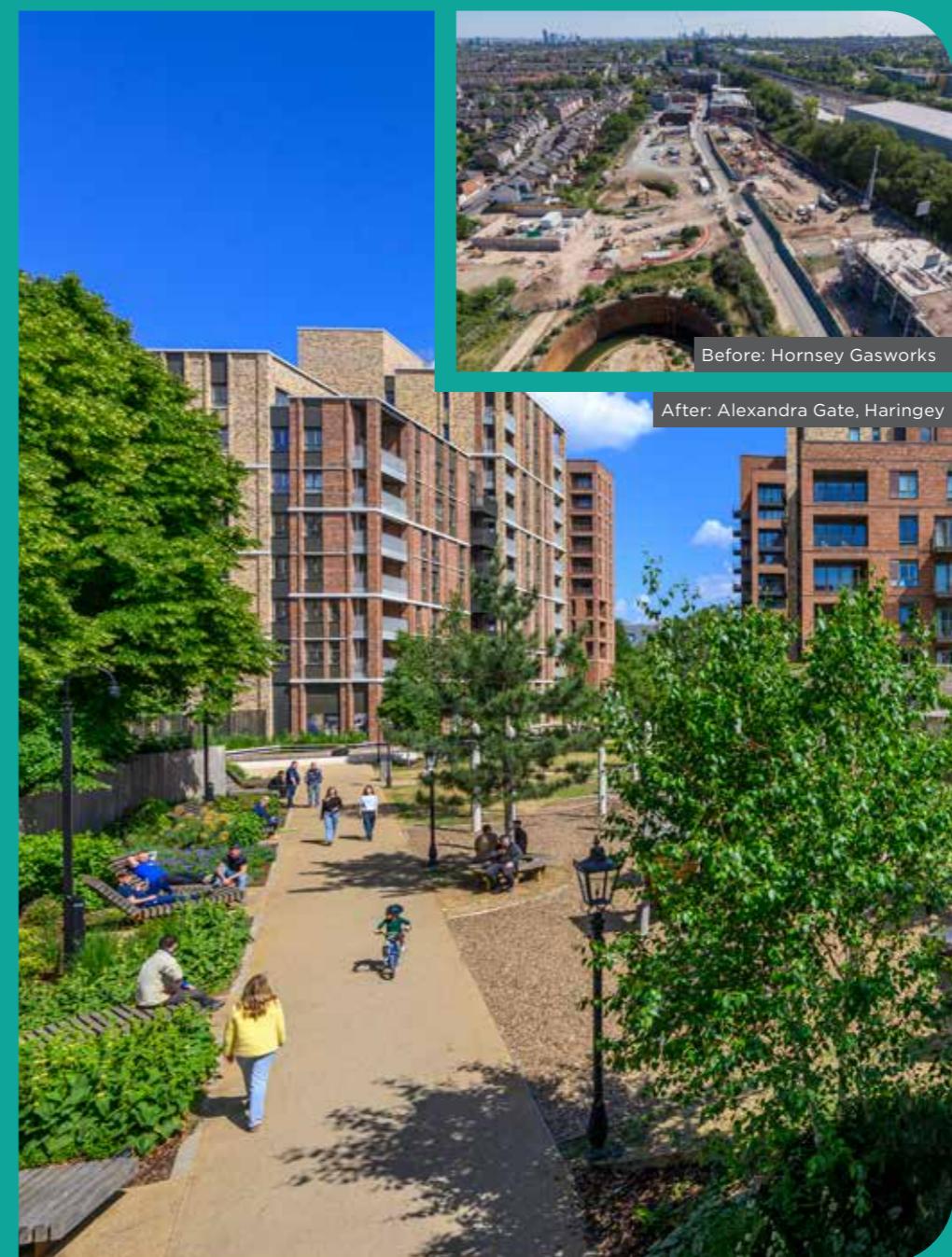
Sir Keir Starmer | Prime Minister



- **In production**
 - 1 Alexandra Gate, Haringey
 - 2 Beaufort Park, Hendon
 - 3 Bermondsey Place, Southwark
 - 4 Bow Green
 - 5 Camden Goods Yard
 - 6 Chelsea Creek
 - 7 Grand Union, Brent
 - 8 Green Park Village, Reading
 - 9 Hartland Village, Fleet
 - 10 Heron Wharf, Poplar
 - 11 Horlicks Quarter, Slough
 - 12 Kidbrooke Village, Greenwich
 - 13 King's Road Park, Fulham

- **Future sites**
 - 14 Lombard Square, Plumstead
 - 15 London Dock, Wapping
 - 16 Oval Village
 - 17 Prince of Wales Drive, Wandsworth
 - 18 Royal Arsenal Riverside, Woolwich
 - 19 Silkstream, Barnet
 - 20 South Quay Plaza, Docklands
 - 21 The Exchange, Watford
 - 22 The Green Quarter, Ealing
 - 23 TwelveTrees Park, Newham
 - 24 West End Gate, Paddington
 - 25 White City Living
 - 26 Woodberry Down, Finsbury Park

* Pipeline sites



Key benefits of urban regeneration

Meeting housing needs – our sites are concentrated in London and other severely undersupplied towns and cities where the housing crisis is at its worst.

Driving economic growth – our investment is focused within established urban economies, delivering greater growth and productivity benefits.

Strengthening communities – we deliver new homes, jobs, amenities and infrastructure in the heart of existing communities where they are most needed.

Regreening cities – our projects bring nature and biodiversity back to neglected urban sites, reduce car dependency and preserve the countryside.

Skills and social mobility – by investing in designated regeneration areas we create a lasting source of skills training and job opportunities to disadvantaged communities.

Challenges

Large scale urban regeneration sites present challenges that few developers can overcome:

- Building trust with communities and councils
- Complex planning and regulatory regimes
- Complex land assembly
- High up-front capital investment
- Site specific constraints
- Major infrastructure delivery

Solutions

Berkeley is the only developer in the country with the skills, resources and operating model to deliver urban regeneration at scale:

- In-depth community engagement
- Design-led approach and placemaking expertise
- Partnership working model
- Diverse in-house expertise
- Strong capital base and long-term operating model

Driving growth and value

Berkeley specialises in unlocking the long-term value of derelict and underused urban land. Our carefully chosen brownfield sites are located within existing communities, where new investment can deliver greater economic, social and environmental value.

These pages summarise the key benefits of our brownfield focused model over the last five years.



Economic value

EY's independent Economic Impact Assessment of Berkeley's activities highlights the following key contributions:

£13.6bn
GDP

Berkeley's contribution to UK GDP was £2.7 billion in 2024/25 and £13.6 billion for the last five years.

£3.8bn
tax

Berkeley's total tax contribution was £0.8 billion in 2024/25 and £3.8 billion during the last five years. This includes taxes paid directly by Berkeley and the taxes paid by its customers and suppliers as a result of Berkeley's activities.



EY completes an Economic Impact Assessment each year based on Berkeley's financial data as well as publicly available statistics.



On average, every new home built by Berkeley in the last five years has generated £290,000 of value to the state through taxation and contributions to the community.

EY 2025 Economic Impact Assessment

£2.3bn
community contribution

Berkeley made a community contribution of £0.6 billion in 2024/25 and around £2.3 billion over the last five years. This includes £1.8 billion in affordable housing subsidies and additional payments of £0.5 billion to fund local facilities and services.

27,000
jobs

Berkeley has supported, on average, 27,000 UK jobs per annum directly and indirectly through its supply chain over the last five years.

20,779
homes

Berkeley built 4,329 private and affordable homes in 2024/25 and a total of 20,779 over the last five years (including joint ventures).



Social value

1,440
apprenticeships

Berkeley has supported 1,440 apprenticeships in the last five years, including 370 directly and 1,070 gaining experience working on our sites through our contractor workforce.

10%
of London homes

Berkeley delivered some 10% of all private and affordable homes built in London over the last five years. This is where new homes are needed most.

88%
of homes on brownfield sites

Berkeley has delivered 88% of new homes on brownfield land over the last five years, with 92% of homes delivered in 2024/25 on regenerated brownfield land.

>100,000
people engaged

Berkeley teams have engaged with over 100,000 people in the last five years and reached 43,000 people in 2024/25 through a mix of community engagement activities, site tours, school visits and careers fairs.

535
public amenities

Berkeley is delivering a range of public amenities on live development sites, including indoor community spaces, schools, shops, sports facilities and children's play spaces.



Environmental value

>1,200 acres
of natural habitats

Berkeley is set to deliver more than 1,200 acres of new or measurably improved natural habitats across the 57 sites with biodiversity net gain plans in place to date, helping to regreen our towns and cities.

>60
embodied carbon assessments

Berkeley has completed more than 60 embodied carbon assessments over the last five years which are enabling our teams to drive down future emissions.

14%
water saving

Berkeley incorporates water saving features in new homes and developments. Over the last five years our homes have been, on average, 14% more water efficient than building regulations requirements.

18,000
electric vehicle charging points

Berkeley incorporates electric vehicle charging points into developments as part of wider sustainable transport strategies. Across our live development sites, more than 18,000 are planned to be installed.

Building good green homes where they are needed most

In partnership with the London Borough of Brent, this previously derelict industrial estate is being transformed into a welcoming new part of Alperton, centred around a beautiful canal-side piazza and landscaped open spaces.

A network of walking and cycle routes are connecting the neighbourhood with its surrounding community, along with a riverside meadow, shops, cafés, restaurants, flexible office space, health centre, nursery and 5,000 square foot community centre.

22-acre
brownfield site

3,350
private and affordable homes

240%
biodiversity net gain

**SEGRO V-Park
Grand Union**

Highly sustainable six-storey industrial building providing 134,500 sqft of flexible floorspace from just a 1.7-acre footprint, delivered in partnership with SEGRO.



Our business model

Added-value development company

Berkeley is a unique asset-focused development business that seeks to manage risk and generate long-term value through market cycles, via its land and planning strategy and great placemaking.

We seek to find the optimum development solution for each site in terms of both the social, environmental and economic value for all stakeholders, and the returns we deliver to our shareholders. We firmly believe these two are mutually compatible and reinforcing.

Berkeley's inherent value is rooted in its land holdings and the pace at which homes are delivered is determined by the prevailing operating environment. Berkeley will always adopt a long-term approach to value creation, prioritising financial strength which brings optionality to capital allocation.

Capital allocation policy

First, ensure financial strength reflects the cyclical nature and complexity of brownfield development and is appropriate for the prevailing operating environment.

Second, invest in the business (new land and work-in-progress, including Build to Rent assets) at the right time.

Third, make returns to shareholders through dividends and share buy-backs.

 Read more about our investment case on [page 17](#)



Our brands

100% owned:

Berkeley
Designed for life

St George
Designed for life

St James
Designed for life

St Joseph
Designed for life

St William
Designed for life

Joint venture:

St Edward
Designed for life

 For more information www.berkeleygroup.co.uk

Our values



Excellence through detail



Be passionate



Respect people



Think creatively



Have integrity

 Read more about our culture and values on [pages 108 and 109](#)

Land acquisition

- Acquire land at the right time in the cycle, targeting sites where we can add value over the long-term through our regeneration and placemaking expertise
- Adopt an innovative approach to partnering with land owners, such as with joint venture partners and local authorities
- Focus on complex, large-scale brownfield sites in undersupplied markets where we can take a bespoke approach to each development

Building new homes and places

- Consistent health and safety, building safety and quality assurance standards embedded into operations
- Highly experienced and expert in-house site management teams and direct partnerships with building trades, rather than main contractor-led sites
- Utilising modern methods of construction and investing in digital technologies to enhance and modernise our production processes

Placekeeping and stewardship

- Demonstrable long-term track record of high levels of customer service and satisfaction
- Long-term strategies for effective estate and community management, working in partnership with residents and managing agents

Designing and planning new homes

- Reputation for successful regeneration delivery underpins the planning process
- Embrace a highly collaborative approach to placemaking
- Design unique and beautiful places in partnership with local authorities and communities
- Continually evolve development plans to generate the best outcome for all stakeholders

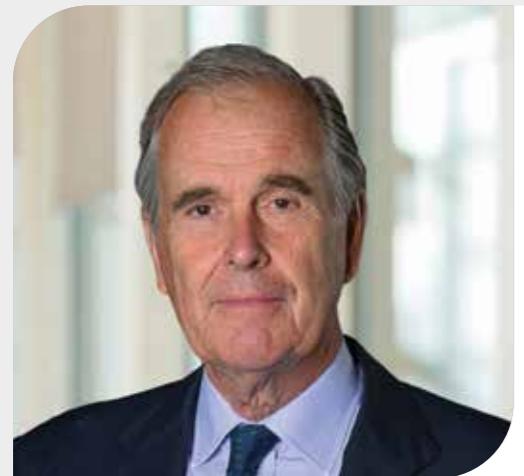
Marketing and selling new homes

- Berkeley's brand leadership and reputation for lasting product quality provides a clear competitive advantage in core markets
- Diversified sales channels across owner-occupiers, private and institutional investors, retirement living and affordable housing providers

Our Vision 2030 responsible business strategy

- Drives our performance, fosters innovation and maximises our contributions to society, the economy and the environment
- Strong focus on climate action, nature recovery, strengthening communities and future skills
- Focus on urban brownfield regeneration, which is inherently sustainable, socially inclusive and supports a lower carbon model for modern living

Chairman's Statement



“

Berkeley delivered strong operational and financial performance in the year ended 30 April 2025. Pre-tax profit of £528.9 million was in line with guidance, we have a robust net cash position and we are on target to complete the scheduled shareholder returns.

The external environment remains challenging, with demand down by approximately 30%, but the Company's performance reflects the strength of our business model and the expertise and commitment of our people.

Michael Dobson | Chairman

In a year marked by continued economic and regulatory uncertainty, we have remained focused and disciplined. Our delivery teams have maintained build quality and controlled costs, and we have adapted to the current market conditions.

We met our shareholder returns target for the twelve months to 30 September 2024, with dividends paid in the 2025 financial year of £68.0 million, a special dividend of £183.8 million and share buy-backs totalling £129.7 million. In respect of the annual £284 million due to be returned by 30 September 2025, there is a further £121.0 million remaining which will be returned either through share buy-backs or dividends.

Progress against Strategy

In December, we set out a new 10-year strategy with an agile capital allocation framework, to enable the Company to create long-term value for shareholders while taking account of the volatility that persists in the operating environment. We are pleased with the progress made to date, as set out in this report, including the initial steps to establish our Build to Rent platform.

We continue our primary commitment to brownfield urban regeneration. Recognised as the most sustainable form of development, providing the strongest economic, environmental and social outcomes, it is the most complex and our long experience in this area puts us in a unique position.

Our Vision 2030, Berkeley's responsible business strategy, continues to guide our operations, ensuring that we remain at the forefront of the industry in important areas such as skills and training, customer service, carbon reduction, biodiversity net gain and community engagement.

This focus is important in building trust with the communities we serve, the partners with whom we work, and the policymakers who shape our operating environment. We continue to play a proactive role in working with all levels of Government to help influence policy around providing deliverable solutions to the housing challenges facing the country.

Board Changes

I will step down from the Board at the conclusion of the Annual General Meeting in September.

William Jackson will also leave the Board at that time. I would like to thank William for his valuable contribution to the Board.

It is proposed that Rob Perrins will be appointed Executive Chair at the conclusion of the Annual General Meeting and Richard Stearn Chief Executive. Rachel Downey, the Senior Independent Director, will consult with major shareholders on these appointments.

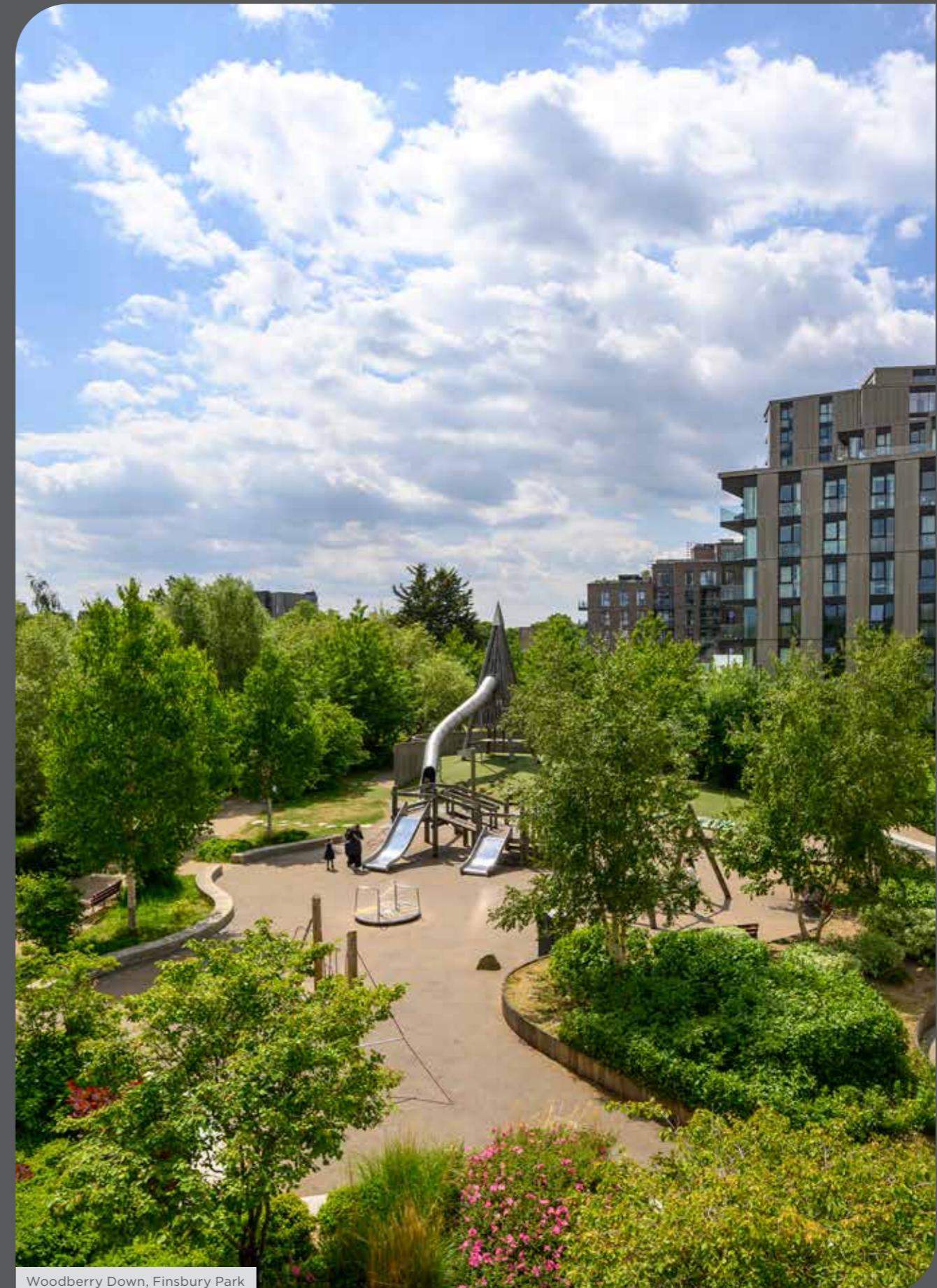
Richard Dakin, with a career in banking, capital markets and real estate at Lloyds Bank and CBRE, will join the Board as a Non-Executive Director at the conclusion of the Annual General Meeting.

Looking Ahead

As we enter the first year of the Berkeley 2035 strategy, we do so from a position of strength. The macroeconomic and regulatory environment remains challenging, but our distinctive approach, experienced leadership team, and proven track record provide resilience and opportunity.

Berkeley has a proud and distinct heritage and a great deal of potential. It is an honour to have played a role. Rob has been a great Chief Executive for 16 years and I wish him and the Company all the best for the future.

Michael Dobson | Chairman
20 June 2025



Woodberry Down, Finsbury Park

Chief Executive's Review



“

We are the only large-scale UK homebuilder focused on brownfield regeneration, which is a vital driver of growth and a powerful force for good in our towns and cities.

Rob Perrins | Chief Executive

Exceptional execution to deliver strong operational and financial performance in volatile operating environment and on track for FY26

Very supportive Government policy but regulatory headwinds remain

92% of homes delivered by Berkeley in FY25 were on brownfield land with some £580 million investment in socio-economic benefits

Great start to Berkeley 2035 strategy, with first 4 buildings transferred to the BTR platform and good progress on planning, creating long-term shareholder value

Berkeley has delivered £528.9 million of pre-tax profit for the year, with net cash at £337.3 million, in spite of ongoing geopolitical and macroeconomic volatility. With over 75% of sales secured for the coming year, we are well-placed to achieve our FY26 pre-tax profit guidance of £450 million.

This represents an excellent operational performance with highly disciplined execution and close control of costs. We have added long-term value to the business, both in our land holdings and through our Build to Rent (BTR) platform, while returning £381.5 million to shareholders; a great start to the Berkeley 2035 strategy.

There is good underlying demand for our homes, with transaction volumes gradually improving over the course of the year. However, consumer confidence remains finely balanced and a more meaningful recovery requires both improved sentiment and macroeconomic stability.

Berkeley is fully committed to the Government's housing-led growth agenda, and we are submitting planning applications on all our sites to accelerate delivery. We continue to work with all levels of Government to ensure planning consents are appropriately viable following a number of years of extreme cost inflation and regulatory change and can move into production.

We welcome the Government's efforts to unlock housing supply and advocate focused action to accelerate the completion of Section 106 agreements and clearance of pre-commencement conditions; improve and speed-up the Building Safety Regulator's new Gateway approval system; increase funding for the Affordable Housing sector; and ensure Planning Authorities have the resources and pro-active mind-set to facilitate housing delivery.

We were therefore delighted to see the increase in Affordable Housing funding and the 10-year

social housing rent settlement announced in last week's Spending Review, which represent positive progress towards achieving their housing ambitions.

Regenerating brownfield land remains central to Government policy with an estimated 88,000 homes required to deliver the national annual housing target to come from London. With our focus on London, Birmingham and the South-East, Berkeley is the only large UK homebuilder with a business model that prioritises brownfield development and is unique in having the expertise and resources to unlock complex urban sites and their significant economic and social value.

92% of the 4,300 homes delivered in the year are on regenerated brownfield land and we have provided some £580 million in subsidies to deliver affordable housing and commitments to wider community and infrastructure benefits.

To capitalise fully on the opportunity presented by large-scale brownfield regeneration, we advocate the use of bespoke Section 106 agreements instead of the Community Infrastructure Levy (CIL), which would reflect the significant on-site infrastructure and amenities they provide and allow for an increase in delivery of much needed affordable housing.

We are delighted to have added a large site in Slough town centre to our portfolio in the year and also to have been selected as development partner by Birmingham City Council for the regeneration of the 148-acre Ladywood Estate, with the potential to deliver over 7,500 new and refurbished homes. Both are hugely exciting opportunities to drive growth in our towns and cities in partnership with energised and forward-thinking public sector partners.

Under our new Berkeley 2035 strategy announced in December, which is fully aligned to the Government's increased housing delivery ambitions, Berkeley can allocate £5 billion of capital to new investment over the 10-year period, including delivering 4,000 homes for rent through our own Build to Rent (BTR) platform.

We have adapted our business to current market conditions over the last 18 months, which results in the pre-tax profit guidance for FY26 of £450 million, with FY27 likely to be similar, based on current sales rates. Our long-term target is to make a pre-tax return on equity above 15% over the cycle but will be below this in the medium-term while the current operating environment volatility persists, and we invest in our BTR platform to increase future delivery and maximise long-term value for shareholders.

Berkeley's performance is a result of the skill, passion and commitment of our people. They continue to deliver hugely positive outcomes for communities, the economy and environment through ambitious brownfield regeneration and I thank them for this on behalf of the Board and shareholders.

Investment Case

Berkeley has a strong track record of delivery, profitability and cash generation through market cycles, reflecting its long-term business model, which is underpinned by five key features:



Royal Arsenal Riverside, Woolwich

1

Only large UK homebuilder focused on brownfield regeneration at scale

- Delivering sustainable homes and neighbourhoods on brownfield land with significant socio-economic benefits
- Aligned with Government's brownfield first agenda
- Each project individually designed in partnership with Local Authorities and communities

2

Core London and South East markets are systematically under supplied

- London has global appeal, with deep and proven demand
- Berkeley delivers over 10% of London's new private and affordable homes each year

3

Financial strength provides strategic optionality

- Net cash of £337 million, with £1,200 million of debt facilities
- Cash due on private forward sales under exchanged contracts of £1.4 billion
- Land holdings estimated future gross margin of £6.7 billion across 52,700 homes

4

Unrivalled land holdings sustaining delivery profile

- Not under pressure to buy land
- Over 70% of homes are in London
- Over 90% of homes have outline or full planning consent

5

Added value developer maximising returns on each site

- Bottom-up approach which identifies the best development solution and maximises absolute returns from each site
- Sales volumes important on a site-by-site basis, but are not the sole determinant for creating value
- Instead, long-term value is created through the land and planning strategy
- Financial risk managed through land approach and forward selling
- Agile and responsive to the prevailing operating environment

Long-term Shareholder Returns

342% TSR
(Total Shareholder Return)
since 1 January 2007

Berkeley 2035 – a strategy for value creation over the next 10 years

The Government's aspiration to deliver 1.5 million homes over this current Parliament has been a catalyst to unlocking the planning system. Berkeley is well aligned to Government's ambition with its brownfield land holdings and pipeline in well-connected urban areas.

In December 2024, Berkeley announced a 10-year strategy to drive long-term shareholder value by using its operating expertise and balance sheet strength to capitalise on investment opportunities as they arise while taking account of the volatility that persists in the operating environment.

Berkeley 2035 is underpinned by an agile capital allocation framework through which it can utilise its entrepreneurial property expertise to invest in opportunities in the near-term that maximise long-term shareholder value.

Berkeley 2035 comprises three principle value drivers:

1. Increase return on capital in the core business

- Land holdings – optimising the value of existing sites through re-planning activity, alongside the delivery of high quality placemaking and customer service
- Pipeline sites – securing the inherent value within our pipeline sites through obtaining planning consent and bringing them forward into delivery
- Land investment – selective investment in new sites where Berkeley can use its added-value development expertise to create great places and homes, and value for shareholders

Flexible Capital Allocation Framework

Berkeley has identified **£7 billion of free cash flow** to deploy over the next 10 years to drive value. This is before introducing any external funding to the BTR platform and anticipates an initial allocation of:

Land investment to replace land holdings used over 10 years	£2.5 billion
Existing BTR commitment for initial 4,000 home portfolio	£1.2 billion
Minimum level of shareholder returns committed	£2.0 billion
Flexible allocation to be invested or returned to shareholders	£1.3 billion
Free cash flow to be deployed over 10 years to 2035	£7.0 billion

This agile framework combines the necessary near-term resilience with the ability to flex a greater allocation to new land, the BTR platform or shareholder returns as the operating environment evolves.

2. Establishing a market-leading Build to Rent platform and significantly growing its value

- Accelerating delivery on our large brownfield sites to meet the strong unsatisfied demand for quality residential rental property built in and around London, the UK's most under-supplied market
- Creating a permanent route to market with income generating assets attractive to institutional core capital, to capture the fundamental BTR value drivers of rental growth and stabilised investment yields
- A platform provides multiple and flexible exit routes post stabilisation of the assets, including:
 - Disposal of individual BTR buildings or a series of portfolios;
 - Introducing third-party equity with Berkeley retaining management under a fee arrangement; or
 - Introducing debt, with allocation to the BTR assets.
- Maximises the opportunity to capture superior returns through a best-in-class platform and service.

3. Making returns to shareholders through share buy-backs or dividends; a strategy that will grow the long-term value of Berkeley, while retaining financial strength

- Targeting a minimum level of shareholder returns of £2.0 billion over the next ten years
 - Of which, £0.9 billion will be returned by 30 September 2030 (which includes the final £260 million to be returned under the 2011 programme of which £139 million was already paid and the remaining £121 million is due by 30 September 2025); and
 - The remaining £1.1 billion will be returned by 30 September 2034
- Returns after September 2025 will be phased and delivered through a combination of share buy-backs and dividends, with the actual level of returns dependent upon the extent to which the £1.3 billion of flexibly allocated free cash flow is deployed into investment opportunities or returned to shareholders.



Adopting this flexible capital allocation strategy at this point in the cycle enables Berkeley to retain financial strength at a time of persistent volatility in the operating environment so that it can maximise value from its assets and make returns to shareholders over the next 10 years.

Over the next 10 years Berkeley is therefore targeting to:

- Maintain operating margins in the historic range of 17.5% to 19.5%
- Maximise the value of our land holdings and pipeline sites
- Grow the value of its BTR platform and realise best value for these income producing assets
- Grow net asset value per share during the investment phase of the 10-year period



Housing Market and Operations

Sales

The value of underlying net sale reservations for the year was 5% ahead of FY24, weighted slightly to the second half reflecting the improved momentum we noted in December's interim results and March's Trading Update. While this is encouraging, current sales levels are below our long-term aspirations and around 30% lower than FY23.

While transaction sales volumes will only inflect in a meaningful way once there is confidence in the trajectory of interest rate reductions and wider economic stability, Berkeley's unique and beautiful developments with access to nature and well connected to public transport, alongside outstanding customer service, continue to differentiate our product and generate good enquiry levels.

This underlying demand has underpinned the launch of three new developments in London during the year: Wandsworth Mills, Bermondsey Place in Southwark and Trillium in Marylebone and the next phases of a number of our established developments, including White City Living, London Dock and TwelveTrees Park, amongst others. These have all generated good levels of forward sales, with customers who are able to commit funds recognising that this is a good time to buy. In these market conditions, demand levels do vary between sites, depending upon their individual characteristics, and this is also reflected in pricing. Overall, sales prices secured across our portfolio have been slightly ahead of business plan pricing at the start of the financial year. Forward sales are £1,403 million (30 April 2024: £1,701 million) and will moderate further over the next 12 months under prevailing market conditions.

Our outlook for the sales market is positive. The fundamentals are strong and improving with good employment, real wage inflation, falling mortgage rates and strong rental market dynamics. There is deep-rooted undersupply of new homes in Berkeley's core markets.

Focusing on London, which remains a fantastic global city, the latest quarterly MHCLG data is stark with just over 6,300 new-build starts over the last 12 months to 31 December 2024, a year-on-year decline of some 60%. London's housing need is now estimated at 88,000 homes per year based on the NPPF assessment, while the current London Plan (which remains in place until 2026) has an annual housing delivery target of 52,000 homes.

Construction

For Berkeley, build costs have remained stable over the course of the year. The sluggish domestic economic backdrop, with low housebuilding and wider construction activity, is leading subcontractors to absorb underlying inflationary pressure on materials and labour within their tender pricing. As we look forward, Berkeley expects this dynamic to continue as subcontractors place value on securing the forward orders in a weak market.

We remain alive to inflation risk, conscious of the recent increase in Employers' National Insurance Contributions, but more prominently from ongoing regulatory change, including the transition to a new regulatory regime. In respect of the latter, we continue to work with both the MHCLG and the Building Safety Regulator (BSR) to resolve the ongoing process issues encountered at Gateway 2 which, if left unresolved, would lower industry-wide delivery over the medium-term.

CMA investigation

In February 2024, the Competition and Markets Authority (CMA) announced an investigation into possible anti-competitive sharing of information in the housebuilding industry. We continue to cooperate with the CMA and its enquiries.

Self-Remediation Terms and Contract

On 13 March 2023 Berkeley entered into the Self-Remediation Terms and Contract with MHCLG, under which developers have responsibility for any life-critical fire safety defects in buildings they have developed in the 30-year period to April 2022.

For the 820 relevant buildings Berkeley has developed over this period, we have third party assessments on over 95%. All of the remaining buildings are where Berkeley is not the freeholder and has not yet been provided access. There are 36 buildings where works are still to be completed, 12 of which are buildings where Berkeley is reimbursing Government for the works under the Developer Remediation Contract. Where works are required and yet to commence, Berkeley intends to begin works as soon as reasonably possible, subject to access being provided by the freeholder. It is Berkeley's preference to take full responsibility for all its relevant buildings and to complete any required works itself as this will speed up the overall process of remediation. We are seeking recoveries from the supply chain and insurers where appropriate.

We continue to work closely with Government and the BSR to complete any required remediation work as quickly as possible which, together with the actions taken to date, should restore trust and confidence to the housing market, enabling it to operate efficiently, effectively and fairly for all.

Chief Executive's Review continued

Housing Market and Operations continued

Land and planning

Berkeley has acquired three new sites in the year. These include: a strategic site at Maidenhead in Berkshire for 220 homes, following the grant of a planning consent; a brownfield site in Hersham, Surrey, for which a resolution to grant planning has been received since the year end for 260 homes; and the Queensmere and Observatory Shopping Centres in Slough, which have the potential to deliver over 2,000 homes.

We have made good progress on the planning front, securing five new planning consents at Bromley-by-Bow (2,150 homes), Leyton (640 homes) and Stratford (245 homes) in London and Bath (611 homes) and the new Maidenhead site outside London. In addition, there have been over 30 other planning amendments agreed in the year, including additional homes at TwelveTrees Park in West Ham, London Dock in Wapping, Heron Wharf in Poplar, and Horlicks Quarter in Slough.

At 30 April 2025, Berkeley's land holdings comprise 52,714 plots across 64 developments (30 April 2024: 54,081 plots across 70 developments), including those in the St Edward joint venture.

The plots in the land holdings have an estimated future gross profit of £6.72 billion (30 April 2024: £6.93 billion), which includes the Group's 50% share of the anticipated profit on St Edward's joint venture developments.

Through the three new sites, planning activity (including transfers with the pipeline) and market movements, Berkeley has replaced £0.5 billion of the £0.7 billion of gross profit taken through the Income Statement in the year. The estimated future gross margin in the holdings at the end of the year was 24.7% (30 April 2024: 25.1%).

The estimated future gross margin represents Management's risk-adjusted assessment of the potential gross profit for each site, taking account of a wide range of factors, including current sales and input prices; the political and economic backdrop; the planning regime; and other market forces; all of which could have a significant effect on the eventual outcome.

In the year, Berkeley has provided some £580 million in subsidies to deliver affordable housing and commitments to wider community and infrastructure benefits through Section 106 agreements. At over 150% of post-tax profit, this rate has doubled over the last 10 years.

Over the same period new starts across the industry in London have more than halved.

The pipeline comprises approximately 12,000 plots at 30 April 2025, following the transfer in the year of the site at Bromley-by-Bow to the land holdings on achieving planning consent net of other movements. The pipeline includes the first phase of the St William site at Beckton (2,800 homes) and the St Edward site in Brentford (2,100 homes), pending finalisation of its Section 106 agreement.

Build to Rent ('BTR') Platform

Berkeley has made significant strides toward establishing a market-leading BTR platform during this period.

The first four buildings have been transferred to the BTR platform as at 30 April 2025. Comprising 762 homes, this is nearly 20% of the initial 4,000 home portfolio. The next two buildings (at Grand Union and Silkstream) have been transferred since the financial year end:

Sites in the BTR Platform (30 April 2025)	Location	Initial BTR Homes	Total BTR Homes
- Alexandra Gate, Haringey	Zone 3	187	402
- Kidbrooke Village, Greenwich	Zone 3	90	206
- Eden Grove, Staines	Surrey	158	158
- Horlicks Quarter, Slough	Berkshire	327	327
In the BTR platform		762	
- Grand Union, Wembley	Zone 3	177	326
- Silkstream, Hendon	Zone 3	183	183
Total homes in production		1,122	
- BTR future production		2,878	
- Other sites		-	2,398
Initial BTR portfolio		4,000	4,000

A management team is in place, led by senior Berkeley employees augmented through external hires from the BTR industry with operational, customer service and digital experience. Six planning consents have been obtained to revise the amenity provision or optimise the unit mix for a rental market in the relevant buildings. An appropriate specification has been determined and Berkeley is well advanced in establishing a distinct BTR brand identity targeting a rental market that leverages the existing brand credentials. Berkeley will be launching its first development to the rental market in spring 2026 (Alexandra Gate).

The initial BTR portfolio homes are included in the land holdings plots and future estimated gross profit.



As at	30 April 2025	Change	30 April 2024
Owned	52,714	-886	53,600
Contracted	-	-481	481
Plots	52,714	-1,367	54,081
Sales value	£27.2bn	-£0.4bn	£27.6bn
Average selling price*	£522k	+£6k	£516k
Average plot price*	£48k	-£1k	£49k
Land cost %	9.2%	-0.2%	9.4%
Gross margin	£6,722m	-£207m	£6,929m
Gross margin %	24.7%	-0.4%	25.1%

* Reflects joint venture sites at 100%

Chief Executive's Review continued

Shareholder Returns

Shareholder returns during the financial year totalled £381.5 million:

	2025 £'m	2024 £'m
Shareholder Returns for the year ended 30 April		
Dividends paid	68.0	98.1
Special dividend paid	183.8	-
Share buy-backs undertaken	129.7	72.3
Shareholder return in the financial year	381.5	170.4

Dividends paid in the year of £68.0 million comprised a £35.0 million payment in July 2024 (33 pence per share) and a £33.0 million payment in March 2025 (33 pence per share).

The special dividend in the year of £183.8 million (174 pence per share) was followed by a share consolidation which reduced the Company's share capital, net of Treasury and EBT shares, by 3.7 million shares (3.5%).

The share buy-backs of £129.7 million were in respect of 3.3 million shares (average price: £39.05 per share).

Under Berkeley 2035 there is £121 million due to be returned by 30 September 2025 which may be made through share buy-backs and a dividend in September to the extent there is a residual amount following any share buy-backs (which completes the annual return of £284 million by 30 September 2025 under the 2011 Programme). Thereafter, the next shareholder return hurdle is a further £640 million over the five year period to 30 September 2030.

Outlook

Berkeley is determined to play a full part in helping Government meet its growth ambitions and has been greatly encouraged by the tone set by the brownfield-led housing agenda. Converting this into delivery is challenging particularly as it comes after a period of extreme cost inflation and complex regulatory change. However, the challenges must not dampen the ambition as the prize is significant in the form of economic growth, revitalised towns and cities and better prospects for young people.

We have a clear plan for the next 10 years and are ready to invest £5 billion of capital into new sites and our new BTR platform, which will deliver at least 4,000 additional homes over this period.

We are positive about the future, with strong fundamentals supporting both the for sale and rental elements of our business including structural under-supply and the prospect of falling interest rates and a supportive lending market. Central to this is the UK and London's position in the global economy and the ability to attract the investment required by both the public and private sectors to meet the nation's housing need.

As always, we are positioning Berkeley for the long-term and embark upon the new financial year in a strong financial position with net cash of £0.3 billion, £1.4 billion of cash due on exchanged private forward sales and £6.7 billion of future gross margin in our land holdings.



Kidbrooke Village, Greenwich

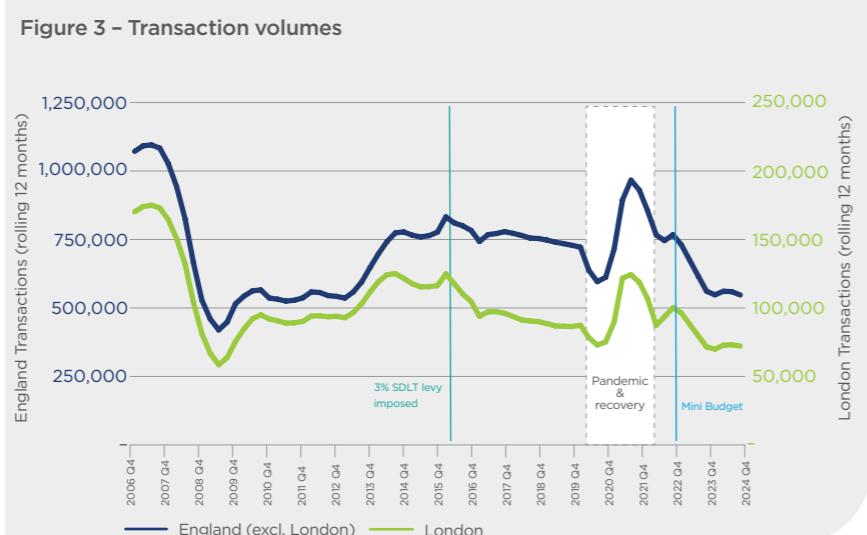
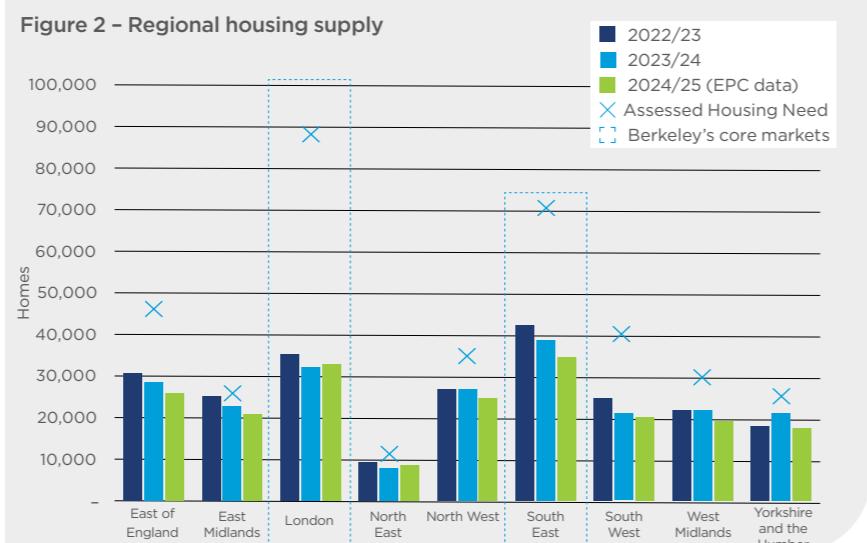
Market overview

The housing market is sensitive to underlying sentiment and the prevailing geopolitical and macro-economic environment. It is therefore cyclical in nature, and Berkeley is experienced at operating in this environment, with a unique long-term business model that enables us to deliver homes and outcomes for all stakeholders through market cycles.

The global economy continues to be characterised by heightened volatility and uncertainty, with trade policies emanating from the US introducing a new source of global uncertainty.

Against this global background, the UK also faces its own domestic headwinds, which add to a complex and challenging operating environment for the housebuilding sector specifically.

Inflation was 3.5% in the year to April 2025, higher than 2.6% a year prior, but materially lower than the double-digit levels in 2022¹. Towards the end of the year, it is expected to reduce again, before moderating to the Bank of England's 2% target by the end of 2026.² Whilst build costs are now relatively stable and competitive, inflation remains a risk in the current environment.



Inflation and higher mortgage rates continue to impact market sentiment. However, with inflation easing and the Bank of England expected to continue measured rate reductions towards a market-implied rate of 3.6% by the end of 2025,² sentiment should improve, with supportive mortgage availability and rates amongst competitive lenders.

The sector is often considered a bellwether for the health of the wider economy. It is encouraging that the new Government is focusing upon reforming the planning system, identified as one of the key barriers to housing delivery that has exacerbated the historical structural undersupply of housing.

The Government has pledged to deliver 1.5 million homes over this Parliament. At 300,000 homes a year, this is a level consistent with the previous Government target, but one that has not been achieved since the 1960s, when the Government directly delivered around 40% of all new build homes.³

The National Planning Policy Framework (NPPF) was revised at the end of last year and contains several measures to create a favourable planning environment, including the re-introduction of mandatory local housing targets and ensuring local authorities can demonstrate a five-year land supply, with a presumption for planning decisions in favour of sustainable development. An increase in local planning department funding should also alleviate capacity restrictions.

Whilst this much needed focus on planning is welcomed, the impact of these initiatives will not be immediate. Other challenges of the operating environment are wide reaching, including the impact of recent build cost inflation and supply chain strength, affordability constraints and a reduced demand from affordable housing providers due to their funding constraints.

The sector also needs to integrate and comply with a number of emerging regulatory regimes, including the Building Safety Act 2022, the Building Safety Regulator, the Future Homes Standard, the Environmental Act 2021, biodiversity net gain and other environmental requirements. The introduction of the Building Safety Levy places further pressure on development viability.

Affordability constraints and evolving customer preferences continue to drive strong demand in the rental sector, sustaining rental growth. With the rental market accounting for a fifth of households in England, the BTR sector is an important part of the market and 2024 saw a record level of capital deployed in the sector.⁴

Whilst Berkeley supports positive changes, the increasingly challenging operating environment has resulted in subdued construction activity nationally, which is impeding much needed supply.

However, the long-term fundamentals of the housing sector and Berkeley's core markets in London and the South East remain strong:

- London's position as a global city remains compelling;
- systemic and compounding under supply in London and the South East of England continues;
- unemployment remains at low levels¹, despite economic uncertainty, with strong wage growth;
- interest rates are reducing from the recent peak and future expectations are supportive of restoring sentiment and affordability;
- a competitive lender market supports good mortgage availability; and
- strong growth in the rental market means both home ownership is a viable preference despite higher interest rates, and investors can achieve appropriate yields, supporting the important rental market.

London and the South East is systemically under-supplied

The revised NPPF identified a national housing need of 370,000 homes a year, which is higher than the Government's committed target of 300,000 homes. Given current delivery levels, sector activity will require a significant scaling up.

During 2024/25, the number of new homes completed across England was around 205,000,⁵ the lowest level since 2015/16.⁶ This is around two thirds of the Government's ambition. Future completions look set to remain materially below targets, based upon current permissions and starts activity, further compounding the supply issue.

There were 108,000 starts reported in England in 2024, which is lower than the pandemic impacted period and the lowest level since the start of 2013 (see Figure 1).⁷ This is a little over a third of the Government's commitment.

The number of homes that gained planning permission in 2024 nationally was the lowest in a decade. Whilst most regions declined, London was one of the most significant, reducing by 14%, having fallen by over a quarter in the prior year to the lowest levels since 2011.⁸

Based upon the NPPF assessment of housing need, the under supply on a regional basis continues to be concentrated in London and the South East (see Figure 2).

London's housing need is now estimated at 88,000 homes per year, which compares to the previous identified need of nearly 100,000.⁹ The current London Plan (which remains in place until 2026) has an annual housing delivery target of 52,000 homes. Even if this current target were reached, this would still represent a shortfall of 36,000 homes or around 41% every year relative to the NPPF's latest assessment of need.

In 2023/24, there were 32,000 homes delivered in London, of which 28,000 were new build.⁶

The delivery in 2024/25 is expected to be broadly similar,⁵ a 64% shortfall compared to the latest identified need, with the requirement for upcoming London Plan revisions to be consistent with the new NPPF.

This supply constraint in London looks set to continue in the medium to long-term, with new build starts of just over 6,300 in the last year (see Figure 1), a year-on-year decline of just over 60%. This reduction in activity over the last year is consistent across both the private and affordable sectors.¹⁰

The situation in the South East is similar. The latest housing need assessment for the region increased to nearly 71,000 (from 51,000) homes per year,⁹ compared to average completions of 38,500 per year over the last three years.^{5,6} This is an annual shortfall of 32,500 homes (46%), the second highest regional shortfall behind London.

Transaction volumes

Transaction volumes over the last year have settled around 30% lower than prior to September 2022, at levels comparable to the height of the pandemic. This current level of activity is less than half the peak activity in 2006, prior to the financial crisis (see Figure 3).¹¹ The gradual improvement of interest rates should help stimulate activity.

The reaction to temporary SDLT cuts in recent periods demonstrated the positive impact a more permanent rationalisation of the SDLT regime could have on housing market activity. Conversely, the introduction of the 3% SDLT levy on additional properties in 2016 showed the adverse impact of increased transactional taxation upon demand, which initiated a contraction of activity, exacerbated in London (see Figure 3). Current volumes are now 35% and 43% lower nationally and in London respectively than prior to this policy change.¹¹

Such investment (including some overseas purchasers, who have also been impacted by the introduction of a further 2% SDLT surcharge) is a crucial element of new housing supply.

They typically invest early in the development cycle, which allows developers and their funders to bring forward larger and more capital-intensive developments, thus creating significant additionality beyond their direct purchases.

Setting the conditions for growth

Berkeley strongly supports the Government's ambition to increase housing delivery in a sustainable manner and introduce supportive measures. Initial reforms to the planning and regulatory system are setting a clear objective of delivering more homes in the places where they are most needed.

When individual homebuyers, investors, and developers like Berkeley have the confidence and ability to invest for the long-term, this supports significant economic activity, improves social mobility, and permanently increases the country's asset base. Berkeley believes that the following further actions could help support sustainable housing delivery and economic growth:

- Optimise brownfield urban regeneration by removing tariff layering on strategic brownfield sites and refocus on bespoke section 106 agreements to deliver on the priorities of local people, whilst delivering more homes and generating more tax revenue in the medium to long-term.

- Embrace urban density on brownfield land in our most productive towns and cities, particularly where those homes are able to utilise and leverage existing infrastructure.

- Resolve the operational challenges of the Building Safety Regulator to ensure it can fulfil its primary objective and support the sector to deliver on the Government's manifesto collectively.

- Appropriately fund housing associations and new affordable housing, assisting with the private sector's efforts to replicate historical record delivery levels achieved in tandem with significant Government involvement.

- Increase market liquidity through reduced transaction taxes and encourage a supportive lending environment, enabling those who can afford to buy homes in the open market to be able to do so.

Sources:

- Office for National Statistics
- Bank of England
- MHCLG Live Table 244
- Savills
- MHCLG EPC data
- MHCLG Live Table 118
- MHCLG Live Table 213
- HBF
- House of Commons Library Debate Pack, May 2025
- MHCLG Live Table 217
- Land Registry



Trading and Financial Review

Trading performance

Year ended 30 April	2025 £m	2024 £m	Change £m	%
Revenue	2,486.5	2,464.3	+22.2	+0.9 %
Gross profit	660.3	644.5	+15.8	+2.5%
Operating expenses	(160.3)	(164.8)	+4.5	-2.7%
Operating profit	500.0	479.7	+20.3	+4.2%
Net finance costs	14.2	12.0	+2.2	
Share of joint ventures	14.7	65.6	-50.9	
Profit before tax	528.9	557.3	-28.4	-5.1%
Pre-tax return on equity	14.9%	16.2%	-1.3%	
Earnings per share – basic	371.8p	373.9p	-2.1p	-0.6%

Revenue of £2,486.5 million in the year (2024: £2,464.3 million) included £2,432.2 million of residential revenue (2024: £2,395.7 million), £14.8 million of commercial revenue (2024: £47.2 million) and £39.5 million of land sales (2024: £21.4 million).

4,047 new homes (2024: 3,521) were sold across London and the South-East at an average selling price of £593,000 (2024: £664,000) reflecting the mix of properties sold in the year.

The gross margin percentage is 26.6% (2024: 26.2%), reflecting the mix of developments on which homes were completed in the year.

Overheads of £160.3 million have decreased by 0.6% from 373.9 pence to 371.8 pence, which takes account of the share consolidation which accompanied the special dividend during the year and the buy-back of 3.3 million shares for £129.7 million under the Shareholder Returns Programme.

The cost of borrowings and amortisation of associated fees and imputed interest on land creditors is outweighed by interest earned from gross cash holdings, resulting in net finance income of £14.2 million for the year (2024: £12.0 million).

Berkeley's share of the results of joint ventures is a profit of £14.7 million (2024: £65.6 million), with St Edward's profits arising from its South-East developments following delivery of its central London developments in the prior year.

The taxation charge for the year is £146.9 million (2024: £159.7 million) at an effective tax rate of 27.8% (2024: 28.7%), which incorporates the additional 4% RPDT and Corporation Tax of 25%.

Pre-tax return on equity for the year is 14.9% (2024: 16.2%) and return on capital employed for the year is 16.5% (2024: 18.3%).

Basic earnings per share has decreased by 0.6% from 373.9 pence to 371.8 pence, which takes account of the share consolidation which accompanied the special dividend during the year and the buy-back of 3.3 million shares for £129.7 million under the Shareholder Returns Programme.

Taxation

The Group has an overall tax charge of £146.9 million for the year (2024: £159.7 million) and an effective tax rate of 27.8% (2024: 28.7%). The Group manages its tax affairs in an open and transparent manner with the tax authorities and observes all applicable rules and regulations in the countries in which it operates. Factors that may affect the Group's tax charge include changes in tax legislation and the closure of open tax matters in the ordinary course of events.

Total tax paid (year ended 30 April 2025)



Corporate Tax	£120.3m
SDLT	£7.3m
PAYE	£65.0m
Employees' NI	£8.6m
Employer's NI	£27.8m

For the year ended 30 April 2025, the total tax contribution to the UK Treasury was £229.0 million; split between taxes borne by Berkeley of £155.4 million (corporation tax, employer's NIC and SDLT) and taxes borne by our employees of £73.6 million (PAYE and employees' NIC). This total tax contribution does not include the indirect tax contribution paid by Berkeley's suppliers and customers. The wider indirect tax impact is set out on page 08.

Trading and Financial Review continued

Financial Position

The Group's net assets are £3,560 million (2024: £3,561 million).

Investment Properties

Investment properties totalled £145.7 million as at 30 April 2025, measured on a cost basis, in relation to assets under development which have been transferred to the Group's BTR platform during the year.

Inventories

Inventories of £5,052.2 million include £554.3 million of land not under development (2024: £725.8 million), £4,160.1 million of work in progress (2024: £4,347.7 million) and £337.8 million of completed stock (2024: £210.4 million).

During the year, five developments (Milton Keynes, Wandsworth Mills, Spring Hill in Maidenhead, Hurlingham in Fulham and Trillium in Marylebone) have been moved from land not under development into work in progress. The completed stock is spread across 25 developments.

Creditors

Total creditors of £2,455.1 million include £711.5 million of on-account contract receipts from customers (2024: £907.7 million) and land creditors of £714.0 million (2024: £881.7 million). Of the total £714.0 million land creditor balance, £251.2 million is classified as short-term given the expected settlement within 12 months of the balance sheet date.

Creditors also include provisions of £229.6 million (2024: £209.8 million) which represents post completion development obligations, including those related to building fire-safety matters, and other provisions.

Summarised Balance Sheet as at 30 April	2025 £m	2024 £m	Change £m
Non-current assets	379.3	393.4	-14.1
Investment properties	145.7	-	+145.7
Inventories	5,052.2	5,283.9	-231.7
Debtors	100.4	127.0	-26.6
Creditors	(2,455.1)	(2,775.8)	+320.7
Capital employed	3,222.5	3,028.5	+194.0
Net cash	337.3	532.0	-194.7
Net assets	3,559.8	3,560.5	-0.7
Shares, net of treasury and EBT	99.0m	105.9m	-6.9m
Net asset value per share	3,595p	3,363p	+232p

Abridged Cash Flow for year ended 30 April	2025 £m	2024 £m
Profit before taxation	528.9	557.3
Taxation paid	(120.5)	(170.5)
Net investment in working capital	(215.5)	(105.9)
Net investment in joint ventures	(15.8)	(3.7)
Other movements	9.7	14.8
Shareholder returns	(381.5)	(170.4)
(Decrease) / increase in net cash	(194.7)	121.6
Opening net cash	532.0	410.4
Closing net cash	337.3	532.0



Net cash

The Group ended the year with net cash of £337.3 million (2024: £532.0 million), a decrease of £194.7 million.

The net cash of £337.3 million comprises gross cash holdings of £1,015.2 million and long-term borrowings of £677.9 million. Long-term borrowings have increased by £17.9 million in the year following a drawdown of the Homes England borrowing facility.

Net assets and NAVPS

Net assets decreased over the year by £0.7 million to £3,559.8 million (2024: £3,560.5 million) as shareholder returns of £381.5 million and other movements in reserves of £1.2 million offset the profit after tax for the year of £382.0 million.

The shares in issue, net of treasury and EBT shares, closed at 99.0 million compared to 105.9 million at the start of the year. The net reduction of 6.9 million shares comprises three movements (subject to rounding):

- The 3.3 million share buy-backs undertaken during the year for £129.7 million (£39.05 per share);
- The issue of 0.2 million shares under the 2011 LTIP; and
- A reduction of 3.7 million shares resulting from the share consolidation.

Consequently, the net asset value per share is 3,595 pence at 30 April 2025, up 6.9% from 3,363 pence at the start of the year.

Funding

The Group's borrowing capacity of £1,200 million was unchanged during the year and comprises:

- £400 million unsecured 10-year Green Bonds which mature in August 2031 at a fixed coupon of 2.5% per annum; and
- £800 million bank facility, including a £260 million Green Term Loan and a £540 million undrawn Revolving Credit Facility.

Berkeley has allocated the proceeds of the Green Bonds and Green Term Loan to its ongoing development activities in accordance with its Green Financing Framework (available on its website).

Berkeley has a facility with Homes England whereby it may apply amounts borrowed towards financing or re-financing certain infrastructure type costs incurred on three of its developments. The facility totals £125.6 million, is unsecured, has floating interest rates linked to UK base rate and requires 33.33% of any outstanding loans to be repaid by 31 December 2031, 50% by 31 December 2032 and 100% by 31 December 2033. As at 30 April 2025, £17.9 million was an outstanding loan (2024: £nil).

With borrowings of £678 million, the Group's gross cash holdings of over £1 billion throughout the year have been placed on deposit with its six relationship banks.

Joint ventures

Included within non-current assets are investments in joint ventures accounted for using the equity method which are at £243.4 million at 30 April 2025 (2024: £227.0 million). The net £16.4 million increase in the year arises from Berkeley's 50% share of two movements:

- Share of profits earned in joint ventures of £14.7 million; and
- Share of loan contributions to site specific joint ventures of £1.7 million.

In St Edward, 282 homes were completed in the year at an average selling price of £499,000 (2024: 406 homes at £788,000). Completions occurred predominately at its South-East developments, Hartland Village in Fleet, Green Park Village in Reading and Highcroft in Wallingford.

In total, 2,429 plots (2024: 2,502 plots) in the land holdings relate to four St Edward developments, all outside of London (Reading, Fleet, Wallingford and Guildford).

The Strategic Report on pages 02 to 91 was approved by the Board and signed on its behalf by:

Rob Perrins
Chief Executive
20 June 2025

Key Performance Indicators (KPIs)

Our KPIs are aligned to the business strategy and are used to actively monitor business performance.

Financial KPIs

Profit before tax (£m)	528.9
2024	557.3
2023	604.0
2022	551.5
2021	518.1

This is our core measure of profitability, our absolute return from the sale and delivery of new homes in the year.

Definition: Profit earned by the Group during the year, including any finance income and costs and share of results of joint ventures, but before any tax expense.

[Link to Our Vision 2030:](#)



Pre-tax return on equity (%)

2025	14.9
2024	16.2
2023	18.7
2022	17.5
2021	16.5

This is the efficiency of the returns generated from shareholder equity in the business.

Read more on remuneration on [page 128](#).

Definition: This is measured by calculating profit before tax as a percentage of the average of opening and closing shareholders' funds. See [page 222](#).

[Link to Our Vision 2030:](#)



Net cash (£m)

2025	337.3
2024	532.0
2023	410.4
2022	268.9
2021	1,128.2

This provides a measure of the financial strength of the Group.

The £0.3 billion of net cash at 30 April 2025 combined with £1.2 billion of borrowing capacity provides the Group with total liquidity of £1.5 billion.

Definition: Cash and cash equivalents, less total borrowings. See [page 217](#).

[Link to Our Vision 2030:](#)



Net asset value per share (£)

2025	35.95
2024	33.63
2023	31.01
2022	28.18
2021	26.12

This Balance Sheet measure reflects the value of shareholders' interests in the net assets of the business.

Definition: Net assets attributable to shareholders divided by the number of shares in issue, excluding shares held in treasury and shares held by the Employee Benefit Trust. See [page 221](#).

[Link to Our Vision 2030:](#)



Future gross margin in land holdings (£m)

2025	6,722
2024	6,929
2023	7,629
2022	8,258
2021	6,884

This provides a measure of expected value in the Group's land holdings, including its share of joint ventures, in the event that it successfully sells and delivers the developments planned for.

Definition: This represents management's risk-adjusted assessment of the potential gross profit for each of the Group's sites, including the proportionate share of its joint ventures, taking account of a wide range of factors, including: current sales and input prices; the economic and political backdrop; the planning regime; and other market factors; all of which could have a significant effect on the eventual outcome. See [page 222](#).

[Link to Our Vision 2030:](#)



Cash due on forward sales (£m)

2025	1,403
2024	1,701
2023	2,136
2022	2,171
2021	1,712

This measures cash due from customers under unconditional contracts and reflects the strength and financial stability of the business from secured future sales.

Definition: This measures cash still due from customers at the relevant Balance Sheet date under unconditional contracts for sale. It excludes forward sales of affordable housing, commercial properties and institutional sales, and forward sales within the Group's joint ventures. See [page 222](#).

[Link to Our Vision 2030:](#)



Non-Financial KPIs

Net Promoter Score (NPS) (Rate)

2025	81.6
2024	80.2
2023	79.2
2022	77.2
2021	77.9

Our six month rolling NPS is an indicator of the success of our efforts to provide world-class customer service. Our NPS significantly exceeds the sector average of +59 (Home Builders Federation (HBF), March 2025) and compares favourably with top-performing consumer brands.

Definition: Customers register a score between 0 – 10 of how likely they are to recommend us to a friend; 9 – 10 being classified as promoters, 7 – 8 being passive, and 0 – 6 being detractors. The NPS is the percentage of promoters less the percentage of detractors, on a scale of -100 to +100.

[Link to Our Vision 2030:](#)



Direct apprentices and training (%)

2025	8.7
2024	9.5
2023	10.0
2022	8.9
2021	7.2

This measure shows the proportion of our employees who are an apprentice, graduate or sponsored student. On average, we had more than 100 apprentices, 50 graduates and 60 sponsored students during the course of the year.

Definition: Calculated as the average monthly percentage of our direct workforce who are apprentices, graduates or sponsored students, in line with the definition provided by The 5% Club.

[Link to Our Vision 2030:](#)



Key | Our Vision 2030 priorities

	Customers
	Employee experience
	Quality
	Modernised production
	Communities
	Future skills
	Climate action
	Supply chain
	Nature
	Shared value

Annual Injury Incidence Rate (AIIR) (Rate per 100,000 people)

2025	102
2024	52
2023	79
2022	72
2021	124

This measure shows the number of reportable injuries during the year, in relation to the number of Berkeley employees and on-site contractors. Our AIIR significantly outperforms the construction industry average of 306 (Health and Safety Executive (HSE), November 2024).

Definition: This rate is calculated by taking the number of reportable injuries across our operations throughout the year, multiplied by 100,000, divided by the average number of people working across our sites, offices and sales suites in the year.

[Link to Our Vision 2030:](#)



Greenhouse gas (GHG) emissions intensity (tCO₂e/100 sqm)

2025	0.28
2024	0.30
2023	0.27
2022	0.61
2021	0.95

This measure relates to the GHG emissions resulting from our direct activities to the floor area legally completed in the year. The figure is disclosed on an operational reporting boundary, as further explained in the Directors' Report on [page 164](#).

Definition: This is calculated by dividing our absolute scopes 1 and 2 (market-based) emissions by the residential and commercial floor area legally completed in the year, including joint venture activities.

[Link to Our Vision 2030:](#)



Responsible business at a glance

Berkeley has an established approach to responsible business. We define this as the holistic way we manage the business that takes into account economic, social and environmental value.

OUR VISION 2030 TRANSFORMING TOMORROW

Our Vision 2030 is our ambitious responsible business strategy. It centres on 10 strategic priorities which help to drive our continued success, whilst setting us apart and maximising the positive impact we make.

An integrated strategy for ESG

Our Vision 2030 provides a framework for how we address Environmental, Social and Governance (ESG) issues. It includes topics such as sustainability, health and safety, and build quality, and encompasses our approach with a number of stakeholders such as customers, employees and the supply chain.

Our Vision 2030 includes 10 strategic priorities for the business. Each of the priorities includes a long-term goal and is supported by an underlying action plan with targets and a set of core KPIs which we use to measure outcomes and impacts.

 Read more about Our Vision 2030 on [pages 36 to 55](#)



Scan the code to read about our approach to ESG

Tackling material issues

A materiality assessment was undertaken when developing our strategy in 2020, based on international best practice from the Global Reporting Initiative (GRI) to help identify the priorities. It included extensive research, together with input from more than 40 internal and external stakeholders.

Embedding it day-to-day

Our Vision 2030 is underpinned by detailed policies, standards and management systems in areas such as technical design, procurement, sustainability and health and safety. These set a clear framework for the teams within each of our autonomous businesses to follow.

We use our network of Group committees (see page 103) to embed Our Vision 2030 and to drive progress in each priority area.

Strong governance

Our Vision 2030 is overseen by a team at Group level and managed by a network of subject matter experts across the business. Quarterly updates are prepared for the Main Board together with an annual presentation on progress. Monthly Board meetings are held with the CEO, CFO, COO, Executive Committee member responsible for sustainability, Group Executive for Responsible Business and Head of Sustainability. ESG progress is taken into account in Executive Remuneration.

Reviewing our strategy

We are now at the halfway point of the 10 year strategy we set out in 2020.

During the course of 2026 we will be reviewing the strategy and timeline in the context of our new Berkeley 2035 strategy for the business.



Our vision is to be a world-class business, trusted to transform the most challenging sites into exceptional places and to maximise our positive impact on society, the economy and the natural world.



Awards



WhatHouse? Awards 2024
Best Large Housebuilder



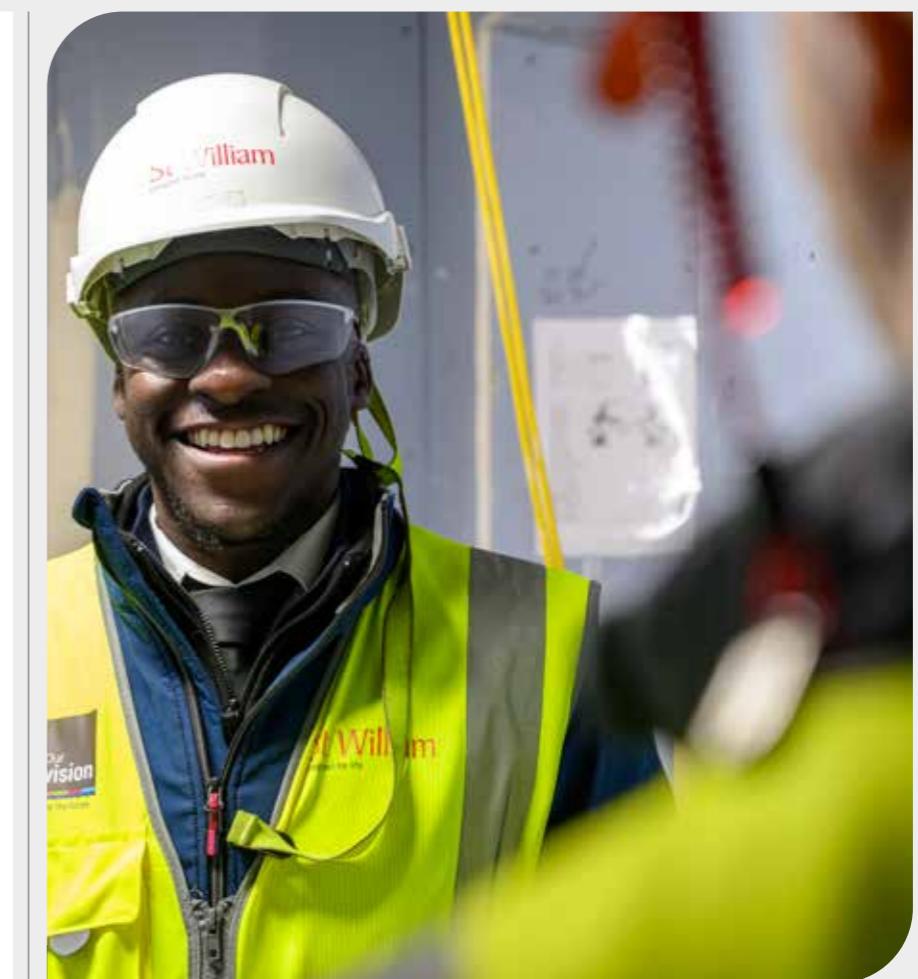
RESI Awards 2024
Large Developer of the Year



London Construction Awards 2024
Apprenticeship Initiative of the Year



Better Society Awards 2025
Philanthropy Award



Berkeley Foundation

The Berkeley Foundation
We established the Berkeley Foundation in 2011 as an independent charity to support young people and their communities to thrive and be a force for change in the world. It is funded by Berkeley and our employees volunteer their time, expertise and money to support the Foundation and its charity partners.

 Read more about the Berkeley Foundation on [pages 54 and 55](#)

Engaging stakeholders

The nature of our business means that we have a wide variety of stakeholder groups, with a range of interests from the activities of individual developments through to strategic business performance.

We engage with stakeholders to understand their opinions and respond to their requirements. Getting this engagement right is fundamental to the success of our business, with the interests of our stakeholders embedded into the long-term strategy of the business.

 Read more about our stakeholders on [pages 76 and 111 to 114](#)

Policies

We have policies in place to govern our day-to-day activities and the behaviour of our employees, partners and supply chain across key topics such as business ethics, employee matters, human rights, sustainability, building safety and quality assurance, health, safety and wellbeing.

Performance and disclosures

-  ESG performance [pages 56 and 57](#)
-  Climate-related disclosures [pages 58 to 75](#)
-  Section 172(1) Statement [page 76](#)
-  Non-financial and Sustainability Information Statement [page 77](#)

Our Vision 2030 strategy overview

Our responsible business strategy sets out our vision to maximise our positive impact on society, the economy and the natural world through 10 strategic priorities. It is an integrated and holistic strategy, so each priority supports the others and makes a valuable contribution to achieving our vision.



Scan the code to read more
about Our Vision 2030

Key | Principal risks

1 Economic outlook	5 Planning process	9 Mortgages	13 Product quality and customers
2 Political outlook	6 Retaining people	10 Climate change	14 Build cost and programme
3 Regulation	7 Securing sales	11 Sustainability	15 Cyber and data risk
4 Land availability	8 Liquidity	12 Health and safety	

Places that stand the test of time **What we create**

Exceptional people and resources How we work

Long-term goal	 Customers	 Quality	 Communities	 Climate action	 Nature
Why is this a priority?	Put our customers at the heart of our decisions and provide an industry-leading home buying experience.	Lead the industry in producing high quality, safe homes for all.	Transform underused land into unique, well connected and welcoming places where people and communities can thrive for the long-term.	Play an active role in tackling the global climate emergency by creating low carbon, resilient homes.	Create a biodiversity net gain (BNG) and make a measurable contribution to the natural environment on every development
Link to stakeholders	Maintaining the trust, loyalty and advocacy of our customers is fundamental to our business model and sets Berkeley apart from other homebuilding brands.	Creating unique homes and places of lasting quality is fundamental to our brand, purpose, values and working culture.	Regeneration and placemaking can strengthen communities and make a lasting positive difference to people's lives.	We believe every business has a duty to tackle the global climate emergency and we want to continue leading our industry in taking decisive action.	We want to play a lead role in nature's recovery and to create more beautiful wild and open spaces in the heart of cities, towns and communities.
Link to risks	<ul style="list-style-type: none">– Customers– Government, regulators and industry	<ul style="list-style-type: none">– Customers– Communities and local government– Government, regulators and industry	<ul style="list-style-type: none">– Customers– Communities and local government– Government, regulators and industry	<ul style="list-style-type: none">– Customers– Communities and local government– Supply chain– Environment– Government, regulators and industry	<ul style="list-style-type: none">– Customers– Communities and local government– Environment– Government, regulators and industry
	1 4 5 7 9 13	3 6 7 13 14	4 5 11 13	10 11 13	10 11 13

		Employee experience		Modernised production		Future skills		Supply chain		Shared value	
Long-term goal											
Why is this a priority?											
		Create a positive working environment for our people; one that fosters respect, support, wellbeing, safety and inclusivity.		Innovate and harness modern methods of construction and digital technology to achieve higher standards of quality, safety and sustainability, whilst increasing productivity.		Equip our people with the skills they need both now and for the future, enhancing social mobility and inspiring new talent to join the industry.		Build a responsible and constructive supply chain; one that is productive, practical, profitable, sustainable, ethical and dependable.			Allocate capital to deliver sustainable returns to our shareholders whilst creating value for our other stakeholders including through the work of the Berkeley Foundation.
		Our highly skilled people are the drivers of our success and we want to build an increasingly diverse, talented and productive workforce.		We want to address housing needs, whilst delivering high standards for our customers efficiently by using technology and innovation.		We want our people to have the skills to embrace innovative technologies and working practices, while attracting a new generation to drive our future.		We want to maintain strong partnerships with our supply chain, sharing goals and collaborating to ensure we are the client of first choice.			We want to make a lasting positive impact, using our unique operating model and resources to fulfil our purpose and deliver value for all.
		— Employees		— Supply chain		— Employees		— Supply chain			
		— Government, regulators and industry		— Government, regulators and industry		— Communities and local government		— Customers			

Our Vision 2030 progress

Key | Progress
● Achieved ● In progress

Places that stand the test of time What we create					Exceptional people and resources How we work						
2025 performance highlights	Customers	Quality	Communities	Climate action	Nature	2025 performance highlights	Employee experience	Modernised production	Future skills	Supply chain	Shared value
	Progress against targets	Progress against targets	Progress against targets	Progress against targets	Progress against targets	Progress against targets	Progress against targets	Progress against targets	Progress against targets	Progress against targets	Progress against targets
<p>● Achieved</p> <ul style="list-style-type: none"> Provided a personalised experience for each of our customers, resulting in an industry-leading Net Promoter Score (NPS) of +81.6, compared to an industry average of +59 (HBF, March 2025). Won the In-house Research Outstanding Achievement Award and Gold Award for the 11th consecutive year. Launched a quarterly newsletter, a video setting out the Berkeley difference and a brochure, <i>Why New, Why Berkeley</i>. 	<p>● Achieved</p> <ul style="list-style-type: none"> Rated the top UK housebuilder for build quality by HomeViews, the only independent review platform for residential developments in the country. Delivered 67% of our homes with zero defects reported by customers compared to 6% across the industry (HBF, March 2025). Introduced additional training on the Building Safety Act to our teams. Taking a leading role in working with Government and industry via the Construction Leadership Council. 	<p>● Achieved</p> <ul style="list-style-type: none"> Progressed with the development of our long-term regeneration sites and delivered more than 4,000 homes. Made community contributions of £580m, together with delivering 535 public amenities across live development sites. Launched new Communities Framework to ensure a structured approach to building strong communities right from the start. Strengthened our focus on energy reduction through our Energy Savings Opportunity Scheme (ESOS) action plan. Undertook resident surveys with State of Life to assess people's quality of life. 	<p>● Achieved</p> <ul style="list-style-type: none"> Completed more than 60 embodied carbon assessments to date, and updated guidance and targets for our teams. Engaged with additional manufacturers on embodied carbon for concrete and blocks, building on our supplier engagement for aluminium. Co-chairing the Future Homes Hub's Biodiversity Net Gain Implementation Board with the Department for Environment, Food and Rural Affairs (Defra). Won Property Week's ESG Edge Award for Excellence in Habitat Restoration. 	<p>● Achieved</p> <ul style="list-style-type: none"> Completed 57 biodiversity net gain strategies to date. Shared our lessons learnt from eight years of successfully delivering BNG. Won Property Week's ESG Edge Award for Excellence in Habitat Restoration. 	<p>● Achieved</p> <ul style="list-style-type: none"> Improved every score within our employee survey compared to previous results. Hosted a Group-wide event for the second year to celebrate International Women's Day and implemented enhanced parental leave and menopause support. Maintained industry-leading health and safety standards with an Annual Injury Incidence Rate (AIIR) of 102 compared to an industry average of 306 (HSE, November 2024). 	<p>● Achieved</p> <ul style="list-style-type: none"> Progressed with the implementation of an Electronic Document Management System (EDMS). Used pre-manufactured assemblies and components for the vast majority of our projects. Investigated innovative techniques and products to focus on increasing productivity. Ran or took part in over 280 skills events to engage with young people in education and inspire them to consider a career in the built environment. 	<p>● Achieved</p> <ul style="list-style-type: none"> Retained Gold membership of The 5% Club, with 8.7% of our employees in 'earn and learn' positions. Won awards for inclusive recruitment of apprentices and graduates. 	<p>● Achieved</p> <ul style="list-style-type: none"> Engaged with 80 manufacturers to form Group-level agreements, maintaining product quality regardless of prevailing market conditions. Built on established supply chain relationships and collaboration to improve efficiencies. Supported industry best practice in procurement competence via involvement with Industry Competence Steering Group (ICSG) and the Code for Construction Product Information (CCPI). 	<p>● Achieved</p> <ul style="list-style-type: none"> Achieved a pre-tax return on equity of 14.9%. Contributed £2.7 billion to UK GDP, including an average of £290k per home through taxation and contributions to the community. Continued to support the Berkeley Foundation and its charity partners, with employees raising £839k and volunteering 1,900 hours of time. The Berkeley Foundation won two trophies at the 2025 Better Society Awards, including the Philanthropy Award. 	<p>● Achieved</p> <ul style="list-style-type: none"> Achieved a pre-tax return on equity of 14.9%. Contributed £2.7 billion to UK GDP, including an average of £290k per home through taxation and contributions to the community. Continued to support the Berkeley Foundation and its charity partners, with employees raising £839k and volunteering 1,900 hours of time. The Berkeley Foundation won two trophies at the 2025 Better Society Awards, including the Philanthropy Award. 	

Our Vision 2030 progress continued

Our Vision 2030 is helping to drive our performance, spur innovation and reinforce Berkeley's position as a responsible and sustainable developer. This section highlights key initiatives and progress across our 10 priorities.

Key | Strategic priorities

-  **Customers**
-  **Quality**
-  **Communities**
-  **Climate action**
-  **Nature**
-  **Employee experience**
-  **Modernised production**
-  **Future skills**
-  **Supply chain**
-  **Shared value**

93%

of our homes had zero or fewer than five defects, as reported by our customers



The power of communication in creating a positive journey for each customer



From exceptional customer service to the quality of our homes, we aim to delight our customers in every detail. Our highly trained in-house sales and customer teams provide a personal touch to each customer, supporting them throughout their journey to buying and settling into their new home.

Face-to-face contact during customer visits to sales and marketing suites pre- and post-reservation, as well as 'meet the team' community evenings and open days for customers to measure up at their new home, are supported by communications including virtual tours, video updates of site progression, quarterly newsletters and customer moving in guides.

Using research to improve customer experience



We use an independent market research agency to measure customer satisfaction using two nationally recognised metrics, and we consistently score above industry averages. This year we have been awarded both the 2025 Gold Award for Customer Satisfaction alongside the Outstanding Achievement Award, from independent body In-house Research, for the 11th year running.

We continually seek new ways of understanding our customers and how we can enhance their experience. This year, we added a new survey question to deepen our knowledge of brand perception and we are using focus groups to gather a longer-term perspective on how customers feel five months after moving in, aiming to improve our service.

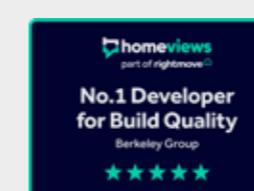
+81.6

Net Promoter Score compared to an industry average of +59 (HBF, March 2025)

98%

customers would recommend us to a friend, compared to an industry average of 94% (HBF, March 2025)

Rated the top UK housebuilder for build quality



We are delighted to be ranked as the top UK housebuilder for build quality by HomeViews, the only independent review platform for residential developments in the country. Verified residents provide reviews covering all aspects of buying and living in their new build home.

We are proud that our customers have confidence in the build quality of our homes, reflecting our continued commitment to delivering high quality homes our customers can trust.



The house quality compared to other developers is outstanding. The materials they have used, the design and high specification.

Customer at Leighwood Fields, Cranleigh

Delivering high quality homes to our customers



This achievement is a strong reflection of your continued commitment to delivering outstanding service and exceeding the expectations of your homebuyers. Your dedication to putting customers first sets a high standard in the industry and reinforces trust in your brand and the wider housing market.

Tom Weston | Chief Executive, In-house Research



We pride ourselves on our reputation for quality and remain committed to delivering safe and high-quality homes for our customers and communities. Attention to detail is instilled in our culture for all aspects of a home's delivery, from building safety and design to final finishes that are visible to our customers.

We have had a robust Building Safety and Quality Assurance (BSQA) system in place for five years which is continually reviewed to make further enhancements and to respond to the evolving requirements of the Building Safety Act. We ensure that we have three lines of defence prior to regulatory submissions and handover to customers.

First line of defence

We ensure our staff are trained to adhere to stringent BSQA arrangements. We use a cloud-based platform called FieldView to manage actions in real time and in collaboration with our contractors, ensuring we keep a digital record throughout the build stage. We work closely with manufacturers to deliver training to our teams on their products, to ensure that they are installed to exacting standards.

Second line of defence

Each division has a dedicated local BSQA team which audits and works with our production teams to assess and offer expert insights on build quality.

Third line of defence

As the industry-leader in BSQA auditing, we have a Group Internal Audit team who regularly inspect our sites to perform an impartial review at all stages and ensure strict adherence to all processes. This year the team completed detailed audits of our projects for Fire and Life Safety and Façade Integrity, with demonstrable improvements from previous audits in both areas.

Our Vision 2030 progress continued

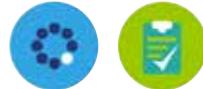
Ensuring workforce competence in building safety



The cornerstone of building safety is competence; ensuring that individuals and organisations have the appropriate skills, knowledge, experience, and behaviours. For Berkeley, this includes ensuring individuals have appropriate qualifications and that training is undertaken in line with a detailed Berkeley training roadmap.

This year we have progressed our training offering on the Building Safety Act, introducing the industry's first training modules on the Principal Designer and Accountable Person duty holders set out in the Building Safety Act, in addition to our existing foundation and contractor modules.

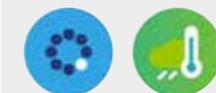
Driving industry best practice through proactive support



Berkeley is playing a pivotal role in building safety through the Construction Leadership Council (CLC) and various other industry groups. Karl Whiteman, a member of Berkeley's Executive Committee, is the CLC's Industry Sponsor for Building Safety and continues to work closely with the Government and the Building Safety Regulator to help them shape a workable and effective gateway process.

We are members of the commercial and procurement group under the Industry Competence Steering Group (ICSG) set up to create a competence framework for procurement professionals in the built environment sector. Having published the framework in April 2025, the group will now develop and roll out training and assessment to ensure that the framework is fully adopted across the industry.

A strategic supply chain for materials



Our accredited training organisation, The Berkeley Academy, has worked with the Construction Industry Training Board (CITB) to convert these modules into industry training standards to improve the competence of the wider industry.

We have also implemented a new contractor assessment process aligned to the requirements of the Building Safety Act. We have worked with our contractor, consultant and material supply chains to support them through these significant industry changes, enabling them to demonstrate their organisational and workforce competence.

With more than 80 agreements now in place and more continually being added, we are able to maintain high standards and continuity of supply despite changing and unpredictable market conditions.



Supporting and collaborating with our valued supply chain



Our goal is to build a responsible and constructive supply chain; one that is productive, practical, profitable, sustainable, ethical and dependable. We work closely with our supply chain on a daily basis on site as well as helping them plan for future opportunities across Berkeley. We have been sharing project forecasting details with both material and contractor members of our supply chain since 2017, with this open dialogue forming a critical part of long-term relationship building.

Feedback is also promoted to continually improve services on both sides.

Following the success of our first Group-wide Supply Chain Conference in 2023, we are planning another one to be held in late 2025, which will build on our established relationships and enable collaboration on topics such as environmental management, equity, diversity and inclusion, and labour exploitation.

Combatting modern slavery and labour abuse



All Berkeley employees are required to complete training on combatting modern slavery and we have embedded due diligence and risk management processes within our commercial and construction activities, including a questionnaire that is completed for all new tenders, and a checklist that must be completed during all factory visits.

We ensure that each Site Modern Slavery Lead, the most senior person on each construction site, receives detailed training to understand their role in raising awareness, as well as responding to and escalating modern slavery concerns. This interactive training involves time to discuss potential risks on site, how processes could be improved to mitigate any risks and promote proactivity in other areas of the business where this may not yet have been considered.

We continue to collaborate with industry and are part of the Supply Chain Sustainability School's Built Environment Against Slavery Group, the largest anti-slavery collaboration in the UK built environment.



Recognising that given the scale of this issue, it cannot be addressed by one company alone, we are proud to be part of a construction sector peer to peer working group with representatives from Laing O'Rourke, Skanska and Morgan Sindall to share and discuss our approach to a variety of topics including modern slavery. This year in collaboration with the UK's Modern Slavery Helpline *Unseen*, the peer to peer group initiated and produced a publicly available short video to be used in construction site inductions to raise awareness of modern slavery and labour abuse throughout the industry.



Scan the code
to watch the video
on modern slavery



Scan the code
to read our Modern
Slavery Statement



A focus on brownfield sites where we can make valuable and enduring contributions

We are proud to specialise in regenerating brownfield sites, with the highest potential for positive change. Reviving neglected sites is often the most sustainable place to build, delivering new homes, amenities, jobs and growth where they are most desired. Given the scale of these challenging sites, our holistic placemaking programmes can take up to 30 years to complete.

This year we were proud to launch our latest report *Brownfield Planning Passports: The Fast Track to Growth* at the Houses of Parliament. The report explores the challenges and opportunities of regeneration

and how it can accelerate much-needed development without sacrificing quality, affordability, or environmental concerns.

Our teams work hard to engage with the communities in the neighbourhoods we develop, and to champion our industry by showcasing the breadth of opportunities available to people from all walks of life, as well as helping people to overcome barriers and build a fairer society.

We prioritise the early delivery of community engagement activities, public amenities and natural spaces to ensure local communities feel the benefits of regeneration as soon as possible.



The Green Quarter, Ealing



43,000

people reached by our engagement activities, including 15,000 via careers events



600

acres of publicly accessible green space or parks being developed on live development sites, connecting people with nature

92%

of live development sites incorporate community facilities, in addition to the landscaped-open space that is delivered on every site

535

community facilities will be provided, including dedicated places for communities to meet, amenities and shops

>20

sports facilities will be provided, contributing to improved health and wellbeing and social integration

>140

children's play spaces will be provided, together with more than 25 schools and nurseries



650

events held to engage local people, including 280 careers events



32

long-term regeneration sites

Strategy in action

Oval Village - transforming an historic site into a thriving community



This complex brownfield site, consisting of four derelict gasholders and an adjacent supermarket and warehouse, is being knitted back into the local fabric and brought to life as a sustainable mixed use neighbourhood.

With a network of pedestrian streets, public squares and biodiverse landscaping, Oval Village will be a connected and welcoming part of the London Borough of Lambeth, delivering 1,360 high quality homes, community spaces and a mix of amenities and workspace. The site's Grade II Listed gasholder is being sensitively restored and will form the historic centrepiece of Oval Village.



This year, we have been delighted to have worked in partnership to deliver the following at Oval Village:

- Completed the structural frame for 199 homes within the Grade II Listed gas holder, a landmark achievement.
- Won Gold at the Considerate Constructors Scheme (CCS) National Site Awards 2025, recognising our commitment to the highest industry standards.
- Held more than 24 community-focused activities and events.
- Hosted 20 work experience placements, and delivered 60 career-related events.
- Supported more than 30 apprentices working for Berkeley and with our supply chain on site.



Scan the code
to read more on Oval Village

- One of our supply chain apprentices working on site was recognised by Lambeth Council as the BeLambeth 'Apprentice of the Year' 2024, and we were also awarded 'Highly Commended' in the 'Employer of the Year' awards category.
- Hosted a unique game of cricket inside the Victorian gasholder to mark the Berkeley Foundation's £750,000 commitment to disability sport with the Lord's Taverners.
- Restored a once-neglected garden next door to Charlie Chaplin's former home, revitalising a cherished local space.

30

apprentices supported directly and through our supply chain

60

career-related events held



Our Vision 2030 progress continued

A framework to meet the needs and aspirations of our neighbourhoods



This year we have launched our new Communities Framework which builds on our previous work on building strong communities and ensures a structured approach right from the start. Our framework considers both the physical and social fabric of a place and is an important integrated part of our wider placemaking and design process. The steps of the framework must be recorded in each development's Community Plan which is started pre-planning and is bespoke to each development. These Community Plans are shared with our stakeholders and the local communities. We use them to demonstrate our commitment to the communities in which we work.

The principles that underpin our framework:

OPEN: we listen carefully to the people and communities around our sites to understand their differing concerns and priorities.

INCLUSIVE: our core intent is to create communities where a broad spread of society feels included and where existing stakeholders feel welcomed to contribute.

LONG-TERM: communities are hugely complex, and it takes time, expertise and sustained capital investment to make a positive difference.

PROPORTIONATE: our approach must reflect the scale and potential of our plans. We must not promise more impact than we can deliver.

COLLABORATIVE: our approach is highly collaborative, and we look to develop lasting relationships with a network of local people and organisations.

BUILDING TRUST: this is fundamental to successful placemaking. We earn local trust through applying these principles and through listening to local views to deliver on our promises.



Our Vision 2030 progress continued

Delivering low carbon, resilient homes



Carbon emissions from homes whilst they are in use by residents are an area covered by regulation and dependent on the rate of decarbonisation of the grid. It is an ongoing focus as the industry moves towards producing zero carbon ready homes, removing the use of gas and delivering all electric homes with low-carbon heating and solar photovoltaic (PV) panels.

In advance of the Future Homes Standard to be launched in autumn 2025 we have been preparing our developments for the expected changes and incorporating technologies such as heat pumps and PV panels.

95%

of completed homes achieved an EPC rating of B or above

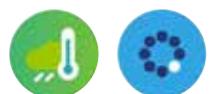
At Heron Wharf, we have conducted 'live-in' trials with three different exhaust air heat pump technologies to gain valuable insight into the experience of living with and using each low-carbon solution.

We also continue to engage with Government and industry on the topic, for example through our membership and active engagement with the Future Homes Hub and the UK Green Building Council (UKGBC).



Air source heat pumps

Lowering carbon from our operations



Having completed energy audits of our sites, sales suites, offices and vehicle fleet in compliance with the Energy Savings Opportunity Scheme (ESOS), we have produced an energy reduction action plan. A large focus in the year has been on reducing out-of-hours consumption, with several sites and offices adopting energy monitoring systems and consumption alarms to flag high usage for prompt action by our teams. We are also working to decarbonise our company vehicle fleet with new or replaced vehicles to be hybrid or electric from 2026.

We continue to directly procure responsibly sourced biodiesel HVO (Hydrotreated Vegetable Oil) to replace traditional diesel on our construction sites. We are also working with JCB to understand more about hydrogen powered plant and how this could work on our sites as a clean power alternative.

77%

reduction in scopes 1 and 2 emissions since 2019



Further detail is included in our climate-related disclosures on pages 58 to 75

Strategy in action

Supporting climate change research and development



We have been working with the Supply Chain Sustainability School on a project funded by CITB to produce a series of videos on how net zero is being achieved across the industry, and what skills are being used to achieve this. These will be made publicly available for the benefit of the industry, and particularly SMEs, to share knowledge and develop understanding on how to transition to net zero.

We are taking part in the Mayor of London's Better Futures Innovation Challenge which provides support to eligible SMEs who are seeking to innovate and bring low carbon solutions to market. We've partnered with Energy Carbon, a company which provides surface heating systems using low voltage, far infrared technology, designed to minimise energy usage and maximise efficiency and thermal performance. This technology will now be trialled in one of our sales and marketing suites.

In partnership with Camden STEAM (Science, Technology, Engineering, Arts and Mathematics), we have supported climate and environmental workshops for a Green Dragon's Den Competition. Pupils pitched for funds to support their school projects to tackle climate change, as well as attending workshops and discussions on sustainable development, air quality and recycling.

Driving down embodied carbon



We have been taking voluntary action on unregulated embodied carbon emissions for several years. These emissions from the materials and services we use to build the homes are a significant impact for us, accounting for more than half of the carbon impact of the homes we build throughout their lifetime. We have now completed more than 60 embodied carbon assessments, equipping our teams with knowledge and experience in how to reduce emissions.

Since we undertook our embodied carbon baselining exercise and set our original reduction targets in 2022, we have seen significant changes in the planning and legislative landscape including updates to the Building Regulations (FLOs and B (fire safety)). These changes have led to an unintended consequence of increasing embodied carbon by as much as 30% depending on design mitigations employed. For example, many buildings now need to incorporate larger cores to accommodate secondary means of escape which requires more concrete, and changes in ventilation requirements have resulted in higher ceilings and more mechanical ventilation. In addition, design standards within London require us to deliver dual aspect homes, with up to 40% increased wall area.



>60
detailed embodied carbon studies completed

 **UK Net Zero Carbon Buildings Standard**

The most effective ways to reduce embodied carbon emissions

STEP 1

Efficient design

Our approach focuses on the design of the development from the outset, ensuring efficient design to reduce the volume of materials. Optimising the structural design is key to reducing embodied carbon, as demonstrated at our Trillium development, where wind tunnel testing allowed the volume of concrete for the primary structure to be reduced by a third.



STEP 2

Low carbon materials

We aim to specify and procure materials with increased recycled content and lower embodied carbon. We have focused on engaging with material manufacturers for some of the most impactful materials, such as aluminium and concrete.

For aluminium, our teams are now able to access low and ultralow carbon options for windows and facades, reducing embodied carbon by up to 75% at no or limited impact on costs and programme. The benefits of Group-wide agreements with manufacturers are now being realised, such as lower carbon windows installed at The Green Quarter during the year. Through an improved understanding and early engagement with manufacturers and frame contractors to optimise specifications we are also successfully using lower carbon concrete, with around 75% of deliveries during 2025 using lower carbon concrete mixes.



STEP 3

Low carbon site activities

Once on site, our Sustainability Standards and processes promote efficient site operations to minimise waste production and energy and water consumption, all of which help reduce the embodied carbon of a project.

Our Vision 2030 progress continued

Exemplary delivery of biodiversity net gain



Having championed and pioneered the successful implementation of biodiversity net gain (BNG) on new developments since 2017, we welcomed the national milestone of mandatory BNG for new developments in February 2024. Recognising that the new requirements are still bedding in and that there are some challenges to overcome, we co-chair a BNG Implementation Board with Defra via the Future Homes Hub to help bring together industry and collaborate on solutions for successfully delivering homes and nature.

We have been used by the Government and others internationally as an example of successfully delivering BNG and will continue to learn and share knowledge with peers and industry.

This year, we won the Excellence in Habitat Restoration Award at the ESG Edge Awards for our demonstration of a long history working with stakeholders and communities to support biodiversity protection. The judges praised our approach to regeneration and supporting nature recovery which focuses on knowledge sharing and collaboration.

57

developments committed to BNG since May 2017

>1,200

acres of newly created or enhanced habitat including 500 acres at a 4,000 home development in Milton Keynes

Connecting people with nature



We work hard to help our communities enjoy nature and feel the benefits that nature brings, including better health and wellbeing. Our preference is for BNG to be delivered on site where it can benefit residents and local communities and help to re-green our towns and cities.

We use specialist ecologists to ensure that our approach is location-specific at each site and fits within emerging local nature strategies and plans. We also partner with local Wildlife Trusts to draw on their expertise to create natural parks that provide wonderful wildlife-rich areas for residents and the wider community to enjoy.

This year we won the susdrain SuDS Large New Housing Development Award at Chelsea Creek for the integration of canals designed for recreational use, together with reed wetlands and green roofs.

A new park has been opened at King's Road Park this year, forming part of the six-acre network of open landscape being created at the development, which is expected to create a BNG of more than 110%.

At The Green Quarter, a new living wall has been installed, which will bring many benefits to residents including improved air quality, health and wellbeing. Our on-site tree nursery, consisting of 600 trees, has an interactive wildlife trail which is attended by many local schools to learn about the different UK tree species and wildlife they attract.

At Hartland Village we have developed a biodiversity garden guide to give new residents information on how they can utilise their garden space to encourage biodiversity, from wildflower areas to drought gardens, with tips on species and maintenance.



Abbey Barn Park, High Wycombe

We are developing our understanding of value chain nature-related dependencies, impacts, risks and opportunities in line with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD).



Scan the code to read more about our approach to TNFD

Championing careers in the built environment



We retain Gold membership of The 5% Club, with 8.7% of our employees in 'earn and learn' positions. On average this includes more than 100 apprentices, 50 graduates and 60 sponsored students studying towards an accredited external qualification. More than 40 graduates and apprentices joined us in September 2024 and the next cohort have been recruited and are set to start their career with Berkeley in September 2025.

We were delighted to be named the second top company to work for in our sector for both apprentices and graduates by The Job Crowd, together with featuring fourth across all industries for apprentices and 17th for graduates.

We support skills and training across our supply chain through our network of Employment Skills Managers, who work with our contractors to grow their own talent and help tackle some of the industry's skills shortages. In addition, we have partnered with Workwhile to gift £100,000 per year of our unallocated Apprenticeship

Levy, with a particular focus on built environment roles within London's SMEs.

Improving our skills system is a key part of the Government's growth mission, and we have been delighted to host visits to our sites throughout the year.

The Prime Minister, Sir Keir Starmer, visited Eastbrook Village in Milton Keynes where he spent time talking to 15 of Berkeley's apprentices.

Bridget Phillipson, Secretary of State for Education, visited Oval Village as the Department for Education celebrated the beginning of National Apprenticeship Week. Another visit was made by the Secretary of State for Work and Pensions, Liz Kendall and Mayor of the West Midlands, Richard Parker to Glasswater Locks in Birmingham to understand how our training partnership is helping local people reach their potential in the workplace.

We work hard to champion our industry by showcasing the breadth of attractive opportunities available to people from all walks of life.



Prime Minister at Eastbrook



School visit to TwelveTrees Park, Newham

We undertake a range of engagement activities with people who may not be aware of the range of fulfilling careers available, such as visits to and from local schools and colleges, attending industry careers fairs, hosting work experience placements and providing mentoring or workshops on employability skills to those who are unemployed in local communities. We have undertaken around 280 events this year with local schools, colleges and universities, reaching over 15,000 people.



8.7%

of employees in 'earn and learn' roles

Our Vision 2030 progress continued

Taking action on Equity, Diversity and Inclusion



Our goal is to foster an environment where all differences are valued, practices are equitable and everyone experiences a sense of belonging. Our approach to Equity, Diversity and Inclusion (EDI) focuses on five areas:

- Setting the tone by leading from the top
- Partnering with external organisations that can support us on our journey
- Awareness, allyship and celebration
- Attracting and recruiting the best talent
- Using analytics and feedback to drive change

We run Group-wide communication and events on EDI and our autonomous businesses deliver additional detailed programmes and initiatives.

Using our voluntary employee survey we are building a more detailed picture of our employees and the experience of different demographics enabling us to set specific actions and targets to develop a more representative workforce.



Inclusive recruitment practices to enhance social mobility and diversity



We support a range of apprenticeship levels and courses to enhance social mobility and diversity and give more people an opportunity to enter the built environment sector.

Our approach to hiring apprentices and graduates is leading the way in levelling the playing field to be more inclusive and reduce the potential for unconscious bias during the selection process by removing the use of CVs, anonymising all applications and asking role-specific competency questions to capture a candidate's potential.

Interview responses are measured against an objective scoring matrix and assessment centres are attended by assessors who have completed inclusive recruitment training.

We are delighted that our efforts to promote inclusive recruitment have been recognised by winning the 'Candidate Assessment' accolade at the In-house Recruitment Awards 2024 and 'Apprenticeship Initiative of the Year' at the London Construction Awards 2024.

Supporting women at Berkeley



This year we celebrated International Women's Day with a Group-wide event for the second year, to reflect on the progress, challenges and opportunities for women in the built environment. The event included a panel of inspiring women representing every division of our business from a range of departments and levels of seniority. They shared their experiences as women in the built environment sector and at Berkeley and their hopes for the future. The event was a fantastic opportunity to celebrate how far we have come and key milestones, such as our first all-female production leadership team working at South Quay Plaza, alongside an update from senior leadership on plans to go even further to support women.



International Women's Day event

We have also completed the first cohort of The Circle Partnership's 12 month Academy Programme, supporting women in the sector to grow in their roles and become the senior leaders of the future. Another cohort of women are now progressing with the 2025 programme and benefiting from 1:1 mentoring, a bespoke two-day emerging leadership programme as well as various events on topics such as setting healthy boundaries, improving resilience and presenting with impact.

This year we have improved our Group-wide employee benefits including enhanced parental leave and free access to an externally provided menopause plan.

Upskilling our employees



The Berkeley Academy is an Approved Training Organisation (ATO) with the Construction Industry Training Board (CITB) and delivers training for our employees across two training centres.

The Academy runs training on many topics such as health and safety, sustainability, building safety and quality assurance (BSQA), with over 1,000 colleagues trained on BSQA in the year.

This is supplemented by training run locally by our divisions covering topics such as behaviours in the workplace, leadership and management skills and EDI.

We also offer opportunities to work towards external qualifications and professional accreditations, with more than 130 of our colleagues choosing to upskill during the year through recognised external qualifications and apprenticeships.



Maintaining industry-leading health, safety and wellbeing standards



Our established and robust approach to health and safety helps us to consistently outperform the industry with an Annual Injury Incidence Rate for the year at 102 per 100,000 people, compared to an industry average of 306 (HSE, November 2024).

Our teams operate to stringent Group-wide health and safety standards that are audited regularly by our Group audit team, as well as audits completed by a Berkeley Director twice a month. We have a large team of local health and safety managers who provide expert advice and guidance to the project teams on a daily basis extending across safety, occupational health and wellbeing, and welfare standards.

The nature of regeneration and developing apartments results in higher risk activities. Our approach is to ensure that every site applies the same high standards, even if it is not high risk. Our Working at Height campaign instils a focus within our workforce on this key topic.

We offer a range of initiatives with the aim of having a positive impact on the mental health of our employees. All employees have access to Bupa's Employee Assistance Programme offering 24/7 access to counselling and we have a network of more than 400 mental health first aiders within the business, trained to spot the signs of poor mental health and offer support.

We maintain our three established programmes:



Targeting the physical working environment

Focusing on risk management and encouraging positive behaviour and attitudes

Targeting improvements in health and wellbeing

1,970

health and safety audits completed

102

Annual Injury Incidence Rate per 100,000 people compared to an industry average of 306 (HSE, November 2024)



Our Vision 2030 progress continued

Understanding employee perspectives



We were pleased to see improvements in each of the three main areas of our 2024 employee engagement survey – engagement, health and wellbeing, and diversity and inclusion – compared to the 2023 scores.

Improvements were also demonstrated in each and every one of the underlying sub sections since the previous survey, with the most notable seen for diversity and inclusion, organisational support and autonomy.

We were able to see increases clearly attributed to actions put in place following the preceding survey, demonstrating the benefits of each action such as investment in management training, improving our office facilities, providing more agile working practices and enhancing parental leave.

Supporting the work of the Berkeley Foundation



The Berkeley Foundation remains deeply embedded at Berkeley and our employees give their time and expertise to support its partners, together with charitable donations and fundraising. More than half of our employees chose to get involved in the Foundation's work over the last year.

Employees were encouraged to use their allocated volunteering day benefit through two volunteering campaigns this year. All volunteers reported that they'd like to volunteer again, and 84% felt better connected to the communities in which we operate.

58%

of Berkeley employees involved with Berkeley Foundation activities in the year

1,900

hours volunteered by Berkeley employees in the year



The Berkeley Foundation

This year was another successful year for the Berkeley Foundation, deepening impact in the communities where Berkeley operates through long-term charity partnerships and continued support from Berkeley employees.

The Foundation worked with 43 expert frontline charities across London, Birmingham and the South of England to drive change across five impact goals.



Street Elite Festival, The Green Quarter, Ealing

The Foundation invests in four ways: strategic long-term partnerships; community partnerships which are chosen by staff and local to Berkeley's sites and offices; the Resilience Fund which supports small-to-medium sized organisations with their own development; and the Development Fund which is a flexible funding pot in order to explore new ideas and opportunities.



Scan the code to find out more about the Berkeley Foundation



£839k

raised by Berkeley employees for the Foundation and its charity partners through fundraising and Give As You Earn (GAYE)

£3.3m

given to the Foundation's charity partners through grants, staff fundraising and GAYE

>11,000

people reached through the Foundation's charity partnerships

A safe place to call home

Journey to employment

Health and wellbeing

Youth leadership

A resilient voluntary sector

We want to ensure everybody in our communities has somewhere safe, secure and sustainable to call home.

We want to ensure that all young people are prepared for work and have the opportunity to build a sustainable career.

We want to ensure that young people and their communities have the support they need to live happier, healthier lives.

We want to ensure that young people are empowered to positively impact their own lives and the communities in which they live.

We want to ensure that young people and their communities are supported by a voluntary sector that is effective, inclusive and well-resourced.

The Foundation renewed its strategic partnership with MyBnk, supporting its financial education programme aimed at preventing youth homelessness in London and Birmingham.

The Foundation renewed its strategic partnership with The Change Foundation in support of the Street Elite training-for-work programme, committing £1.5m over the next five years.

The Foundation renewed its strategic partnership with the Mayor's Fund for London in support of the Kitchen Social programme, committing more than £300,000 over the next three years.

During the year Berkeley colleagues assisted the Foundation's strategic partner Groundwork London with its youth leadership programme, providing feedback on the young participants' social action projects.

This year saw the Foundation launch five new charity partnerships through the third year of its Resilience Fund, aimed at strengthening the resilience of organisations working with young people experiencing or at risk of homelessness.

The Foundation continues to support its strategic partners: Crisis, the national charity for single homeless people; and the New Horizon Youth Centre, a leader in the youth homeless sector in London.

The Foundation continues to support its strategic partner Imperial College London to inspire children and young people to engage in Science, Technology, Engineering and Mathematics (STEM).

The Foundation continues to support its strategic partner The Lord's Taverners, the UK's leading youth cricket and disability sports charity.

The Foundation also launched a new funding programme targeting small-to-medium-sized organisations working to build leadership skills in young people affected by racist or Islamophobic violence.

The fourth year of the fund has now been launched, to provide unrestricted grants to 15 grassroots partners affected by the racist riots in August 2024.

ESG Performance

We monitor a range of Environmental, Social and Governance (ESG) indicators across our business activities.

Key | Our Vision 2030 priorities

 Customers	 Quality	 Communities	 Climate action	 Nature
 Employee experience	 Modernised production	 Future skills	 Supply chain	 Shared value

Indicator	Metric	Unit	2025	2024	2023	Link to priorities
New homes Benchmarks and indices	Completed homes, including joint ventures	#	4,329	3,927	4,637	All
	CDP Climate Change questionnaire	Rating	B¹	A	A-	
	FTSE4Good Index Series listed company	Y/N	Y	Y	Y	
	MSCI ESG Rating	Rating	AAA	AAA	AAA	
	S&P Global Corporate Sustainability Assessment	#/100	69	56	53	
	Sustainalytics ESG Risk Rating (Note: smaller values indicate lower risk)	Rating	12.8 (Low)	14.0 (Low)	14.1 (Low)	

1 Under review by CDP

Environmental

Indicator	Metric	Unit	2025	2024	2023	Link to priorities
Environmentally responsible operations	Number of environmental prosecutions	#	0	0	0	
	Monetary cost of environmental fines and penalties	£	0	0	0	
	Scopes 1 and 2 (location-based) emissions	tCO ₂ e	5,027	5,245	5,223	
	Scopes 1 and 2 (market-based) emissions	tCO ₂ e	896	917	963	
	Water consumption	m ³	166,773	182,285	201,979	
	Total waste generated (including construction, demolition and excavation wastes)	tonnes	274,747	388,765	596,921	
Sustainable homes	Total waste diverted from landfill	%	96	96	97	
	Completed homes with an EPC rating of at least B	%	95	93	93	
	Average EPC score and rating	#	84 (B)	84 (B)	84 (B)	
	Completed homes with an Environmental Impact Rating (EIR) of at least B	%	96	96	98	
	Average internal water efficiency of completed homes	lpppd	102.2	101.2	102.6	
	Completed homes constructed on brownfield land	%	92	87	86	
Sustainable places	Completed homes with internal recycling facilities	%	100	100	100	
	Developments newly committed to deliver BNG	#	2	2	8	
		%	100	100	100	
	Developments newly committed to deliver BNG on site	%	50	100	100	
	Live development sites regenerating brownfield land	%	72	75	76	
	Live development sites with sustainable drainage systems (SuDS) being provided	%	100	100	100	
	Live development sites with cycle storage being provided	%	100	100	100	
	Live development sites with electric car charging infrastructure being provided	%	98	98	98	



Scan the code
for data notes and
more metrics

Social

Indicator	Metric	Unit	2025	2024	2023	Link to priorities
Charitable giving and the Berkeley Foundation	Employees involved with GAYE	%	27	29	30	
	Employees involved with the Berkeley Foundation	%	58	61	59	
Considerate construction	Average Considerate Constructors Scheme (CCS) score	#/50	44.4	44.2	44.1	
Customer experience	Six month rolling average NPS (to March 2025)	#	81.6	80.2	79.2	
Health and safety	Customers who would recommend us to a friend (to March 2025)	%	98.2	97.7	97.5	
	AllIR per 100,000 people - direct employees and on-site contractors	#	102	52	79	
	AllIR per 100,000 people - direct employees only	#	39	36	0	
	AllIR per 100,000 people - on-site contractors only	#	124	57	106	
	Work-related fatalities - direct employees and on-site contractors	#	0	0	0	
Skills and training	Accident Frequency Rate (AFR) per 100,000 hours - direct employees and on-site contractors	#	0.05	0.02	0.04	
	Average monthly percentage of direct workforce who are graduates, direct apprentices or sponsored students undertaking formal training	%	8.7	9.5	10.0	
	Graduates joining the business via Berkeley's Graduate Scheme programme	#	29	21	43	
	Average monthly number of directly employed apprentices	#	107	151	162	
Society and community contributions	Contribution to UK GDP, including through direct activities by Berkeley, indirectly through supply chain spend and the induced effect of household spend	£bn	2.7	2.5	2.6	
	Contribution to UK tax, including taxes paid directly by Berkeley and the taxes paid by customers and suppliers as a result of Berkeley activities	£m	760	800	837	
	Contribution to facilities and services for local communities, including affordable housing subsidies	£m	580	370	560	
	UK jobs supported annually directly and indirectly through the supply chain	#,000	27	24	29	
Supply chain	Average number of days taken to pay suppliers	#	29	29	30	
Quality	Average monthly number of on-site contractors	#,000	7.3	8.8	9.5	
	Homes with five or fewer defects reported by customers on completion	%	93	91	91	

Governance

Indicator	Metric	Unit	2025	2024	2023	Link to priorities
Board of Directors	Executive Directors	#	2	2	5	
	Independent Non-Executive Directors	#	7	7	10	
	Board of Directors - Male	%	56	56	67	
	Board of Directors - Female	%	44	44	33	
	Average tenure of Board of Directors	yrs	7	6	7	
	Total employees	#	2,552	2,610	2,802	
Employees (as of 30 April)	Total employees - Male	%	60	62	63	
	Total employees - Female	%	40	38	37	
	Non-Board senior management - Male	%	50	50	29	
	Non-Board senior management - Female	%	50	50	71	
	Reporting to Board or senior management - Male	%	65	68	69	
	Reporting to Board or senior management - Female	%	35	32	31	

Note: Metrics include joint venture activities.

Climate-related disclosures

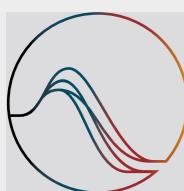
Berkeley aims to play an active role in tackling the global climate emergency.

Climate action is a strategic priority for the business and is embedded within Our Vision 2030, with our overarching target to be a net zero business by 2045. Our transition plan to achieve this is holistic and transformative, encompassing our direct business operations along with the design of the new homes and places we create in partnership with our supply chain.

Having already achieved a 77% reduction in our scopes 1 and 2 greenhouse gas (GHG) emissions since 2019, we are looking to push ourselves further. This year an action plan to target energy reduction was submitted to the Environment Agency in line with the requirements of the Energy Savings Opportunity Scheme (ESOS).

Our focus on the currently unregulated emissions associated with the materials used to build new homes will provide our greatest impact to overall emissions reductions. The embodied carbon assessments that we complete during the planning and design stages of our developments enable our teams to make more informed decisions in relation to design, specification and sourcing. Supply chain engagement is also key; we continue to engage with manufacturers to better understand and influence the decarbonisation pathways of high impact material groups.

Updated near-term and new net zero science-based targets (SBTs) across scopes 1, 2 and 3 have been submitted for validation this year to continue to drive action.



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



Climate progress and roadmap

Ensuring that we take action in relation to climate change is not new to Berkeley, with key milestones as follows:

- 2010**
Set our first scopes 1 and 2 reduction targets as part of the launch of Our Vision.
- 2014**
Completed climate change adaptation risk exercise identifying flooding, overheating and water shortage as the key risks for the homes and places we develop.
- 2016**
Designed all new homes from this date to incorporate climate change adaptation measures.
- 2018**
Initiated backing 100% of our UK electricity consumption with Renewable Energy Guarantees of Origin (REGOs), with this continuing to date.
- 2019**
Undertook research on designing low carbon homes and implemented outcomes.
- 2020**
Achieved validation from the SBTi for our first SBTs, including a scope 3 reduction target.
- 2022**
Undertook our first embodied carbon assessments and completed climate scenario analysis.
- 2024**
Introduced a detailed supply chain engagement strategy for high impact material groups.
- 2025**
Revised transitional risks and opportunities through updated climate scenario analysis.
Submitted new SBTs, including net zero targets, to the SBTi for validation.
Submitted energy reduction action plan under ESOS.
Assessed heat pump technologies to determine the most appropriate for use in our homes.

Theme	Page reference	Summary
Governance	59 to 60	<ul style="list-style-type: none"> — The Board is provided with climate action progress updates each quarter through Our Vision 2030 reporting. — CEO is the lead sponsor for climate action. — CEO, CFO and COO attend monthly Our Vision 2030 and Sustainability Board meetings covering key climate actions including targets and progress on our transition to net zero. — Executive Committee receives updates on climate action from the Responsible Business Executive. — Responsible Business Executive and Group Head of Sustainability meet with Group operational committees, divisional management teams and operational sustainability teams to review progress and plan next steps. — Climate-related matters are assessed at development level which informs strategic business planning activity.
Strategy	61 to 66	<ul style="list-style-type: none"> — Our net zero transition plan is defined across three areas of focus and involves engagement with stakeholders, in particular those across our industry, supply chain and Government. — Climate change is a key risk monitored as part of the Group's risk management process. — Climate scenario analysis has identified key transitional risks in the short-term (0-2 years) to medium-term (to 2030) and physical risks in the long-term (to 2050), based on financial impacts and probabilistic loss modelling where possible. — Consideration of climate change in preparing our Financial Statements is detailed in Note 1.3 on page 191.
Risk Management	67 to 71	<ul style="list-style-type: none"> — Climate change identified as a standalone principal risk to the business since 2018. — Climate scenario analysis completed in 2022, with transitional risks and opportunities reviewed and updated in 2025. — Main Board, Responsible Business Executive, Group sustainability team and operational teams all form part of the process to identify risks and assess their relative importance, combining a top-down and bottom-up approach. — Responsible Business Executive and Group sustainability teams manage strategic compliance with evolving requirements. — Divisional management teams embed risk management in our day-to-day operations, integrating mitigation measures for each development as required.
Metrics and Targets	72 to 75	<ul style="list-style-type: none"> — Science-based targets in place for scopes 1, 2 and 3 GHG emissions with performance against these monitored and disclosed. — Relevant key metrics identified and disclosed, including industry-based metrics in line with SASB.

Governance

Involvement of our CEO and other key senior management with responsibility for climate action across all levels and aspects of the business is key to the success of our governance structure.

To provide a governance framework for our approach, Berkeley has an overarching Climate Change Policy detailing guiding principles of action.

Delivery of these is driven through our Climate Action priority area of Our Vision 2030 incorporating the net zero transition plan and supported by Sustainability Standards. These set out Berkeley's minimum requirements for our developments, as well as our construction site and supply chain activities, for topics such as energy efficiency, risk mitigation measures and reporting. They ensure that we are aligned to deliver the strategic actions and milestones outlined within our transition plan (see pages 61 to 65).

Management tools are in place to monitor action and performance. For example, each development uses a Project Sustainability Strategy to track compliance with the Sustainability Standards from land purchase through to completion, whilst our online data management system allows for live reporting of GHG emissions from our site, office and sales activities to assess progress against our scopes 1 and 2 SBT. Our management tools enable the regular communication of performance across the business, enabling insights and areas for further action to be identified and discussed.

Climate-related disclosures continued

Berkeley's governance structure for monitoring climate-related risks and opportunities, implementing strategic actions to address these and monitoring performance is summarised below.



Strategy

Taking action on climate has been a strategic priority for Berkeley since the launch of Our Vision in 2010 and our commitment to becoming net zero by 2045 reinforces this.

Overview of climate risks and opportunities

Berkeley uses the results of climate scenario analysis within our strategic planning processes. Transitional climate change risks and opportunities have been assessed in the short-term (0-2 years) and the medium-term (to 2030) to align with the time horizons of Berkeley's overarching responsible business strategy, Our Vision 2030. Present day exposure to physical risks has been assessed, with changes in the long-term (to 2050) considered in recognition that physical risks can manifest themselves over a longer period.

Climate scenario analysis indicates that as we navigate the implementation of the Future Homes and Buildings Standards in the short-term, Berkeley has higher exposure to transition risks linked to planning and design requirements and the substitution of existing technologies with lower emission options. In the medium-term, Berkeley may additionally be more exposed to higher raw material costs as a result of carbon pricing policies and the transition actions of our suppliers. A change in customer demands is a moderate opportunity in the medium-term should considerations such as energy efficiency become increasingly important to customers within their buying and rental decisions.

With low exposure to physical risks in the present day, climate scenario analysis shows that areas in which Berkeley's developments are located will see more heatwave days and a corresponding increase in the occurrence of prolonged drought stress by 2050 under a 4°C 'Hot House World' scenario.

Changes in precipitation patterns with drier summers and wetter winters could augment the prevalence of subsidence conditions, whilst sites at risk of flooding could flood more often.

Transition planning

Responding to the key areas of transitional risk and opportunities for the business, and to achieve our net zero ambitions, our transition plan focuses on reducing embodied carbon, low carbon operations and delivering low carbon homes. An overview of our transition plan strategy can be found on pages 62 to 65, with details on key climate actions taken in the year on pages 48 and 49.

To help ensure the ongoing resilience of our strategy, actions are continually reviewed against evolving risks and opportunities by the Responsible Business Executive and Group Head of Sustainability, along with Group operational committees and working groups. Where necessary, key processes and controls such as our Sustainability Standards are updated.

As part of the development of our transition plan, Berkeley has been reviewing our future approach to carbon credits. We currently support the UK-based Retrofit Credits project developed by HACT and PNZ Carbon. This pioneering and unique project uses funds to retrofit social housing through the installation of energy efficient

measures, reducing emissions of existing housing stock whilst also delivering social value. Our support in 2025 has an associated co-benefit of over £140,000 worth of social value impact for residents living in the retrofitted homes.

Berkeley recognises that whilst many organisations have plans in place to transition to a low carbon economy, climatic changes will occur and may affect the homes and places we develop. Key risks identified through climate scenario analysis, such as subsidence and flood risk, are assessed prior to land acquisition, with mitigation measures implemented as necessary. Our Sustainability Standards additionally set minimum requirements, including the provision of sustainable drainage systems (SuDS) and targeting internal water efficiency levels below building regulations, delivered through the integration of water efficient fixtures and fittings. Measures such as these help to ensure the resilience of our homes and communities in a changing climate.

Acknowledging the intrinsic link between nature and climate, Berkeley pioneered biodiversity net gain (BNG) in our industry from 2017 and follows an integrated water management approach whereby rainwater is stored and released into natural features to help manage surface water, also reducing the urban heat island effect.



Climate-related disclosures continued

Key climate actions of our transition plan

Link to Our Vision 2030		
Embodied carbon	Link to Our Vision 2030	
Why is this a focus? Just over half of our scope 3 emissions relate to embodied carbon arising from the activities of our supply chain, from the energy used to extract raw materials, processing these into construction products and transporting to site. Reductions are targeted as part of our scope 3 SBT in relation to category 1: purchased goods and services.	Link to business model Designing and planning new homes and places Building new homes and places	Link to climate risks Planning and design requirements Raw material costs
Existing strategic actions for continued implementation <ul style="list-style-type: none"> Undertaking embodied carbon assessments for each new development during planning and design stages, enabling our project teams to make more informed design, specification and sourcing decisions and to take tangible action to reduce carbon impacts. Engaging with manufacturers and suppliers, including through our detailed supply chain engagement strategy for high impact material groups. Playing an active role within several industry groups to share knowledge and lessons learnt. This includes the UKGBC and the Future Homes Hub. 	Planned strategic actions <ul style="list-style-type: none"> Embed efficient design principles across our developments. Assess suppliers of key impact materials on their performance, including carbon reduction targets and availability of product-specific carbon data. Work with suppliers and manufacturers delivering low carbon solutions. Procure lower carbon materials as standard where there is limited cost impact. Encourage and support suppliers in setting SBTs. 	
Link to Our Vision 2030		
Low carbon operations	Link to Our Vision 2030	
Why is this a focus? Emissions related to the energy used during our construction, sales, office and vehicle fleet activities are under the direct control of Berkeley and we have the greatest ability to reduce these. Reductions are targeted as part of our scopes 1 and 2 SBT.	Link to business model Building new homes and places	Link to climate risks Pricing of GHG emissions
Existing strategic actions for continued implementation <ul style="list-style-type: none"> Ensuring 100% of UK electricity has been backed by Renewable Energy Guarantees of Origin (REGOs) from solar, wind or hydro sources. Implementing energy efficiency requirements for our construction sites, offices and sales suites in line with our ESOS Action Plan. Setting annual energy consumption budgets for each division that are actively monitored through live reporting in our online data management system. Levying an internal carbon fee on each division, incentivising low carbon alternatives which may have a greater capital cost but that deliver reduced operational costs. Sharing of best practice initiatives and lessons learnt through Group committees, working groups, engagement events and via the intranet. 	Planned strategic actions <ul style="list-style-type: none"> Replace traditionally fuelled company vehicles with hybrid or electric alternatives. Enhance focus on out of hours consumption. Collaborate with the supply chain to increase the use of electric or low carbon plant and machinery. Increase the use of on-site renewable technology on long-term construction sites. Transition offices and sales suites away from natural gas use. 	

Link to Our Vision 2030		
Low carbon homes	Link to Our Vision 2030	
Why is this a focus? Almost half of our scope 3 emissions relate to the regulated energy use (such as heating, hot water and lighting) of the homes that we are creating for our customers. Reductions are targeted as part of our scope 3 SBT in relation to category 11: use of sold products.	Link to business model Designing and planning new homes and places Building new homes and places	Link to climate risks Planning and design requirements Substitution of existing technologies
	 Marketing and selling new homes	 Change in customer demands
Existing strategic actions for continued implementation <ul style="list-style-type: none"> Applying a fabric-first design approach, in combination with the most appropriate technology and infrastructure solution for each individual development. Delivering electric-led heating and hot water systems. Engaging with our designers and wider industry through the UKGBC, Future Homes Hub and the Chartered Institution of Building Services Engineers (CIBSE) to understand how to reduce the impact of our buildings. Communicating sustainable features to customers through the sales process, providing accessible and home-specific information. 		Planned strategic actions <ul style="list-style-type: none"> Increase the use of low carbon heating solutions, such as heat pump technology. Analyse as-built performance, monitoring in-use energy consumption and emissions. Improve energy demand management in homes.

Key Our Vision 2030 priorities				
 Customers	 Quality	 Communities	 Climate action	 Nature
 Employee experience	 Modernised production	 Future skills	 Supply chain	 Shared value

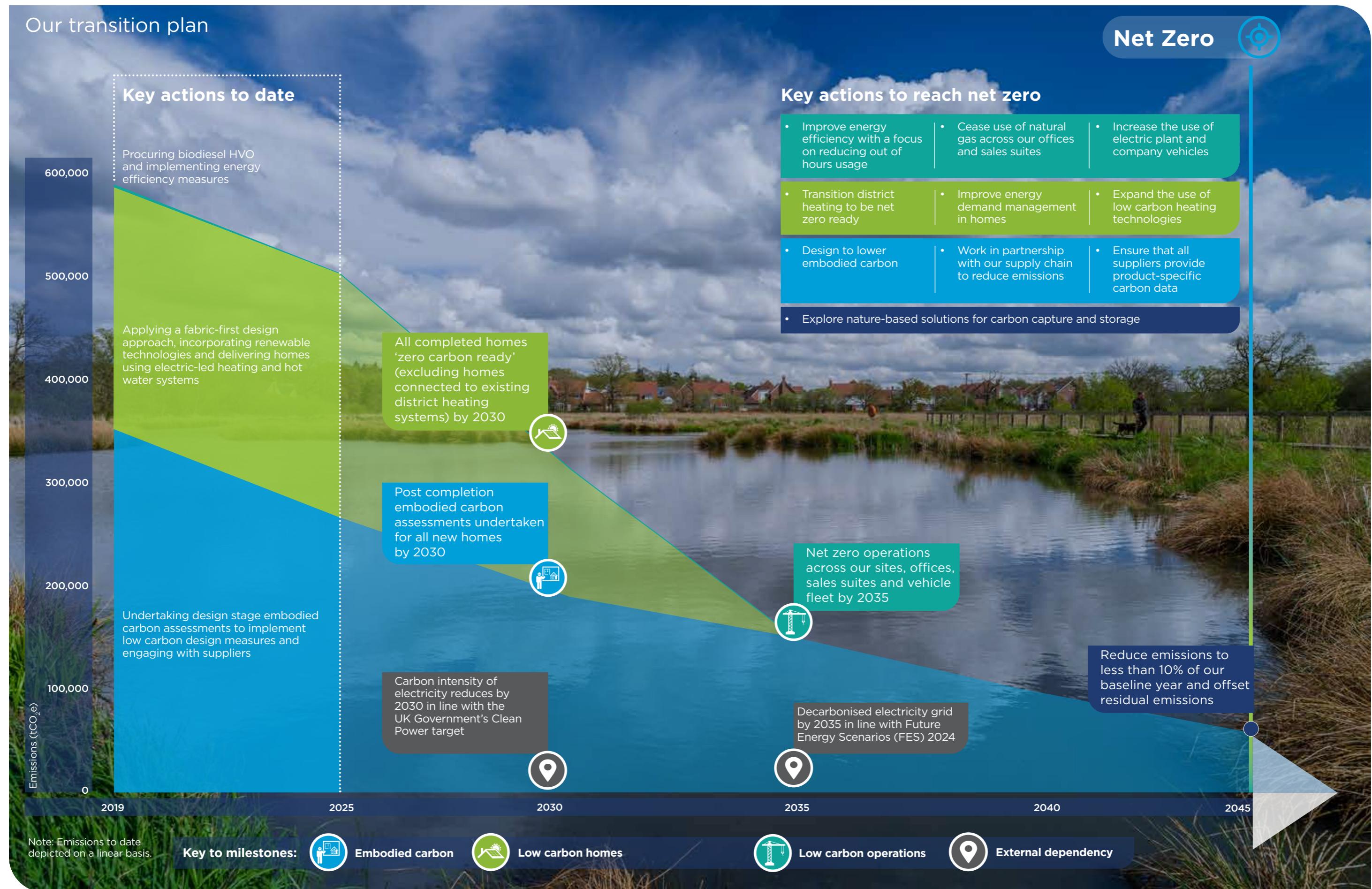
Dependencies and challenges
The strategic actions of our transition plan are based on our current understanding of the decarbonisation routes of our industry. With capabilities across our value chain continually evolving, we will be regularly updating our planned actions.

Our transition is dependent on:

- The willingness, ability and speed of our supply chain to decarbonise and reduce the embodied carbon of materials.
- Reforms to the power system including increased renewable energy capacity, in line with Government's recently launched Clean Power 2030 Action Plan.
- The rate at which connected industries (e.g. utilities, transport, education and skills) set out detailed transition plans.
- Customer acceptance of low carbon alternatives for heating and powering homes.
- An industry-wide shift to low carbon alternatives and new technologies.
- Workforce behaviour change to reduce avoidable emissions.

Our transition is challenged by:

- A low number of suppliers and contractors that measure their emissions or have SBTs.
- The changing policy and regulatory landscape for housing.
- Lack of capacity in the electricity grid to connect new homes.
- Customer concern over increased costs for electric homes, and behavioural change required to operate non-traditional heating solutions.



Climate-related disclosures continued

Engagement

Berkeley aims to ensure that our decarbonisation efforts include a fair and equitable 'just transition' that identifies potential effects on our stakeholders.

Collaboration is key to ensuring a just transition and delivering our transition plan, with key activities as follows:

Stakeholder impacts	Key engagement activities	Link to climate risks and opportunities
Supply chain Taking action to reduce emissions will be a challenge for our supply chain, requiring the adaptation of operations and skills, whilst minimising social impacts such as inequalities or job losses.	<ul style="list-style-type: none"> Our Common Materials Strategy for key material groups includes embodied carbon and other sustainability requirements alongside technical compliance and quality. Detailed supply chain engagement for high impact materials (concrete, steel, aluminium, glass and bricks) to assess the maturity of key suppliers in their decarbonisation journey. Sustainability Standard for on-site contractors includes requirements in relation to energy and carbon reporting, as well as minimum energy efficiency measures. Partner of the Supply Chain Sustainability School, including a collaboration project to deliver training to the supply chain and SMEs on net zero (see page 48). 	Raw material costs Substitution of existing technologies Skills availability to deliver low carbon homes
Government, regulators and industry We acknowledge the need for a coordinated industry approach and that regulation can help to drive this. Inconsistencies can lead to a lack of trust and investment, delaying progress.	<ul style="list-style-type: none"> Actively respond to Government consultations to share our insights and experience on topics such as efficient design standards and energy strategies. Meet with local and national Government representatives and host visits to our development sites to directly engage and demonstrate challenges and progress. Active participants in industry working groups including the UKGBC, Future Homes Hub and CIBSE. 	Planning and design requirements Substitution of existing technologies
Customers and communities Solutions to address climate change should not come at an unaffordable price to our customers or negatively impact the communities we help to create.	<ul style="list-style-type: none"> Development-specific information provided, including climate change mitigation and adaptation measures. Home demonstration given at handover to ensure that customers are aware of technologies integrated into their home and efficiency measures to reduce costs. Customer feedback used to provide insight into technologies such as heat pumps. 	Change in customer demands Substitution of existing technologies
Employees The transition to a low emissions economy will impact our workers due to the rapid change in required skills. We will invest in training and competency to manage our transition.	<ul style="list-style-type: none"> Sustainability training provided to all employees, with subject specific training (e.g. embodied carbon, Future Homes and Buildings Standards requirements) provided to relevant departments. Awareness campaigns including 'lunch and learn' sessions and internal intranet to share best practice. 	Skills availability to deliver low carbon homes

Risk management

Berkeley has recognised climate change as one of its principal operating risks since 2018.

Our regular process to identify and assess climate-related risk is incorporated within the Group's risk management framework, combining a top-down strategic review and a bottom-up review (see page 79).

The Responsible Business Executive and Group Head of Sustainability identify and monitor strategic climate-related risks and opportunities facing Berkeley through the evaluation of: evolving legislation, regulation and policy; customer feedback; and industry and global trends.

Risks and opportunities are identified for the short to medium-term (e.g. evolving planning and design requirements) and long-term (e.g. transition to net zero carbon).

The risks and opportunities cover our upstream value chain (such as material costs), our direct operations, and the impact on our customers of a changing climate.

Identified risks and opportunities are shared with the Group's Risk Executive and reported on at each Board meeting, with feedback provided back down the business to operating companies.

A fundamental principle of the operating structure of Berkeley is that the prime responsibility for assessing, managing and monitoring the majority of operational risks rests with divisional management teams, ensuring that risk management is embedded in our day-to-day operations. At a development level, the site-specific Environmental Risk Register and Project Sustainability Strategy tracker identify risks and monitor action taken to mitigate these from land purchase through to completion.



Abbey Barn Park, High Wycombe

Climate scenario analysis

Supplementing our regular approach to risk management, Berkeley undertakes climate scenario analysis to assess risks and opportunities relating to the transition to a lower carbon economy and the physical impacts of climate change. Climate scenario analysis is overseen by the CFO, the Responsible Business Executive and the Group Head of Sustainability.

Selected climate scenarios draw from widely used publicly available and peer reviewed sources, including the Intergovernmental Panel on Climate Change (IPCC) sixth assessment report (AR6) and projections by the International Energy Agency (IEA) as summarised below.

The scenarios selected are not intended to be forecasts for the future, but provide mechanisms to assess plausible outcomes against which Berkeley can assess its risks and opportunities.

The results of climate scenario analysis are periodically updated to ensure continued relevance.



Scan the code to read more about our climate scenario analysis methodology

Summary of scenarios

1.5°C scenario – IEA Net Zero Emissions by 2050 and IPCC RCP 2.6

- Actions are taken to reduce emissions in the short-term and consequently high transition risk is experienced.
- Physical risks are less severe than under the 4°C scenario and broadly similar to the 2°C scenario.

Below 2°C scenario – IEA Sustainable Development Scenario (SDS)

- Actions are taken to reduce emissions in the short-term, albeit slightly less aggressive than the 1.5°C scenario, and consequently high transition risk is experienced.
- Physical risks less severe than under the 4°C scenario and broadly similar to the 1.5°C scenario.

4°C scenario – IPCC RCP 8.5

- Increased level of warming associated with greater levels of acute and chronic weather events.
- Geographic climatic shift in the South East of the UK.

Climate-related disclosures continued

Transition risks and opportunities

This year, climate scenario analysis for transitional risks and opportunities (originally completed in 2022) has been reviewed with the support of Aon in recognition of the changes that our industry has seen in recent years and is expected to be exposed to in the near-term (e.g. the Future Homes and Buildings Standards). The aim was to revisit and validate key risks and opportunities based on a below 2°C orderly transition.

Transition risks and opportunities have been assessed in relation to aggressive climate mitigation measures in both the short-term (to 2027) and medium-term (to 2030). Berkeley is considered to have higher exposure to the transition risks and opportunities detailed in the table below, albeit none of these are considered individually material in the context of the Group's current year financial statements.

Transition risks	Key Exposure	Low	Moderate	High						
Transitional risk description										
Risk exposure and potential impact										
Planning and design requirements become increasingly stringent as part of the UK's efforts to reach net zero and broader sustainability-related targets.	Short-term	Medium-term								
As part of efforts to meet its net zero target, the UK is introducing increasingly stringent requirements related to sustainability through policy and legislation, such as the Future Homes and Buildings Standards.										
Due to the long-term nature and scale of Berkeley's developments often requiring the use of masterplan led energy strategies, we could be particularly affected by proposed changes. In the short to medium-term, homes on future phases of developments that are under construction may require a different heating solution from those currently planned. For example, switching to the installation of air source heat pumps. Cost impacts could be incurred through the substitution of existing technologies, as described below.										
Substitution of existing technologies with lower emission options will be required across our developments to comply with regulations.	Short-term	Medium-term								
Electrification of residential heating is fundamental to the Future Homes Standard. The need to increase the capacity of the UK's electricity infrastructure may lead to constraints or additional costs. In addition, the principle of 'sleeving' heat networks may particularly impact Berkeley, requiring us to upgrade existing energy centres on our major regeneration sites with heat pump technologies.										
There is the risk that technologies selected at the outset of a planning process could become outdated and obsolete through the development process and upon building completion. Should the technology selected for our developments not perform as expected, there is the risk of customer dissatisfaction and reputational damage.										
The potential financial impact of this risk could be £1 million to £10 million in the short to medium-term.										
Raw material costs could increase if suppliers pass through the impact of carbon pricing for high embodied carbon building materials, or if demand for low carbon alternatives outstrips availability.	Short-term	Medium-term								
Key materials such as steel, concrete, cement and glass have energy intensive production processes which could require increased energy input costs or be subject to carbon tax regimes under low carbon emission scenarios. The cost of suppliers implementing mitigation measures as part of their own transition plans may also be passed on to customers.										
Demand for lower carbon or sustainable alternatives may increase and outstrip supply, potentially leading to increased costs and issues with lead-in times.										
The potential financial impact of this risk could be less than £1 million in the short-term and £1 million to £10 million in the medium-term.										
Transition opportunity										
Opportunity exposure and potential impact										
Change in customer demands may lead to an opportunity whereby homes and buildings with strong sustainability-related credentials are preferable.	Short-term	Medium-term								
Whilst in the short-term the scale of opportunity for higher demand is not necessarily significant, as climate awareness and energy prices increase, customers (including purchasers and those within the rental market under our BTR platform) are expected to favour homes and buildings with greater energy operational efficiency. In addition, customer preference for new buildings with the latest technologies could further support demand.										
The potential financial impact of this opportunity could be less than £1 million in the short-term and between £1 million to £10 million in the medium-term.										
Realisation strategy										
Berkeley has been assessed as having lower exposure to the following:										
— Risks: Pricing of GHG emissions; Climate-related reporting obligations; Change in customer demands; Electric vehicle use; Investor perceptions; Cost of capital; Climate change litigation; Skills availability to deliver low carbon homes.										
— Opportunities: Electric vehicle use; Cost of capital; Investor perceptions; Employee perceptions; Other stakeholder perceptions.										
Details on the above can be found in our climate scenario analysis methodology online.										



Scan the code to read more about our transitional risks and opportunities

Climate-related disclosures continued

Physical risks

Berkeley undertook climate scenario analysis for physical risks with the support of WTW (formerly Willis Towers Watson) in 2022. The results of this analysis are still considered to be relevant as we continue to develop across London, Birmingham and the South of England.

Physical risks have been assessed from present day over the long-term to 2050, with the latter being when the most significant impacts are likely to manifest. The below table summarises the predominant physical risks for the IPCC 1.5°C (RCP 2.6) and 4°C (RCP 8.5) scenarios. Risk exposure details are for 2050 and beyond under a 4°C scenario.

Chronic risks

Physical risk description	Risk exposure and potential impact	Mitigation strategy
Heat stress set to increase with more frequent heatwave days annually.	<p>Present day heat stress is very low throughout the UK (less than five heatwave days a year). The majority of England (in particular South East, South West and the Midlands) could be exposed to more material heat stress by mid-century with the potential for more than 20 heatwave days annually.</p> <p>Correspondingly, 84% of Berkeley's homes could be exposed to heat stress in the decades beyond 2050.</p> <p>There is the potential for overheating in our homes due to heatwave days, exacerbated by the urban heat island effect.</p>	<p>Probabilistic loss modelling was used to analyse the financial impact of acute risks (windstorm and flood) before any mitigation or adaptation measures, and irrespective of insurance or other recovery or consideration of financial responsibility for any such losses.</p> <p>As Berkeley already insures against potential losses from catastrophic events, the primary cost exposure for Berkeley under a 4°C scenario could be an increase to insurance premiums for assets under construction.</p>
Drought stress expected to increase with extended periods of water scarcity.	<p>There is low exposure to drought (less than two months a year) at present with the majority of England (in particular South East, South West and the Midlands) being exposed to more material drought conditions by mid-century.</p> <p>Correspondingly, 92% of Berkeley's homes could be exposed to drought conditions for three to four months annually in the decades beyond 2050. A significantly smaller proportion (5%) of homes could see drought conditions for six months of the year.</p> <p>The main implications are issues with water availability within our homes and impacts on the green spaces of our developments.</p>	<p>Berkeley introduced a bespoke internal overheating risk assessment in 2016 to ensure that all project teams assessed and mitigated this risk. Overheating risk is now incorporated within the 2021 Building Regulations and where homes are deemed to be at a higher risk detailed dynamic thermal modelling is undertaken.</p> <p>Mitigation measures are site-specific and can include thicker insulation to external walls, smaller windows with thermally efficient glass, incorporating shading through the design, enhanced ventilation and the incorporation of soft landscaping to help mitigate the heat island effect.</p>
Subsidence conditions and susceptibility could increase due to warmer and drier summers as well as wetter winters.	<p>Present day ground conditions mean that building design addresses the risk of subsidence, with current regulations for high-rise buildings catering for design tolerance.</p> <p>Large areas in the South East and Eastern England could be exposed to increasing subsidence conditions in 2050 and beyond, including Greater London and the Thames Estuary due to the clay soils.</p> <p>The soil conditions for 90% of Berkeley's homes could potentially be impacted beyond 2050.</p>	<p>Our teams integrate blue and green infrastructure into our developments using a Code of Practice developed in conjunction with the Wildfowl and Wetlands Trust (WWT). We follow an integrated water management approach whereby rainwater is stored and released into natural features to help manage surface water. Attenuation offers significant opportunities to hold water for reuse.</p> <p>We reduce water usage by designing homes with water efficient fixtures and fittings and incorporate drought resilient planting in our green spaces.</p>

Acute risks

Physical risk description	Risk exposure and potential impact	Mitigation strategy
Flood risk likely to increase due to the potential for coastal flooding from sea level rise, as well as surface and groundwater flooding from heavy rainfall.	<p>By 2050 there are no further sites exposed beyond the 6% of sites already at risk in the present day, given the predominance of Berkeley's portfolio in London and the flood defences in place in the area. However, these sites could flood more often.</p> <p>The main implication from flood is physical damage to completed property and construction assets. Probabilistic loss modelling estimates that by 2050 the physical damage from flooding under a 4°C scenario could exceed £27 million in a severe year (i.e. 1 in 200-year return period) and £60 million in an extreme year (i.e. a 1 in 1,000-year return period).</p>	<p>Risk is assessed pre-acquisition for all sites and subsequently during development planning and design if the area falls within a flood zone. Flood risk assessments vary in extent based on potential risk and include allowances for the effects of climate change.</p> <p>Our homes are designed to the flood risk identified with mitigation measures including raising lower floor levels and designing sustainable drainage systems (SuDS) to hold and store water in times of extreme rainfall.</p>
Windstorm risk already exists for all of Berkeley's sites and there is no current scientific consensus that the UK will see an increase in windstorm intensity.	<p>The typical windstorm hazard could pose a moderate risk for 100% of Berkeley's sites. This does not reflect a change to the present day levels of exposure, probability or potential losses of such risk.</p> <p>The main impact of windstorms is physical damage to completed property and construction assets.</p>	<p>Our developments are designed by specialist teams that select appropriate materials and fixing details which can withstand local conditions. In respect of mid- to high-rise buildings, wind engineering is undertaken at the pre-planning stage with designs incorporating features to resist high winds.</p> <p>Wind alerts are communicated to residents with instructions such as to close windows and secure loose objects from high level amenity spaces. Site safety guidance is sent to site teams ahead of storms and our tower cranes are fitted with anemometers, alerting and preventing operation during high winds.</p>

Climate-related disclosures continued

Metrics and targets

To assess and manage performance in relation to climate action, Berkeley monitors and reports on a range of metrics in line with its operational boundary (including joint venture activities).

Scopes 1 and 2 emissions target

Berkeley has a validated SBT to achieve a 50% reduction in absolute scopes 1 and 2 (market-based) GHG emissions by 2030. Having already achieved a 77% reduction, updated targets have been submitted to the Science Based Targets initiative (SBTi) for validation. These would commit us to further reductions in the near-term and at least a 90% reduction by 2045 to achieve net zero emissions.

To reduce our scope 2 emissions, 100% of our UK electricity consumption continues to be backed by Renewable Energy Guarantees of Origin (REGOs) from solar, wind or hydro power.

Further information on our scopes 1 and 2 emissions is contained within the Directors' Report on pages 164 and 165.

Scope 3 emissions target

Berkeley's most significant impacts occur across our value chain (scope 3), including the embodied carbon of our homes resulting from the activities of our supply chain (category 1: purchased goods and services) and the energy use by our customers in homes once sold (category 11: use of sold products). These material categories accounted for 91% of our total scope 3 emissions in our 2019 baseline year.

Recognising the importance of taking action to reduce scope 3 emissions, we have a validated SBT to reduce scope 3 purchased goods and services and use of sold products GHG emissions by 40% per square metre of legally completed floor area by 2030.

As part of our SBT resubmission to the SBTi, we are newly targeting absolute scope 3 emissions reductions both in the near-term and by 2045 to achieve net zero.

Reductions in scope 3 emissions from dedicated action taken at a project level can take time to be realised, due to there often being several years between the planning and design phase of a project through to legal completions occurring. Berkeley is also highly dependent on supply chain action to reduce emissions, with our priority being to complete embodied carbon assessments to guide design and material specifications, at the same time as engaging with key contractors and suppliers.

Embodied carbon (category 1 - purchased goods and services)

Berkeley currently uses a methodology based upon spend data to estimate the embodied carbon of materials and services used in the development of our homes and places, in addition to gathering data on contractor purchased fuels.

The limitations of reporting using a spend-based methodology are recognised by Berkeley. We continue to take action to move away from this approach towards more robust data calculations, obtaining more detailed and material-specific data through the completion of embodied carbon assessments, the Group-wide introduction of a material delivery data capture system and supply chain engagement.

Low carbon homes (category 11 - use of sold products)

To estimate the lifetime carbon impact of our completed homes, we apply the calculated Dwelling Emission Rate (DER) across a 60-year period, in line with industry guidance. We do not take into account the anticipated decarbonisation of the UK electricity grid due to the variables involved.

Significant reductions in this area are anticipated in the coming years through the implementation of more stringent Building Regulations. The new Home Energy Model (HEM) calculation methodology will evolve emissions reporting in this area. We continue to work with industry and ensure our reporting reflects the prevailing and accepted methodology.

Industry-based metrics

Berkeley discloses industry-based metrics in line with the SASB Home Builders Sustainability Accounting Standard and has been an active member of the Future Homes Hub's working group established to develop a shared set of metrics for the industry in relation to sustainability performance.

To recognise climate-related risks and opportunities, we have additional targets to our SBTs with associated metrics in place. For example, we monitor measures implemented to manage the physical risks to our homes and places such as heat stress, drought stress and flood through the reporting of overheating risk assessments, water efficiency and SuDS.



Metric	Unit	2025	2024	Baseline 2019	Link to transition plan	Link to climate risks and opportunities
Reduce scopes 1 and 2 GHG emissions						
Absolute scopes 1 and 2 (market-based) emissions	tCO ₂ e	896 ^A	917	3,980		Pricing of GHG emissions
Percentage change in emissions compared to FY2019 (SBT baseline year)	%	-77	-77	-		Climate-related reporting obligations
Energy consumption associated with scopes 1 and 2 emissions	MWh	25,745 ^A	27,505	35,681		
Energy consumption from renewable sources	%	87	88	60		
Purchased electricity backed by REGOs	%	98.2	98.3	99.1		
Purchased electricity in the UK backed by REGOs	%	100	100	100		
Reduce scope 3 purchased goods and services and use of sold products GHG emissions						
Absolute scope 3 emissions (categories 1 and 11)	tCO ₂ e	501,825 ^A	519,040	585,690		Planning and design requirements
Percentage change in absolute emissions (categories 1 and 11) compared to FY2019	%	-14	-11	-		Substitution of existing technologies
Scope 3 (categories 1 and 11) emissions intensity	tCO ₂ e/100 sqm	157	169	171		
Percentage change in emissions intensity compared to FY2019 (SBT baseline year)	%	-8	-1	-		
Absolute emissions for category 1: purchased goods and services	tCO ₂ e	265,769 ^A	304,476	352,087		
Emissions intensity for category 1: purchased goods and services	tCO ₂ e/100 sqm	83	99	103		
Absolute emissions for category 11: use of sold products	tCO ₂ e	236,056 ^A	214,564	233,603		
Emissions intensity for category 11: use of sold products	tCO ₂ e/100 sqm	74	70	68		
Completed homes with an Energy Performance Certificate (EPC) rated A or B	%	95	93	93		
Completed homes with an Environmental Impact Rating (EIR) of A or B	%	96	96	-		
Average Dwelling Emission Rate (DER) of completed homes	kgCO ₂ /m ² /yr	12.45	12.08	11.72		
Average percentage improvement in DER over Target Emission Rate (TER) for completed homes	%	30	32	34		
Implement measures to manage climate risks for our developments and business						
Average water efficiency of homes completed	lpppd	102.2	101.2	102.6	n/a	Drought stress
Live development sites that have sustainable drainage systems (SuDS)	%	100	100	98		Flood
Live development sites that have assessed overheating risk	%	90	82	-		Heat stress
						Change in customer demands

^A 2025 information has been separately subject to limited assurance by KPMG LLP. Further details of the assurance provided in 2025, including the independent assurance report and our methodology for reporting emissions, can be found at www.berkeleygroup.co.uk/sustainabilitydisclosures

Climate-related disclosures continued

SASB metrics (climate-related)

Metric	2025	Detail
Number of controlled lots (IF-HB-000.A)	52,714	Lots on owned or unconditionally contracted sites as of the last day of the reporting period.
Number of homes delivered (IF-HB-000.B)	4,329	The number of homes that completed within the reporting period.
Number of active selling communities (IF-HB-000.C)	50	Includes sites that have an implementable planning consent and that are in production.

Land use and ecological impacts

Number of (1) lots and (2) homes delivered on redevelopment sites (IF-HB-160a.1)	(1) 46,612 (88%) (2) 4,001 (92%)	Redevelopment sites are those that have been previously developed, including the replacement or refurbishment of existing structures, i.e. those sites considered to be brownfield land.
Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress (IF-HB-160a.2)	(1) 47,411 (90%) (2) 4,202 (97%)	London and large areas of the South of England are identified as having High Baseline Water Stress within the World Resources Institute's (WRI) Water Risk Atlas Tool. We recognise the need to balance providing new homes in these areas with reducing their impact on existing resources through the incorporation of water efficient fittings and sustainable drainage systems (SuDS).
Total amount of monetary losses as a result of legal proceedings associated with environmental regulations (IF-HB-160a.3)	£nil	The Group had no environmental prosecutions in the reporting period and subsequently no monetary losses.
Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction (IF-HB-160a.4)	n/a	<p>Our Vision 2030 is supported by our Sustainability Standards and procedures detailing Berkeley's minimum requirements for our day-to-day operations and our new developments. These ensure that we have processes in place to integrate environmental considerations throughout the development process. For example:</p> <ul style="list-style-type: none"> Site selection: Berkeley focuses on urban brownfield regeneration, which is inherently sustainable. Prior to land purchase, Berkeley completes an assessment which seeks to identify all types of risks, including those related to environmental factors, such as climate change (e.g. flood risk), land contamination and ecology. These assessments are site-specific, taking into account the unique characteristics of each development. Site design: Our Sustainability Standards detail minimum requirements for new developments including achieving an internal water use of less than 105 litres per person per day and designing for climate change adaptation. Site development and construction: Berkeley has dedicated sustainability professionals within each of our operating companies, who support project teams by providing advice and driving environmental improvements (e.g. energy and water efficiency). Each site has an Environmental Risk Register and a site sustainability assessment is undertaken by our internal sustainability team at least quarterly to monitor performance.

Design for resource efficiency

(1) Number of homes that obtained a certified residential energy efficiency rating and (2) average rating (IF-HB-410a.7)	(1) 4,329 (100%) (2) 84 (B)	All homes legally completed by Berkeley in the year had an Energy Performance Certificate (EPC) with an average energy efficiency rating of 84 (B). In the year, 95% legally completed homes were rated B or above. Note that homes across the industry are rated on a scale ranging from A (very efficient) to G (inefficient).
Percentage of installed water fixtures certified to a water efficiency standard (IF-HB-410a.2)	n/a	The UK does not currently have water efficiency standards for fixtures. The internal water efficiency of our legally completed homes in the year is provided as an alternative. Target: 105 litres per person per day; Achieved average: 102.2 litres per person per day.

Metric	2025	Detail
Design for resource efficiency continued		
Number of homes delivered certified to a third-party multi-attribute green building standard (IF-HB-410a.3)	n/a	There was no established multi-attribute green building standard specifically for homes in the UK that could be applied in the reporting year. All Berkeley homes are subject to UK building regulations.
Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers (IF-HB-410a.4)	n/a	We design to high fabric efficiency to reduce energy demand and install water saving fixtures and fittings. A key risk associated with the design of energy efficient homes is the unintended consequence of overheating and therefore we consider overall building design and performance. We have Sustainability Standards to communicate sustainability with customers at all stages in the purchasing process, from initial marketing brochures to detailed information upon completion and handover of the home.

Climate change adaptation

Number of lots located in 100-year flood zones (IF-HB-420a.1)	11,902 (23%)	This figure includes lots in areas assigned as Flood Zone 3. We undertake flood risk assessments on every site as part of the planning process and take measures to ensure that the development design takes into account and mitigates flood risk. Design measures include raising lower floor levels and designing SuDS to manage rainwater by storing it and releasing it into well-designed natural features to help manage surface water and reduce the impacts of flooding.
Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks (IF-HB-420a.2)	n/a	Berkeley routinely evaluates climate-related risks and opportunities as part of our ongoing risk assessment process. Detailed climate scenario analysis in relation to physical risks was completed in 2022 with this still considered to be relevant to our operations as we continue to develop across London, Birmingham and the South of England. Read more on pages 70 and 71.

SASB metrics (other)

In addition to the climate-related metrics of SASB, Berkeley has chosen to disclose the additional sustainability topics and accounting metrics below in line with the Home Builders Sustainability Accounting Standard.

Metric	2025	Detail
Workplace health and safety		
(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees (IF-HB-320a.1)	(1a) 39 (1b) 124 (2a; 2b) 0	Annual Injury Incidence Rate (AIIR) per 100,000 people reported in line with UK Health and Safety Executive (HSE) methodology. Our combined rate for direct and contract employees is 102 which outperforms the construction sector average of 306 (HSE, November 2024). There have been no work-related fatalities in the year.

Community impacts of new developments

Description of how proximity and access to infrastructure, services, and economic centres affect site selection and development decisions (IF-HB-410b.1)	n/a	At Berkeley, proximity to key infrastructure and amenities is a factor in the selection of land. As a specialist in brownfield regeneration, many of our sites are located within towns and cities with existing transport networks and economic centres. We look to provide public amenities and sustainable transport options across our developments. Of our live development sites, 92% are incorporating community facilities ranging from supermarkets to nurseries, with 96% within 1 km (a 10-minute walk) of a public transport node.
Number of (1) lots and (2) homes delivered on infill sites (IF-HB-410b.2)	(1) 43,448 (82%) (2) 3,169 (73%)	Infill sites are defined as vacant or underutilised lots of land, served by existing physical installations such as roads, power lines, sewer and water, and other infrastructure. In line with the SASB definition, our redevelopment sites are only considered infill if they additionally meet this criteria.
(1) Number of homes delivered in compact developments and (2) average density (IF-HB-410b.3)	(1) 4,234 (98%) (2) Unknown	The main types of compact developments delivered by Berkeley are mixed use developments and neighbourhood developments with community facilities.

Section 172(1) Statement

Members of the Board as a whole and individually are bound by their duties under section 172(1) (a) to (f) of the Companies Act 2006 (the Act). In this statement, we describe how our Directors have considered the matters set out in section 172(1) of the Act (section 172) when performing their duty to promote the success of the Company.

This engagement, both directly and through regular reports from individual business areas and various functions, ensures the Board is made aware of key issues to enable the Directors to comply with their legal duty under section 172.

This statement summarises how the Company promotes its success for the benefit of its key stakeholder groups by having regard to:

- the likely consequences of any decisions in the long-term;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the desirability of the Company maintaining a reputation of high standards of business conduct;
- the interests of the Company's employees;
- the impact of the Company's operations on the community and environment; and
- the need to act fairly between members of the Company.

We believe that to progress our strategy and to deliver substantial sustainable long-term growth opportunities, the Board should consider all stakeholders relevant

to a decision and satisfy themselves that any decision upholds our values and aligns with Our Vision 2030.

The Board recognises that stakeholder engagement is essential to understand what matters most to our stakeholders and the likely impact of our key decisions.

The following sections demonstrate how the Directors fulfil their duties in respect of these obligations by addressing in turn some of the key areas of focus for the Board.

Further detail of Board activity in the year is described in the Corporate Governance section on pages 104 and 105.

Culture and values

Business model and strategy

Risk management

Stakeholder engagement

For more information

The culture and values of the business are continuously considered by the Directors when discharging their duties to ensure they are embedded into the business. Read more on pages 108 and 109.

The Directors have collective responsibility for promoting the long-term success of the Company in a safe and sustainable manner in order to create and enhance shareholder value. Read more on pages 12 and 13.

The Directors are responsible for setting and monitoring the risk appetite for the business. For more detail of risk management see 'How we manage risk' on pages 78 to 91.

The Board reviews and confirms its key stakeholder groups for the purposes of section 172 annually. In 2025, they were confirmed as customers, communities and local government, employees, supply chain, government, regulators and industry, the environment and investors. The following pages set out how the interests of each of these key stakeholders is embedded into the long-term strategy of the business.

Customers

see pages 40, 41 and 111.



Communities and local government

see pages 44 to 47 and 112.



Employees

see pages 52 to 54 and 112.



Supply chain

see pages 42, 43, 48, 49, 53 and 113.



Government, regulators and industry

see pages 42 to 55 and 113.



Environment

see pages 48 to 50 and 114.



Investors

see page 114.



Non-financial and Sustainability Information Statement

The following table summarises where our non-financial information can be found in our Annual Report and within our policies available on our website.

Reporting requirement	Where to read more in this report to understand the impact on the business, and the outcome of applying our policies	Page reference	Relevant policies in place that govern our approach
Environmental matters	Our Vision 2030 progress Climate-related disclosures Our stakeholders: Environment ESG performance Driving growth and value	48 to 50 58 to 75 114 56 09	• Sustainability • Climate Change • Sustainable Specification and Procurement
Climate-related financial disclosures	Climate-related disclosures Our Vision 2030 progress Directors' Report: Scopes 1 and 2 greenhouse gas emissions and energy consumption	58 to 75 48 to 49 164 to 165	• Climate Change • Sustainability
Employees	Our Vision 2030 progress Our stakeholders: Employees ESG performance	51 to 54 112 57	• Employee • Equality and Diversity • Health, Safety and Wellbeing
Respect for human rights	Our Vision 2030 progress Our stakeholders: Employees, Supply chain Whistleblowing	42 to 43, 52 to 53 112 to 113 105	• Modern Slavery Statement • Human Rights, Modern Slavery and Child Labour • Equality and Diversity • Whistleblowing • Sustainable Specification and Procurement
Social matters	Our Vision 2030 progress The Berkeley Foundation Our stakeholders: Customers, Communities and local government, Employees, Supply chain Driving growth and value	40 to 47 and 51 to 54 55 111 to 113 08 to 09	• Sustainability • Sustainable Specification and Procurement • Building Safety and Quality Assurance
Anti-bribery and anti-corruption	Bribery Act and Anti-Money Laundering Regulations	105	• Anti-Bribery and Corruption • Business Ethics • Corporate Hospitality and Promotional Expenditure • Whistleblowing • Anti-Facilitation of Tax Evasion
How we manage risk	How we manage risk, Principal risks, Financial risks, Risk tables Climate-related disclosures	78 to 91 67 to 71	
Business model	Our business model Brownfield regeneration at scale Driving growth and value	12 to 13 06 to 07 08 to 09	
Non-financial KPIs	Key Performance Indicators (KPIs) In addition to these non-financial KPIs, Berkeley monitors and reports on business performance through a host of other data, highlights and awards. Some of these are detailed within the Our Vision 2030 business strategy sections of this report ESG performance Driving growth and value	33 38 to 55 56 to 57 08 to 09	

How we manage risk

The assessment of risk and embedding risk management throughout Berkeley are key elements of setting and delivering the Group's strategy.

Risk appetite

The Board is responsible for setting and monitoring the risk appetite for Berkeley. Risk appetite relates to the amount of risk the Company may seek or accept at any given time when pursuing its strategic objectives, in the context of the prevailing operating environment. The Board's approach to, and appetite for risk is summarised opposite.

Cyclical market

Berkeley's business model is centred on the Board's appreciation of the risks of the cyclical market in which the business operates, where market sentiment and transaction levels can change quickly, requiring us to adopt a flexible approach to our investment decisions. This can be dependent on where the Board believes we are within any particular cycle.

Autonomy and values

Berkeley has recognised brands and autonomous, talented and experienced teams who embrace Berkeley's values in their approach. Berkeley creates bespoke and innovative solutions for each site which requires experienced, intensive management.

Resource and expertise

Berkeley must continually assess the required investment in its people so it is fully able to implement its strategy in the wider environment. Recruitment, training and retention of resource are fundamental to Berkeley retaining its market leading position and ensuring it has highly skilled and experienced teams who create bespoke and innovative solutions for each of its sites.

Operational complexity

The business model also recognises the complexity of the planning and delivery of the sites Berkeley undertakes, alongside their capital intensive nature. It mitigates this risk by focusing its activities in London and the South East, recognising the importance of relationships and local knowledge and having highly skilled and experienced teams in place.

Financial strength

This translates into an approach that, at all times through the cycle, keeps financial risk low, recognising the operational risks within the business.

Through our strong financial position we are therefore able to take, under normal circumstances, increased operational risk to deliver robust risk-adjusted returns, within the parameters of our business model.

Culture and purpose

Berkeley's unique culture is the sum of its shared values, vision and overarching sense of purpose. Together, they have a dynamic and energising effect on the way the business operates, shaping our purpose, long-term Our Vision 2030 responsible business strategy, brand and day-to-day behaviours. Our culture sets the standards by which we judge our behaviours, products and internal processes.

Emerging risks

Berkeley faces a number of uncertainties that have the potential to be materially significant to our long-term strategy but cannot be fully defined as a specific risk at present, and therefore cannot be fully assessed or managed. These emerging risks typically have a long time horizon and are discussed and agreed by the Board on a regular basis.

Principal risks

In accordance with provisions of the 2018 UK Corporate Governance Code, the Directors have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. There are also areas of our existing principal risks that are evolving over time.

Risk management framework

Our approach to risk management combines a top-down strategic review and feedback of risks by the Board, coupled with a bottom-up review and reporting of risk by each operating business.

Our top-down approach



Board

The Board takes overall responsibility for risk management, and the assessment of risk. Embedding risk management into the business is a key element of setting and delivering our strategy.

The top-down assessment of risk by the Board includes a review of the external environment in which Berkeley operates, which complements the deep seated knowledge of the industry and operations by the Executive Committee members. This takes into account the likelihood and impact of risks, whether pre-existing or emerging, which may materialise in the short or longer-term.

Emerging risks are also considered at each Board meeting and are then fed down to the operating businesses for further review and consideration, if applicable.

Audit Committee

The Audit Committee has responsibility for ensuring the effectiveness of risk management and internal controls on behalf of the Board. The controls and processes surrounding how we assess risk across the Group are explained further in the Audit Committee Report on pages 122 to 125.

Executive Committee

Risk registers at operational level are overlaid by wider strategic risks facing the Group, such as macro-economic risk. This is then assessed and managed by the Board and Executive Committee.

Operational management

A fundamental principle of the operating structure of the Group is that the prime responsibility for assessing, managing and monitoring the majority of the risks rests with operational management, thus ensuring that risk management is embedded in our day-to-day operations.

All employees

All employees are encouraged to be alert to risks associated with the activities they perform and to report issues and suggest alternative approaches as appropriate.



Our bottom-up approach

Exposure to financial risks

The financial risks to which Berkeley is exposed include:

Liquidity risk

The risk that the funding required for the Group to pursue its activities may not be available.

Market interest rate risk

The risk that Group financing activities are affected by fluctuations in market interest rates.

Market credit risk

The risk that counterparties (mainly customers) will default on their contractual obligations, resulting in a loss to the Group. The Group's exposure to credit risk is comprised of cash and cash equivalents, loans to joint ventures and trade and other receivables.

Other financial risks

Berkeley contracts all of its sales and the vast majority of its purchases in sterling, and so has no significant exposure to currency risk, but does recognise that its credit risk includes receivables from customers in a range of jurisdictions who are themselves exposed to currency risk in contracting in sterling.

Management of financial risks

Berkeley adopts a prudent approach to managing these financial risks.

Treasury policy and central overview

The Board approves treasury policy and senior management control day-to-day operations. Relationships with banks and cash management are coordinated centrally as a Group function. The treasury policy is intended to maintain an appropriate capital structure to manage the financial risks identified and provide the right platform for the business to manage its operating risks.

Forward sales

Berkeley's approach to forward selling new homes to customers provides good visibility over future cash flows, as expressed in cash due on forward sales which stands at £1.4 billion at 30 April 2025. It also helps mitigate market credit risk by virtue of customers' deposits held from the point of unconditional exchange of contracts with customers.

Low gearing

The Group is currently financing its operations through shareholder equity, supported by £337 million of net cash on the Balance Sheet and debt facilities. This in turn has mitigated its current exposure to interest rate risk.

Land holdings

By investing in land at the right point in the cycle, holding a clear development pipeline in our land holdings and continually optimising our existing holdings, we are not under pressure to buy new land when it would be wrong for the long-term returns for the business.

Headroom provided by bank facilities

The Group has £800 million of committed credit facilities maturing in February 2029. This comprises a green term loan of £260 million and the revolving credit facility of £540 million. In addition, the Group has listed debt in the form of Green Bonds to the value of £400 million maturing in August 2031.

Berkeley has a strong working partnership with the six banks that provide the facilities and this is key to Berkeley's approach to mitigating liquidity risk.

Detailed appraisal of spending commitments

A culture which prioritises an understanding of the impact of all decisions on the Group's spending commitments and hence its Balance Sheet, alongside weekly and monthly reviews of cash flow forecasts at operating company, divisional and Group levels, recognises that cash flow management is central to the continued success of Berkeley.

Viability Statement

In accordance with code provision 31 of the 2018 revision of the UK Corporate Governance Code, the Directors have assessed the viability of the Group.

Berkeley is a unique asset-focused development business that seeks to manage risk and generate value through market cycles. Berkeley's approach centres on using its development expertise to maximise the returns from our large-scale assets, creating the right development solution for each site. Financial strength underpins this approach and is a fundamental risk management principle, evident in:

- The scale of the land holdings and focus on long-term brownfield regeneration developments which have the scope for value creation through the market cycle.
- A strong forward planning position which provides visibility on delivery and mitigates regulatory risk in the near-term.
- The cash due on forward sales which underpins near-term delivery and cash flows, alongside a strong balance sheet with net cash and liquidity provided through debt capacity.

The Group's net cash of £337 million at 30 April 2025 which, coupled with its debt capacity of £1,200 million, ensures Berkeley has available liquidity of over £1,500 million. The debt capacity comprises £400 million of listed unsecured green bonds which mature in August 2031, supported by Fitch Ratings Ltd's senior unsecured investment grade rating of BBB- (Stable Outlook), and bank facilities of £800 million. The bank facilities are in place until February 2029.

Cash due on forward sales are resilient in the prevailing market conditions at £1,403 million, while the land holdings comprise an estimated £6.7 billion of future gross margin across 53,000 future homes.

Berkeley's approach to risk management and its risk appetite are set out on pages 78 to 91 of the Strategic Report. Individual development site cash flow forecasts, which are used to prepare the Group's consolidated cash flow forecast, take account of operational circumstances and risks. The Group's cash flow forecast includes appropriate allowances for discretionary investment and the quantum and timing of this is in turn subject to the delivery of the site cash flows and broader strategy for the Group.

The viability assessment envisages a severe but plausible deterioration in the economic outlook which impacts the site level cash flows, principally through lower sales transaction volumes and pricing. In response to such a scenario, Berkeley's response could comprise a myriad of mitigating combinations of actions, but the key principles modelled include:

- Production effort re-focused to buildings with forward sales enabling these to be collected.
- Cautious approach to new WIP investment as new buildings or sites are placed on hold or slowed, whilst all discretionary new land investment is suspended.
- Sales transaction levels and pricing reduce considerably as economic conditions decline.
- Shareholder returns beyond those planned to 30 September 2025 are delayed.

The Directors have made this viability assessment over a three-year period from 1 May 2025 to 30 April 2028 principally to align with the period covered by Berkeley's forward sales as these are the key area of focus for the business under the viability assessment.

Based on the assessment, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period commencing 1 May 2025.

 Read more on our going concern on [page 166](#)

Risk tables

Key Our Vision 2030 priorities					Key Risk								
Customers		Quality		Communities		Climate Action		Nature		Key Risk			
Employee Experience		Modernised Production		Future Skills		Supply Chain		Shared Value		Increased risk	No change	Decreased risk	
Economic outlook	Risk description and impact			Approach to mitigating risk			Link to Our Vision 2030		Residual risk rating	Likelihood change	Impact change during year	Commentary and developments if any during the year	
	<p>As a property developer, Berkeley's business is sensitive to wider economic factors such as changes in interest rates, employment levels and general consumer confidence.</p> <p>Some customers are also sensitive to changes in the sterling exchange rate in terms of their buying decisions or ability to meet their obligations under contracts.</p> <p>Changes to economic conditions in the UK, Europe and worldwide may lead to a reduction in demand for housing which could impact on the Group's ability to deliver its corporate strategy.</p>			<p>Recognition that Berkeley operates in a cyclical market is central to our strategy and maintaining a strong financial position is fundamental to our business model and protects us against adverse changes in economic conditions.</p> <p>Land investment in all market conditions is carefully targeted and underpinned by demand fundamentals and a solid viability case.</p> <p>Levels of committed expenditure are carefully monitored against forward sales secured, cash levels and headroom against our available bank facilities, with the objective of keeping financial risk low to mitigate the operating risks of delivery in uncertain markets.</p> <p>Production programmes are continually assessed, depending upon market conditions. The business is committed to operating at an optimal size, with a strong Balance Sheet, through autonomous businesses to maintain the flexibility to react swiftly, when necessary, to changes in market conditions.</p>					High			<p>Geopolitical and macroeconomic volatility continue to affect the operating environment. Growth forecasts reflect this with further uncertainty over the impact of US tariffs. Interest rates have fallen in the year from their high of 5.25%, but the rate of decrease has been slower than expected due to ongoing global economic uncertainty.</p> <p> Read more on pages 18 to 28</p>	
	Significant political events in the UK and overseas may impact Berkeley's business through, for example, supply chain disruption or the reluctance of customers to make purchase decisions due to political uncertainty and, subsequently, policies and regulation may be introduced that directly impact our business model.			<p>Whilst we cannot directly influence political events, the risks are taken into account when setting our business strategy and operating model. In addition, we actively engage in the debate on policy decisions.</p>					High			<p>The new Government's mission for growth and brownfield led housing agenda to resolve the issues in the planning system and deliver 1.5 million new homes over the next five years is laudable. They have already implemented significant changes to improve the pace of planning. Although this is an extremely welcome first step, there remains much more to do if this cornerstone of economic growth is to be fully realised.</p> <p>However, this is balanced by the international political arena which has become more volatile, particularly with the implementation of regulatory and fiscal measures and counter-measures. These global headwinds will inevitably impact the UK's economic growth prospects in the near-term.</p> <p> Read more on pages 18 to 25</p>	
Regulation	<p>Adverse changes to Government policy on areas such as taxation, design requirements and the environment could restrict the ability of the Group to deliver its strategy.</p> <p>Failure to comply with laws and regulations could expose the Group to penalties and reputational damage.</p>			<p>Berkeley is primarily focused geographically on London, Birmingham and the South East of England, which limits our risk when understanding and determining the impact of new regulation across multiple locations and jurisdictions.</p> <p>The effects of changes to Government policies at all levels are closely monitored by operating businesses and the Board, and representations made to policy-setters where appropriate.</p> <p>Berkeley's experienced teams are well placed to interpret and implement new regulations at the appropriate time through direct lines of communication across the Group, with support from internal and external legal advisors.</p>					High			<p>Housing and fire safety remain high on the agendas of the Government and the main political parties, with the sector continuing to face regulation and scrutiny.</p> <p>We are actively monitoring and managing the uncertainty and delays faced across the industry from the introduction of the new Gateway approval process under the recently established Building Safety Regulator, and in particular the risk of delays to our build programmes arising from the determination of Gateway 2 applications for our Higher Risk Buildings.</p> <p>We continue to cooperate with the Competition and Markets Authority in their investigation into possible sharing of information in the housing industry.</p> <p> Read more on pages 18 to 25</p>	

Risk tables continued

Land availability	Risk description and impact An inability to source suitable land to maintain the Group's land holdings at appropriate margins in a highly competitive market could impact on the Group's ability to deliver its corporate strategy.	Approach to mitigating risk Understanding the markets in which we operate is central to Berkeley's strategy and, consequently, land acquisition is primarily focused on Berkeley's core markets of London, Birmingham and the South East of England, markets in which it believes the demand fundamentals are strong. Berkeley has experienced land teams with strong market knowledge in their areas of focus, which gives us the confidence to buy land without an implementable planning consent and, with an understanding of local stakeholders' needs, positions Berkeley with the best chance of securing a viable planning consent. Berkeley's land holdings mean that it has the land in place for its business plan requirements and can therefore always acquire land at the right time in the cycle.	Link to Our Vision 2030 	Residual risk rating Low	Likelihood change 	Impact change during year 	Commentary and developments if any during the year The Group continues to focus on protecting and enhancing the value of its land holdings through a combination of acquiring new sites, enhancing the value of existing sites and bringing sites through the strategic pipeline of long-term options. Investment decisions are affected by the uncertainty in the political and economic outlook, as well as complexities in the planning system, although new opportunities may arise as demand from other use classes evolve, including through our recently established Build to Rent platform. Berkeley has acquired three new sites in the period, all outside London.  Read more on pages 18 to 25
Planning process	Delays or refusals in obtaining commercially viable planning permissions could result in the Group being unable to develop its land holdings. The current complex and evolving nature of planning policies amplifies the risk. This could have a direct impact on the Group's ability to deliver its product and on its profitability.	The Group's strategic geographical focus and expertise place it in the best position to conceive and deliver the right consents for the land acquired. Full detailed planning and risk assessments are performed and monitored for each site without planning permission, both before and after purchase. The planning status of all sites is also reviewed at both monthly divisional Board meetings and Main Board meetings. The Group works closely with local communities in respect of planning proposals and maintains strong relationships with local authorities and planning officers. Berkeley has planning consents in place for its immediate business plan needs.		High			The new Government's determination to fuel economic growth through the delivery of 1.5 million homes over this Parliament has galvanised the planning system. The challenge remains agreeing the Section 106 agreements that codify the level of affordable housing and other planning tariffs and there remains significant variations in approach across the local authorities. We have made good progress over the course of the year, with a resolution to grant planning permission obtained on six future sites in the land holdings and pipeline.  Read more on pages 18 to 25
Retaining people	An inability to attract, develop, motivate and retain talented employees could have an impact on the Group's ability to deliver its strategic priorities. Failure to consider the retention and succession of key management could result in a loss of knowledge and competitive advantage.	Two priorities within Our Vision 2030 are designed to help recruit and retain a high calibre work force. The first is 'Employee Experience' which places a specific focus on areas including employee engagement and Equity, Diversity and Inclusion (EDI). The second focuses on 'Future Skills' looking at how we can create tangible long-term change and inspire people to join the industry. Succession planning is regularly reviewed at both divisional and Main Board level. Close relationships and dialogue are maintained with key personnel. Remuneration packages are benchmarked against the industry to ensure they remain competitive.		Medium			The motivation, retention and progression of our people remains fundamental to the delivery of our strategy. The Group continues to have a stable senior management team and despite the normal pressure of people retention, overall retention rates have remained relatively stable during the year, with a continued focus on talent management, career progression opportunities, training, benefits, health and wellbeing initiatives, and agile working. This year we have improved our Group-wide benefits including enhanced parental leave and a new menopause plan. Our 2024 employee survey provided a route for feedback from employees, which is then incorporated within action plans for improvement for each of our operating businesses.  Read more on pages 52 to 54 and 112

Risk tables continued

	Securing sales Risk description and impact An inability to match supply to demand in terms of product, location and price could result in missed sales targets and/or high levels of completed stock which in turn could impact on the Group's ability to deliver its corporate strategy.	Approach to mitigating risk The Group has experienced sales teams both in the UK and within our overseas sales offices, supplemented by market-leading agents. Detailed market demand assessments of each site are undertaken before acquisition and regularly during delivery of each scheme to ensure that supply is matched to demand in each location. Design, product type and product quality are all assessed on a site-by-site basis to ensure that they meet the target market and customer aspirations in that location. The Group's ability to forward sell reduces the risk of the development cycle where possible, thereby justifying and underpinning the financial investment in each of the Group's sites. Completed stock levels are reviewed regularly.	Link to Our Vision 2030   	Residual risk rating Medium	Likelihood change 	Impact change during year 	Commentary and developments if any during the year Sales rates have improved slightly in 2024/25, but remain 25-30% lower than the historic levels. Enquiry levels are good, but buyers remain very price sensitive and cautious to commit. This will persist until interest rates fall and confidence in economic stability returns. Pricing has been stable across our sites during the period and above business plan levels. Cash due on private forward sales was £1.4 billion at 30 April 2025, which has moderated through a combination of strong delivery and the prevailing sales rates. 75% of required sales for 2025/26 are already secured. We have established our own Build to Rent platform in the year and units across six of our developments are already in production, with first rental homes to be delivered in 2026/27.
Liquidity	Reduced availability of the external financing required by the Group to pursue its activities and meet its liabilities. Failure to manage working capital may constrain the growth of the business and ability to execute the business plan.	The Board approves treasury policy and senior management controls day-to-day operations. Relationships with banks and cash management are coordinated centrally as a Group function. The treasury policy is intended to maintain an appropriate capital structure to manage the Group's financial risks and provide the right platform for the business to manage its operating risks. Cash flow management is central to the continued success of Berkeley. There is a culture which prioritises an understanding of the impact of all decisions on the Group's spending commitments and hence its Balance Sheet, alongside weekly and monthly reviews of cash flow forecasts at operating company, divisional and Group levels.		Low			The Group had net cash of £337 million at 30 April 2025, giving the Group circa £1.5 billion of liquidity when combined with bank facilities. In addition, Berkeley has a borrowing facility with Homes England totalling £125.6 million, whereby it may apply amounts borrowed towards financing or re-financing certain infrastructure type costs incurred on three of its developments. Berkeley has a strong working partnership with the six banks that provide the facilities which is key to Berkeley's approach to mitigating liquidity risk.
Mortgages	An inability of customers to secure sufficient mortgage finance now or in the future could have a direct impact on the Group's transaction levels.	Berkeley has a broad product mix and customer base which reduces the reliance on mortgage availability across its portfolio. Deposits are taken on all sales to mitigate the financial impact on the Group in the event that sales do not complete due to a lack of mortgage availability.		Medium			Mortgage rates have continued to fall this year, helped by four reductions in the base rate. All major UK lenders are now offering rates around 4% dependent on individual circumstances, factoring in likely further decreases to the base rate in the coming months.

Risk tables continued

	Risk description and impact	Approach to mitigating risk	Link to Our Vision 2030	Residual risk rating	Likelihood change	Impact change during year	Commentary and developments if any during the year	
Climate change	<p>Risk description and impact</p> <p>The transition to a lower carbon economy and the physical effects of temperature changes could have wide ranging impacts on Berkeley, with these assessed using climate scenario analysis.</p> <p>Identified risks and opportunities relating to the transition to a lower carbon economy include: evolving planning and design requirements; substitution of existing technologies; increasing raw material costs; and changing customer demands.</p> <p>Risks relating to the physical impacts of climate change include: heat stress; drought stress; subsidence; windstorm; and flood.</p>	<p>Approach to mitigating risk</p> <p>Climate Action is a strategic priority within our responsible business strategy, Our Vision 2030.</p> <p>We have set science-based targets (SBTs) to drive action to mitigate our impact. Energy efficiency requirements are in place covering our direct activities. In addition, our scope 3 SBT commits us to build more efficient homes and work with our supply chain to reduce the embodied carbon within the materials and services that we procure.</p> <p>Evolving requirements and technologies are monitored by our Group Sustainability Team and operational committees, working with external experts and industry working groups as necessary.</p> <p>We consider climate change risks and incorporate measures such as sustainable drainage systems (SuDS) to build resilience into our homes and developments.</p>		Medium	 		<p>This year, we have updated our transition risk and opportunity analysis (see pages 68 and 69). We are confident that our processes enable us to effectively manage and mitigate the identified risks.</p> <p>We submitted an energy reduction action plan in line with the requirements of the Energy Savings Opportunity Scheme (ESOS) following the completion of energy audits across our divisional offices, sales suites and construction sites.</p> <p>We continue to prepare our homes to be 'zero carbon ready' ahead of the launch of the Future Homes Standard later in 2025, including the installation of heat pump technology.</p> <p>We undertake embodied carbon assessments, and this year have provided our teams with detailed guidance using knowledge gained from assessments completed to date.</p>	 Read more on pages 48, 49 and 58 to 75
Sustainability	<p>Berkeley is aware of the environmental and social impact of the homes and places that it builds, both throughout the development process and during occupation and use by customers and the wider community.</p> <p>Failure to address sustainability issues could affect the Group's ability to acquire land, gain planning permission, manage sites effectively and respond to increasing customer demands for sustainable homes and communities.</p>	<p>Our Vision 2030 covers our approach to sustainability across three areas: Communities, Climate Action and Nature.</p> <p>Sustainability Standards are set at a Group level and set out the minimum Berkeley requirements for new developments and the operation of our construction sites, divisional offices and sales suites. These are supported by more detailed procedures within our Sustainability Management System, including a requirement for an Environmental Risk Register for each site and the completion of at least quarterly site sustainability assessments by our internal sustainability professionals.</p>		Medium	 		<p>Over the last year we have completed a full review of our Sustainability Standards to ensure that we continue to create sustainable places for our customers and operate our business efficiently.</p> <p>Following biodiversity net gain (BNG) becoming mandatory in February 2024, we have continued to build on our industry leading approach to deliver BNG across our developments. The potential impact of environmental delivery plans (EDPs) and a nature restoration levy introduced through the Planning and Infrastructure Bill is being monitored by the business.</p> <p>We recognise that every community is unique, evolving in its own way and at its own pace. This year we launched our new Communities Framework which brings together our existing work to provide a structured approach to building strong communities from the very start.</p>	 Read more on pages 34, 40 to 50 and 114

Risk tables continued

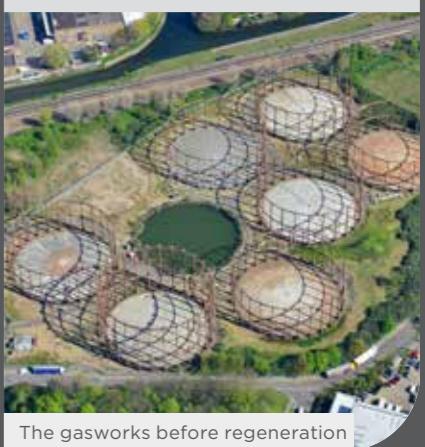
	<p>Risk description and impact Berkeley's operations have a direct impact on the health and safety of its people, contractors and members of the public. A lack of adequate procedures and systems to reduce the dangers inherent in the construction process increases the risk of accidents or site-related catastrophes, including fire and flood, which could result in serious injury or loss of life, or impact the business through financial penalties or disruption to operations.</p>	<p>Approach to mitigating risk Berkeley considers this to be an area of critical importance. Berkeley's health and safety strategy is set by the Board. Dedicated health and safety teams are in place in each division and at Head Office. Procedures, training and reporting are all regularly reviewed to maintain high standards and ensure that comprehensive accident investigation procedures are in place. Insurance is held to cover the risks inherent in large-scale construction projects. The Group continues to implement initiatives to improve health and safety standards on site.</p>	<p>Link to Our Vision 2030  </p>	<p>Residual risk rating Medium</p>	<p>Likelihood change </p>	<p>Impact change during year </p>	<p>Commentary and developments if any during the year Health and safety remains an operational priority for Berkeley and our AIIR at the year end was 102, well below our target of 250 and remains one of the best in the industry. Our teams continue to operate to stringent Group-wide health and safety standards that are audited regularly by our Group and local assessors and management. We run campaigns for high-risk activities such as Working at Height, and maintain an intervention app where both our direct and contractor workforce can log interventions or near misses to share information and learn from each other.</p> <p> Read more on page 53</p>
<p>Product quality and customers</p>	<p>Berkeley has a reputation for high standards of build safety and quality in its product. Failure to deliver against these standards and wider development obligations could expose customers to issues with their home and Berkeley to reputational damage, reduced sales and increased cost to rectify issues.</p>	<p>Detailed reviews are undertaken of the product on each scheme both during the acquisition of the site and throughout the build process to ensure that product quality is maintained. The Group has detailed quality assurance procedures in place surrounding both design and build to ensure the adequacy of build at each key stage of construction. Customer satisfaction surveys are undertaken on the handover of our homes, and feedback is incorporated into the specification and design of subsequent schemes.</p>	     	<p>Medium</p>			<p>The Group's continued focus on improving the quality of design and product, with attention to every detail in our homes, remains at the heart of our delivery. We continually review our Building Safety and Quality Assurance (BSQA) system to make further enhancements and respond to the requirements of the Building Safety Act. In addition we constantly look at ways to meet the demands of changing lifestyles, as well as the rapidly changing levels of expectations from our customers. Customers remain at the heart of all of our decisions, and Berkeley prioritises customer service, communities, nature and overall quality of place through its Our Vision 2030 targets.</p> <p> Read more on pages 40, 41 and 111</p>
<p>Build cost and programme</p>	<p>Build costs are affected by the availability of skilled labour and the price and availability of materials, suppliers and contractors. Declines in the availability of a skilled workforce, and changes to these prices could impact on our build programmes and the profitability of our schemes.</p>	<p>A procurement and programming strategy for each development is agreed by the divisional Board before site acquisition, whilst a further assessment of procurement and programming is undertaken and agreed by the divisional Board prior to the commencement of construction. Build cost reconciliations and build programme dates are presented and reviewed in detail at divisional cost review meetings each month. Our Vision 2030 strategy includes ongoing commitments to training and support across both our employees and our indirect workforce.</p>	   	<p>Medium</p>			<p>Build cost inflation remained neutral for much of 2024/25. We are experiencing significantly longer timescales than anticipated in relation to the new Gateway process for Higher Risk Buildings, which is being administered by the Building Safety Regulator. Delays in the determination of Gateway 2 applications may have an impact on future delivery programmes.</p> <p> Read more on pages 42, 43 and 113</p>
<p>Cyber and data risk</p>	<p>The Group acknowledges that it places significant reliance upon the availability, accuracy and confidentiality of all of its information systems and the data contained therein. The Group could suffer significant financial and reputational damage because of the corruption, loss or theft of data, whether inadvertent or via a deliberate, targeted cyber-attack.</p>	<p>Berkeley's systems and control procedures are designed to ensure that confidentiality, availability and integrity are not compromised. Our Information Security Programme focuses primarily on the detection and prevention of security incidents and potential data breaches. An IT Security Committee meets quarterly to address all cyber security matters. The Group operates multiple physical data centres supported by cloud-based services thereby reducing centralised risk exposure. An IT disaster recovery plan is regularly assessed. The Group has cyber insurance in place to reduce any potential financial impact.</p>	  	<p>High</p>			<p>The threat from cyber-attacks remains high and the methods of attack continue to evolve. Attacks are becoming more sophisticated, requiring additional technical controls, changes to tools and awareness training. The exploitation of trusted supply chain accounts poses an increasing risk, as adversaries increasingly target our organisation through these channels. The Cyber Security team regularly sends awareness reminders when threats affecting the Group are detected. The Group are leveraging industry leading security tools and harnessing the power of AI to detect and prevent emerging cyber threats to the organisation. In the past year, the rapid increase of AI technologies has significantly increased the complexity and frequency of cyber threats, including sophisticated social engineering. The Group understands as AI tools become more accessible, the need for robust cyber security measures to mitigate these evolving risks is crucial.</p> <p> Read more on page 104</p>

Corporate Governance

Pages 92 to 167



Computer generated image



The gasworks before regeneration

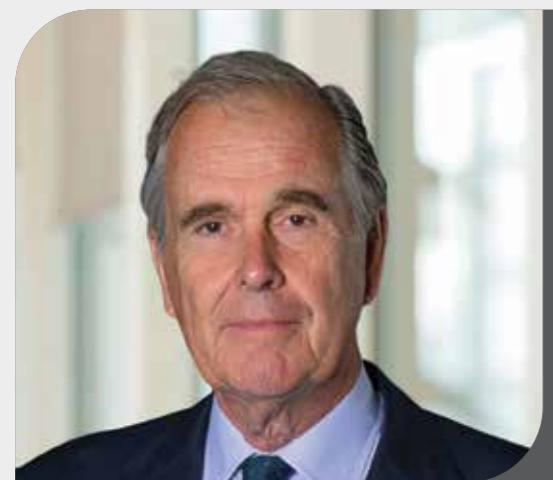


St William has secured planning consent to transform the derelict Bromley-by-Bow Gasworks into a green and sustainable neighbourhood with 2,150 homes and a 4.2-acre community park. The site's unique collection of seven Grade II Listed gasholders will be carefully restored.

CORPORATE GOVERNANCE

- 94 | Chairman's introduction
- 96 | Board of Directors
- 100 | Board leadership and Company purpose
- 101 | Division of responsibilities
- 104 | Board activities during the year
- 108 | Our culture
- 110 | Stakeholder engagement
- 111 | Our stakeholders
- 116 | Nomination Committee Report
- 122 | Audit Committee Report
- 126 | Directors' Remuneration Report
- 160 | Directors' Report

Chairman's introduction



Michael Dobson
Chairman

I am pleased to introduce the Corporate Governance Report for the 2024/25 financial year.

This report outlines Berkeley's governance arrangements throughout the year and describes how the Board and its Committees have operated and discharged their responsibilities in considering and applying the Principles and Provisions of the Code.

Berkeley is a business with a distinctively long-term operating model and value-added approach with a commitment to generating sustainable returns for its shareholders across the business cycle. Berkeley has a strong purpose, to build quality homes, strengthen communities and improve people's lives, a clear set of values and a unique culture.

A strong governance framework is of fundamental importance in supporting Berkeley's long-term success and ensuring an effective Board.

Corporate strategy was at the centre of the Board's focus in 2024/25. Responding to the Government's housing led growth agenda and the ongoing geopolitical and macro economic volatility, the Board reassessed the Company's strategic direction at this point in the cycle. This culminated in Berkeley 2035 and its flexible capital allocation framework.

The Board considered how the Remuneration Policy can best be structured to take account of the operating environment, Berkeley 2035 and volatility. In line with the normal three-year lifecycle, we will be submitting the new Remuneration Policy for approval at the AGM on 5 September 2025.

Following the externally facilitated Board review in 2023/24, we conducted an internal review this year. The conclusions, detailed more fully in the Nomination Committee Report, were that the Board is operating effectively and is focusing on the key strategic issues.

I will step down at the conclusion of the AGM as will William Jackson. Subject to consultation with major shareholders, Rob Perrins will succeed me as Executive Chair and Richard Stearn will be appointed CEO. Richard Dakin will join the Board as a Non-Executive Director at the conclusion of the AGM, and we are well advanced with the appointment of a further Non-Executive Director, anticipated to be announced early in the New Year.

Michael Dobson
Chairman
20 June 2025

UK Corporate Governance Code Compliance

The UK Corporate Governance Code 2018 (the Code) applied to the Company during the 2024/25 financial year therefore the Company assessed itself throughout the year, with reference to the Code. The Board considers that it has applied the Principles and complied with the Provisions of the Code.

The Board noted that the 2024 iteration of the Code will apply to the Company with effect from the 2026/27 financial year commencing on 1 May 2026. As such the Board will report against the new Code in its Annual Report for the year ending 30 April 2027.

The ways in which the Code's Principles were applied during 2024/25 are evidenced throughout the Annual Report. The Board has reviewed the Annual Report and Accounts and considers that, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

The table below sets out page references against each of the Code Principles (A to R). A full text of the Code itself can be found on the Financial Reporting Council's website at www.frc.org.uk.

Board Leadership and Company Purpose	Pages
A: Board of Directors	96-99
B: Purpose, values, strategy and culture	100, 104-105, 108-109
C: Resources and control framework	122-125
D: Stakeholder engagement	76, 110-114, 163
E: Workforce policies and practices	35, 52, 77, 105-110, 120-121, 157-159
Division of Responsibilities	
F: Role of the Chairman	101-102
G: Division of responsibilities	101-103
H: Role of the Non-Executive Directors	101, 105
I: Board policies, processes, information, time and resources	100-101
Composition, Succession and Evaluation	
J: Appointments to the Board	116-119
K: Board skills, knowledge and experience	116-121
L: Board evaluation	118-119
Audit, Risk and Internal Control	
M: Independence and effectiveness of internal and external auditors	124-125
N: Fair, balanced and understandable	95
O: Risk and internal controls	78-91, 124
Remuneration	
P: Alignment to purpose, values and long-term success	126-131, 136, 137, 140
Q: Remuneration policy	129, 136, 155
R: Independent judgement and discretion	127, 135, 140-141, 148

Board of Directors

Knowledge, skills and experience

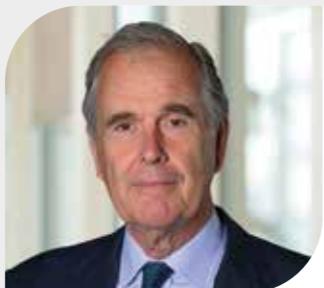
The Board's primary responsibility is leading the Company to deliver sustainable, profitable growth and drive long-term value for the shareholders of Berkeley Group.

It sets a clear tone from the top by providing entrepreneurial leadership of the business and custodianship of the Berkeley brand.



Key to Committees

- A Audit Committee
- N Nomination Committee
- R Remuneration Committee
- Committee Chair



Michael Dobson

Chairman of the Board and of the Nomination Committee

N R

Appointed: 8 June 2022 as Non-Executive Director and 6 September 2022 as Chairman
Tenure: 2 years

Skills, experience and contribution

Michael was appointed to the Board on 8 June 2022 as an independent Non-Executive Director and member of the Nomination Committee and, on 6 September 2022, became Chairman of the Board and the Nomination Committee and a member of the Remuneration Committee.

Michael brings extensive leadership, corporate and financial experience to the Board. He stepped down as Chairman of Schroders plc in April 2022 after six years, following an executive career in the City spanning over 40 years. Michael was Chief Executive of Schroders plc from 2001 to 2016 and previously held a number of leadership positions at Deutsche Bank AG, including Head of Global Asset Management, Head of Global Investment Banking and a Member of the Board of Managing Directors. Prior to that he was Chief Executive of Morgan Grenfell Group PLC and Deutsche Morgan Grenfell.

Other appointments

Chairman, Sienna Investment Managers



Rachel Downey ACA

Senior Independent Director

N A

Appointed: 8 December 2017 and on 8 September 2023 as Senior Independent Director
Tenure: 7 years

Skills, experience and contribution

Rachel was appointed as a Non-Executive Director on 8 December 2017 and Senior Independent Director on 8 September 2023. She is a member of the Nomination and Audit Committees.

Rachel's experience in real estate development and operation brings extensive industry expertise to the Board. She is Project Director of Manchester Life, a joint venture between Acre Real Estate Investment & Development LLC and Manchester City Council, established in 2014 to make a significant contribution towards achieving Manchester's regeneration and residential growth ambitions. Manchester Life is passionate about creating thriving communities and has delivered 1,500 homes, with 500 more planned for its third phase. Rachel is Managing Director of Manchester Life Management Ltd, which leases and manages a portfolio of over 1,000 apartments built by Manchester Life.

Rachel, a Chartered Accountant, is also currently the Senior Independent Director of Lancashire County Cricket Club and Chair of the Club's Development Committee.

Other appointments

Project Director, Manchester Life
Managing Director, Manchester Life Management Ltd
Senior Independent Director of Lancashire County Cricket Club



Rob Perrins BSc (Hons) FCA

Chief Executive

Appointed: 1 May 2001
Tenure: 24 years on the Main Board (31 years with the Company)

Skills, experience and contribution

Rob joined Berkeley in 1994. He has been a Main Board member since 2001 and Chief Executive since 2009, having previously been CFO from 2002 to 2011 as Group Financial Controller. In the intervening period, Berkeley has increasingly focused on transforming large-scale brownfield sites, which are beyond the scope of conventional homebuilders.

Rob has worked extensively in property development throughout his career, working on projects ranging from single houses to mixed use neighbourhoods with more than 10,000 homes. Rob champions Berkeley's operating culture and values, which are based on customer focus, individual design, exceptional placemaking and a commitment to delivery for all stakeholders. He oversees a highly disciplined but decentralised operating structure that fosters accountability and innovation, chairing the boards of Berkeley's 21 autonomous operating companies. Additionally, Rob oversees Our Vision 2030 and is the Board-level sponsor for Climate Action. He has a firm foundation of knowledge and personal interest in the natural world and climate science having completed a degree in Geology, together with an understanding of the business need to take action.

Rob was Founding Chairman of the Berkeley Foundation, an independent charity working in close partnership with the Berkeley Group to maximise its positive social impacts. He remains a Trustee.

Other appointments

Trustee, Berkeley Foundation
Independent Non-Executive, Public Interest Body, PwC
Non-Executive Director, Grosvenor Property UK



Richard Stearn BSc (Hons) FCA

Chief Financial Officer

Appointed: 13 April 2015
Tenure: 10 years on the Main Board (19 years with the Company)

Skills, experience and contribution

Richard re-joined Berkeley on 13 April 2015 as Chief Financial Officer, having previously worked for the Company from 2002 to 2011 as Group Financial Controller. In the intervening period, Richard spent three years at Quintain Estates and Development plc, serving as the company's Finance Director for most of that time.

Richard is responsible for the Group's finance, investor relations, treasury, tax and insurance functions. He also leads on strategic risk management and has oversight of the Group's IT function.

Richard has 22 years of direct experience in the property and development industry. Prior to joining Berkeley, he trained and practised for 12 years as a Chartered Accountant with PwC, auditing and advising a wide range of clients.

Other appointments

None



Andy Kemp BA (Econ) FCA

Independent Non-Executive Director

A R N

Appointed: 1 July 2021
Tenure: 3 years

Skills, experience and contribution

Appointed as a Non-Executive Director on 1 July 2021, following his retirement from PricewaterhouseCoopers LLP after a 39 year career with the firm. Andy is a Chartered Accountant and was a senior partner at PwC in London, advising the boards of some of the UK's largest multinational companies.

Andy brings extensive knowledge of accounting, risk and governance matters having been an audit partner for 27 years and through his chairmanship of the PwC Non-executive Director Programme. Andy was previously a member of PwC's Audit and Risk Assurance Executive Board.

Andy was appointed Chair of the Audit Committee on 8 September 2023 and is a member of the Nomination Committee and the Remuneration Committee. Andy was previously Chair of the Remuneration Committee.

Other appointments

Chair, The Audit Committee Chairs' Independent Forum
Non-Executive Director and Chair of the Audit and Risk Committee, Irwin Mitchell Holdings Limited Governor, Birkbeck University of London

Board of Directors continued



Natasha Adams
Independent Non-Executive Director

R N

Appointed: 1 February 2022
Tenure: 3 years

Skills, experience and contribution

Natasha is Chief Strategy and Transformation Officer of Tesco PLC and is a member of the Tesco PLC Executive Committee.

Immediately prior to her current role, Natasha was Chief Executive Officer of Tesco Ireland and prior to that was Group Chief People Officer of Tesco PLC.

Natasha has experience as a Trustee of the Tesco Pension Scheme and is a member of the Board of Ibec.

Natasha brings to the Board valuable insight on commercial, social governance and people matters.

Natasha was appointed Chair of the Remuneration Committee and a member of the Nomination Committee on 8 September 2023.

Other appointments

Chief Strategy and Transformation Officer, Tesco PLC
Executive Committee member, Tesco PLC
Board Member, Ibec



Key to Committees

- Audit Committee
- Nomination Committee
- Remuneration Committee
- Committee Chair



The Ven. Elizabeth Adekunle
Independent Non-Executive Director

A

Appointed: 5 January 2021
Tenure: 4 years

Skills, experience and contribution

Liz is currently a Non-Executive Director of The Royal Marsden NHS Foundation Trust and a Chaplain to His Majesty the King. She was previously Chaplain to Her Majesty Queen Elizabeth II (since April 2017) and Archdeacon of Hackney in the Diocese of London. Liz was awarded the Freedom of the City of London in April 2019.

Liz is a Westminster Abbey Institute Fellow, an Associate at Ridley Hall Theological College and an Honorary Fellow of St Augustine's College of Theology. Liz is on the Board of STRIDE, Metropolitan Police Board, a member of the National Police Chiefs' Ethics Committee and also a Board Member of Hive Education Trust.

William is a member of the Remuneration Committee and is a member of the Nomination Committee.

Liz was previously Chair of the Monuments and Plaques Committee at St Paul's Cathedral. Liz has considerable experience of social, political and ethical matters and brings a valuable perspective on the potential of urban regeneration and good placemaking to improve the lives of those living in the communities within which Berkeley operates.

Other appointments

Non-Executive Director, The Royal Marsden NHS Foundation Trust
Chaplain to His Majesty the King
Board member, STRIDE, Metropolitan Police Board Member, National Police Chiefs' Ethics Committee Board
Member, Hive Education Trust
Trustee: Berkeley Foundation



William Jackson
Independent Non-Executive Director

R N

Appointed: 5 January 2021
Tenure: 4 years

Skills, experience and contribution

William is the Founder of Bridgepoint Group plc, one of Europe's leading alternative asset management groups, which he has led since 2001. William has served on a wide range of UK and international boards during his career and stood down as Senior Independent Director of British Land plc in 2020 and as a Non-Executive Director in March 2021.

William is also Senior Independent Director and Non-Executive Director of The Royal Marsden NHS Foundation Trust. William brings extensive property, commercial, financial and PLC experience to the Board.

William is a member of the Remuneration Committee and is a member of the Nomination Committee.

Other appointments

Founder, Bridgepoint Group plc
Non-Executive Director, The Royal Marsden NHS Foundation Trust



Sarah Sands
Independent Non-Executive Director

A

Appointed: 30 April 2021
Tenure: 4 years

Skills, experience and contribution

Sarah is a journalist by profession and was Editor of the BBC Radio 4 Today programme from 2017 to 2020. Prior to this, Sarah was Editor of The Evening Standard and The Sunday Telegraph and has held Editor in Chief and Consultant Editor roles at Reader's Digest and the Daily Mail.

Sarah is a Non-Executive Director of Channel 4, a Partner at Hawthorn Advisors and a Member of the Board of Trustees of The Science Museum Group. Sarah is a founder of the Braemar Science Summit and was Chair of the Gender Equality Advisory Council for G7 for 2021 and has continued to sit on the Advisory Council in 2022 under the Germany Presidency, in 2023 under the Japan Presidency and in 2024 under the Italian Presidency. Sarah sits on the board of Walpole and is also a trustee of the Quintessentially Foundation. In 2023, Sarah was acting Chair of the British Council.

Sarah brings to the Board a broad insight on economic, political and social matters and a valuable perspective on issues such as the environment, sustainability, community and inclusivity.

Sarah is a member of the Audit Committee.

Other appointments

Non-Executive Director, Channel Four Television Corporation
Partner, Hawthorn Advisors
Trustee of the Board, The Science Museum Group
Trustee, Walpole
Trustee, Quintessentially Foundation



Board and Committee meeting attendance

	Board	Audit Committee	Nomination Committee	Remuneration Committee
Number of meetings held	6	4	3	7
Michael Dobson	6/6		3/3	7/7
Andy Kemp	6/6	4/4	3/3	7/7
Rob Perrins	6/6			
Richard Stearn	6/6			
Rachel Downey	6/6	4/4	3/3	
The Ven. Elizabeth Adekunle	6/6			
William Jackson	6/6		3/3	7/7
Sarah Sands	6/6	4/4		
Natasha Adams	2/6		1/3	4/7

N Adams did not attend certain scheduled meetings due to illness.



Board Leadership and Company Purpose

The Board has collective responsibility for promoting the long-term success of the Company in a safe and sustainable manner in order to create value for stakeholders. The Board provides leadership and sets the Company's purpose, values and long-term strategic objectives.

During the year, the Board has focused on the Company's purpose, vision and values and has continued to oversee the embedding of the Group's Our Vision 2030 responsible business priorities. Details of how this strategy has been implemented across the business and updates on progress against targets can be found on pages 34 to 55 of the Strategic Report and at www.berkeleygroup.co.uk/ourvision. Further information on how the Company engages with its stakeholders is set out on pages 110 to 114.

Berkeley's purpose is to build quality homes, strengthen communities and improve people's lives, transforming underutilised places to deliver sustainable social, economic and environmental value. It is the Board's role to ensure the ongoing alignment of the Company's purpose, values and culture with its strategy.

At Berkeley, the culture and values start with the tone set by the Board and encompass all of the autonomous businesses and teams across the Group.

Further details on how the Board ensures that Berkeley's purpose, values and culture are embedded across Berkeley are set out on pages 106 to 114.

The work of the Board provides direction, support and constructive challenge to the Executive team.

The duties of the Board are set out in a formal schedule of matters specifically reserved for decision by the Board.

Board and Committees' Composition

The Board continues to be comprised of nine Directors: an Independent Non-Executive Chairman, two Executive Directors and six Non-Executive Directors in compliance with all aspects of Board composition under the Code, with the Board meeting the diversity targets set out in UKLR 6.6.6(9)(a).

Further explanation of the Board's compliance with UKLR 6.6.6 (9)(a) is set out on pages 120 and 121 of this report.

Meetings

The full Board met formally six times during the year ended 30 April 2025 and attendance is set out on page 99.

Meetings consider standing agenda items and deep-dives on topics of particular focus and importance for the Company in the context of delivery of the corporate and responsible business strategies.

In addition to formal meetings of the Board, the Non-Executive Directors met with the Chairman twice during the year. The Chief Executive and Chief Financial Officer attended part of these meetings in order to provide an update on the business activities of the Group, including in respect of health and safety, finance, trading and performance and fire safety. Thereafter, the Non-Executive Directors met without the Executive Directors being present.

During the year, the Non-Executive Directors met without the Chairman present at a meeting chaired by the Senior Independent Director.

Board and Committee papers and agendas are sent out in the week prior to each meeting, allowing sufficient time for review and consideration of the documents beforehand.

Standing Board Agenda Items

- Health and Safety Report
- Building Fire Safety Report
- Chief Executive's Report
- Finance and Performance Report
- Risk Management Report
- Litigation Report
- Other Reports
 - Economic and Housing Market
 - Share Register Analysis
 - Customer Service
 - Board Committee Updates
 - Corporate Broker Updates
 - Corporate Governance Update

2024/25 Deep-Dives

- Berkeley 2035 Corporate Strategy
- Responsible Business Strategy
- Risk and Internal Controls
- Build to Rent Platform
- Building Safety Regulator
- External Positioning

Division of responsibilities

The Board has a range of experience and has strong knowledge in areas of property development, construction, media and communications, public sector, Government, communities, inclusivity and social engagement, finance and banking, and commerce and governance, both in the UK and internationally. It is the balance of skills, experience, independence and knowledge of the Board as a whole which ensures that the duties and responsibilities of the Board and its Committees are discharged effectively.

The Chairman leads the Board and is responsible for the overall effectiveness of the Board and its Committees, for setting and shaping the culture in the Boardroom and the Company, overseeing high standards of corporate governance, ensuring the Board determines the nature and extent of significant risks the Company is willing to embrace in the implementation of its strategy, ensuring effective communications between the Board and shareholders and ensuring the Board understands the views of the Company's key stakeholders.

The Chief Executive has day-to-day executive responsibility for the running of the Group's businesses. His role is to lead the Group's strategic direction and propose, develop and deliver the overall strategy and business plans, to enable the Group to meet its objectives, to oversee and maintain relations with investors and other key stakeholders, to ensure the appropriateness of the Group's risk management strategy, and to ensure effective policies and procedures for the management, development and succession planning of the management team and the Company's staff.

The Senior Independent Director's primary role is to work closely with the Chairman, serving as a sounding board, providing support in the delivery of objectives and serving as an intermediary for other Directors and shareholders.

In addition, the principal treasury-related risks, decisions and control processes are managed by the Group Finance function, under the direction of the Chief Financial Officer.

Board Committees

The Board has delegated certain matters to individual Executives and to the specific Committees of the Board: Nomination, Audit and Remuneration. The three Board Committees operate within clearly defined Terms of Reference pursuant to the provisions of the Code. The Terms of Reference for each of the three main Board Committees can be downloaded from the Corporate Governance page of the Investor section of the Company's website. Copies are also available to shareholders on application to the Company Secretary. The responsibilities of the key Board Committees are described within the relevant reports on pages 116, 122 and 126.

Conflicts of interest

In accordance with the Companies Act 2006, the Company's Articles of Association allow the Board to authorise potential conflicts of interest that may arise and to impose such limits or conditions as it thinks fit. The decision to authorise a conflict of interest can only be made by non-conflicted Directors (those who have no interest in the matter being considered) and in making such a decision the Directors must act in a way they consider in good faith will be most likely to promote the Company's success.

The Company has established a procedure whereby actual and potential conflicts of interest of current and proposed roles to be undertaken by Directors of the Board with other organisations are regularly reviewed in respect of both the nature of those roles and their time commitment, and for proper authorisation to be sought prior to the appointment of any new Director. The Board considers these procedures to be working effectively.

Division of responsibilities continued

RESPONSIBILITIES OF THE BOARD



Board activities during the year

The governance structure on pages 101 to 103 of this report sets out the key responsibilities of the Board. These responsibilities are met through a number of standing Board agenda items for which reports are presented as set out on page 100.

In addition, the Board undertook a number of deep-dive reviews into topics during the year as set out on page 100.

Risk appetite and evaluation of strategy is a cornerstone of the Board's considerations and remains enshrined in all reports to the Board.

The focus of Board activities can largely be categorised into four areas: strategy, operations, finance and governance.

Strategy

Key Board Decision Berkeley 2035 Corporate Strategy

Responding to the Government's housing led growth agenda and the ongoing geo-political and macro economic volatility, the Board reassessed the Company's strategic direction at this point in the cycle. This culminated in Berkeley 2035 and its flexible capital allocation framework. More detail is set out on pages 18 and 19.

Our Vision 2030

The Board monitors performance against the Our Vision 2030 targets and long-term goals, receiving progress reports at each meeting. Our Vision 2030 Executive board meetings are held monthly to review progress against the targets and to drive performance.

Further details of the Group's performance in respect of ESG matters of strategic importance to the Group are set out on pages 36 to 39 of the Strategic Report.

Planning status of future developments

The Board receives updates at each meeting on the planning environment and key planning milestones of sites.

Regulatory changes

The Board is provided with updates to the regulatory landscape. This year, the Board has continued to monitor the requirements of second staircases in tall buildings, alongside assessing the impact from the new Building Safety Regulator and of the wider regulatory framework relating to the Building Safety Act 2022.

Cyber security and data protection

Mindful of continuing cyber security risks and data protection requirements, the Board reviews emerging threats and responses.

Through a steering group chaired by the CFO that meets monthly, the Group assesses and actions opportunities for improvement and to ensure appropriate response plans are in place.

Political and public affairs

As a consistent theme explored by the Chief Executive's Report and as a specific agenda item at a meeting during the year, the Board receives presentations on the current political landscape and public affairs that help shape Berkeley's communication and engagement approach.

Operations

Risk

Operational and strategic risk is discussed at all Board meetings, with emerging risks considered on an ongoing basis. During the year, the Board allocated one of its meetings to discuss and debate the evolving risk landscape and the implication of this to Berkeley's strategy.

Risk and Internal Controls: Focus on Provision 29 of the 2024 Corporate Governance Code

Provision 29 of the 2024 Code will apply to the Company in 2026/27. The Board considered an initial assessment of the Company's approach to compliance including:

- Evaluation of the principal risks faced by the Company.
- Assessment of the Company's material internal controls and whether they are financial, operational, reporting or compliance in nature.
- Mapping of these material internal controls to the Company's principal risks given that for most risks a combination of controls serves to mitigate risk.

The Board advanced its appreciation of the Company's current material internal controls, and its understanding of the further assurance evidence required to enable the Board to comply with the reporting requirements of Provision 29.

Health and safety

Health and safety is discussed at all Board meetings. Being mindful of its industry-leading approach to health and safety, the Board keeps under review initiatives to retain focus in this area. Further details of the Company's health and safety approach are set out on page 53 of the Strategic Report.

Building fire safety matters

Building fire safety is a standing agenda item discussed at all Board meetings. The Board authorised entry into the Responsible Actor Scheme introduced under the Building Safety Act 2022. The Board receives reports on the status of works required by fire safety assessments being instructed under the Self-Remediation Terms and Contract.

CMA market investigation

The Company continues to cooperate fully with the Competition and Markets Authority in its investigation into the sharing of information between housebuilders and whether this is adversely affecting pricing for customers and build-out rates.

Supply chain resilience

The Commercial Committee monitors risks around the Group's supply chain and works across the divisions to mitigate such risks and reports through to the Executive Committee from which the Board receives updates.

Finance

Shareholder returns

Following shareholder approval at the September 2024 AGM, the Board returned £184 million to shareholders by way of a special dividend and undertook a share consolidation. Alongside further interim dividends, totalling £68 million, the Board returned £130 million via share buy-backs and undertook to cancel the associated 3.3 million shares. In total, shareholder returns of £382 million were made during the year.

The Board will continue to make returns to shareholders under the capital allocation framework parameters set out in Berkeley 2035.

Core funding and liquidity

The Board made no changes to the borrowing capacity of the Company during the year. The Group's borrowing capacity of £1,200 million comprises an £800 million bank facility with a term to February 2029 and £400 million unsecured listed bonds which mature in August 2031.

Annual Report and Accounts

During the year, the Board reviewed and approved the Annual Report and Accounts and interim results, along with associated press releases and trading updates.

Company tax policy

The Group's tax strategy is overseen by the Board, under which Berkeley seeks to meet its statutory and regulatory tax obligations. The Board undertakes an annual review of the Group Tax Policy, or more frequently if there are material changes in the tax environment. The aim is to ensure that risks associated with the interpretation and application of taxation laws and regulations are appropriately managed, identified and evaluated in accordance with the Group's risk management framework.

Governance

Bribery Act and Anti-Money Laundering Regulations

The Board has responsibility for complying with the requirements of the Bribery Act 2010 and The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and is charged with overseeing the development and implementation of the Group's policies and procedures and monitoring ongoing compliance.

Whistleblowing

The Group's Whistleblowing Policy is overseen by the Board and enables Directors, management, employees and external stakeholders to report any concerns in confidence, outside of normal reporting channels. Such concerns are subject to proportionate and independent investigation and may include malpractice, financial irregularity, breaches of any Group procedures, or other matters.

Board and Committee composition

The Board had reviewed the independence and contribution of each of the Non-Executive Directors in accordance with Provision 10 of the Code and concluded that they each continued to maintain and contribute an independent view in all Board deliberations, consistently providing robust challenge and scrutiny.

It is proposed that with effect from the conclusion of the 2025 AGM, that Michael Dobson will step down as will William Jackson. Richard Dakin will join the Board as a Non-Executive Director.

Subject to consultation with major shareholders, Rob Perrins will succeed Michael Dobson as Executive Chair and Richard Stearn will be appointed CEO.

Board evaluation

The Board evaluation for 2024/25 was undertaken internally and full details are on page 119.

Site Visits

The Board attended a number of site visits during the year, including to the Horlicks Quarter and London Dock.

 For further detail see pages 106, 107 and 110

NON-EXECUTIVE DIRECTORS' VISIT

Horlicks Quarter

In November 2024, the Board visited the Horlicks Quarter development, gaining insight into its progress and impact on stakeholders. They were welcomed by Berkeley Oxford and Chiltern's management team.

“ Taking our Non-Executive Directors on-site highlighted how our teams overcome challenges while maintaining efficiency and compliance, showcasing the complexity and precision of our work.

Bruce Lawton | Production Director

“ It was an opportunity to highlight logistics, sequencing, and health and safety measures that keep the project on track, ensuring timely delivery within budget. Seeing the development first-hand brought our efforts to life.

Peter Baker | Project Director



It was a pleasure to tour our Horlicks Quarter development with the Non-Executive Directors, showcasing how our placemaking vision is coming to life. We highlighted how design, sustainability, and community-focused spaces create long-term value and set our developments apart. It was great for the team including our young apprentices and graduates to meet our Main Board.

Elkie Russell | Managing Director
Berkeley Oxford and Chiltern



Brownfield regeneration

Horlicks Quarter exemplifies future-focused brownfield regeneration, turning underused land into a sustainable, well-connected community. The project prioritises placemaking, makes efficient use of existing infrastructure, enhances the local environment and limits urban sprawl. It supports long-term growth through job creation and investment within a productive and sustainable location while delivering housing, public spaces, and amenities that strengthen community and quality of life.

Preserving heritage

Berkeley places heritage at the core of placemaking. The original Horlicks Factory building has been carefully restored, as well as the chimney, clocktower, war memorial and the iconic red HORLICKS lettering. Modern, functional interiors and complementary new architecture balance heritage with contemporary living, preserving cultural significance while meeting community and landscape needs.

Building communities

Horlicks Quarter fosters a strong community with a mix of affordable, shared ownership, and private homes. Partnerships with Sovereign, Abri, and The Slough Hub create a resident-led community plan and events. A new café and 90-place nursery, run by local businesses, benefit both residents and the wider community.



Changing landscape of Slough

The development is central to Slough's £3.5 billion regeneration, offering strong connectivity, community appeal, and long-term infrastructure investment, making it an attractive and sustainable place to live.

- Located in the Thames Valley tech corridor, with 15-minute Crossrail access to London and Heathrow
- Appeals to young professionals and families seeking value, job opportunities, and excellent transport links
- Under two miles from the M4, with easy access to the M25 and wider motorway network
- £6.5 million investment from Berkeley in highways, education, and sustainable transport
- Strong focus on nature conservation and on-site biodiversity net gain
- New pedestrian and cycle link reduces walking time to Slough Station and the town centre



Our culture

Berkeley's culture is defined by its purpose and values, and has a dynamic and energising effect on the way we work, driving our performance and outcomes at all levels at the Company. It creates a positive working environment for our people that fosters respect, support, wellbeing, safety and inclusivity.



How we assess and monitor our culture

Our strong, value-based working culture is a key underpin to our strategy. The Board continues to embed, monitor and reinforce our culture throughout the business.



1 Customers at the heart of everything

The Board challenges the business to deliver high standards of customer service, monitors customer satisfaction levels and interrogates underlying trends.

The Board monitors the outcomes of engagement at each stage of the customer journey, and actively seeks to ensure that any issues arising are resolved promptly and effectively.

2 Creating a positive, safe and inclusive working environment

The Board helps shape our people framework, including our EDI approach and health and safety strategy.

The Board monitors and provides challenge against a range of performance metrics in this area, including staff turnover, staff survey results, accident rate, workforce demographics and our future skills programme including apprenticeship and graduate schemes.

3 Passion for people and communities

The Executive Committee reviews the planning and placemaking strategies for each site as-well-as scrutinising bespoke Community Development Plans to ensure they embed strong community engagement and set a shared vision for an inclusive and welcoming neighbourhood. The Board monitors these positive social outcomes through site visits and Our Vision 2030 reporting.

4 Enhancing quality in every small detail

The Executive Committee reviews and signs off detailed plans and specifications of each development. Directors undertake regular site visits to monitor build quality.

Visits by Non-Executive Directors highlight differing stakeholder perspectives. The Board monitors and challenges quality metrics and interrogates underlying causes.



5 Sustainable, responsible and long term

Sustainability and responsible business practice are central to Our Vision 2030, which is set and monitored by the Board, and which includes targets and actions to drive positive outcomes.



6 Collaborative and responsive partners

The Board monitors Berkeley's long-term partnerships which are fundamental to the successful delivery of large-scale urban regeneration projects. Directors maintain regular engagement with central and local government, alongside community, housing association and landowner partners to ensure we continue

to understand and deliver against their goals. The Board interrogates individual challenges and solutions developed across our sites to ensure learning and innovation is shared across the Group.

7 Autonomy, independence and entrepreneurial flair

The Group operates through our autonomous operating companies, as well as a unique network of international offices in key markets across the globe.

Our companies are empowered to develop unique solutions to unlock each site and create places of lasting quality and value, with support from strong central functions including Legal, Build Quality, Health and Safety and Corporate Governance.

Our values



Excellence through detail



Be passionate



Respect people



Think creatively



Have integrity

Stakeholder engagement

Board engagement with stakeholders

The role of the Board is to deliver value to all stakeholders and promote the long-term sustainable success of the Company. The Board recognises the importance of engaging with its stakeholders on all aspects of the Group's activities and this enables their interests to be considered in the decision making of the Board. Throughout this year, the Board sought to ensure that it understood the views of stakeholders when making decisions.

At Board meetings, the Chief Executive provides an overview on how the Group has delivered for its key stakeholders. Papers to our Board and Committees include assessments of the relevant stakeholder impacts to aid the Board's decision-making. The Board is aware that, in some situations, stakeholders' interests will be conflicted, and they may have to prioritise some stakeholders' interests. The Board, led by the Chairman, ensures that as part of its decision-making process, the Directors are aware and discuss the impacts of their decisions on the Group's key stakeholders.

How the Board engages with investors

The Company continues to undertake active dialogue with its current and prospective institutional shareholders through annual and interim results presentations and ad-hoc meetings.

During 2024/25 discussions focused around the half year and year end results, and covered topics such as operations, performance, markets, business strategy and capital allocation, and governance matters. The Chair of the Remuneration Committee extensively engaged with investors in the development of the proposed remuneration policy. Further details are set out in the Directors' Remuneration Report.

Shareholders are also kept up to date with the Company's activities through the results announcements and trading updates.

In addition, the corporate website provides information on the Group and latest news, including regulatory announcements.

The presentations made after the announcement of the preliminary and interim results are available on the Investor section of the website.

The Chief Executive and Chief Financial Officer meet with major shareholders twice annually to discuss the strategy and operations of the Group as well as any issues the shareholders wish to raise. The Board is always available to meet with any of the major shareholders throughout the year.

The Chairman and Senior Independent Director are available to shareholders if they have concerns and contact through the normal channels has failed or when such contact is inappropriate.

How the Board engages with employees and the workforce

The aim of the Board is to develop a highly talented and skilled workforce that will work together in a safe, healthy and supportive environment, and take pride in delivering outputs of the highest quality that deliver value to customers, local communities and other stakeholders. The Board recognises that talented and motivated employees are the Company's strongest resource. The health and safety of our employees is paramount, in terms of both physical and mental wellbeing, and this continues to be a key area of focus for the Board through Our Vision 2030.

In addition to ensuring the safe operation of our sites, the Board engages with employees in a number of different ways; the Chief Executive and Chief Financial Officer regularly visit the operating companies and their developments to oversee the site activities. Members of the Board are present at staff conferences to provide business updates and encourage open group discussions. The people engagement forum is a single platform for reviewing employee matters, sharing best practice and capturing its output for the Executive Committee and Board.

Site Deep Dives

Board members engage with employees from across the workforce on site visits. In October 2024, St George welcomed the Board to their London Dock development in Wapping. As well as receiving an overview of the development, they visited the Grade II listed Pennington Street Warehouse and the new Mulberry Academy London Dock secondary school and sixth form college which has also been created on the site, with 1,200 local students, and was officially opened in February 2025 by Her Majesty The Queen. During the visit, Board members gained an overview of the site design, development and construction through meeting and speaking to the St George management team and the local delivery team at all levels.



London Dock, Wapping

This year, divisions have shared best practice from their local people plans, including items such as health and wellbeing provisions, EDI initiatives and exit interviews, which helped to inform the Group People Framework. This framework sets the structure for action to be taken at a Group level and for a consistent approach in five areas across our operating businesses, including employee engagement, attraction and recruitment, equity, diversity and inclusion, staff upskilling and employee benefits and wellbeing.

Our stakeholders

Stakeholder engagement

Key | Our Vision 2030 priorities

-  **Customers**
-  **Quality**
-  **Communities**
-  **Climate action**
-  **Nature**
-  **Employee experience**
-  **Modernised production**
-  **Future skills**
-  **Supply chain**
-  **Shared value**



Prince of Wales Drive, Wandsworth



Customers

Placing the customer at the heart of every decision, all the way through the development process

What matters to them?

- A bespoke, tailored service that responds to their needs.
- Clear and timely communication and updates throughout their customer journey.
- Providing their new home on time, making them feel valued and quick rectification of any problems that arise.
- High quality specification and construction and energy efficiency to reduce energy bills.

How we engage

- Each customer has a dedicated point of contact and is encouraged to provide feedback at any stage. They have access to an online portal, MyHome Plus, which hosts information, videos and progress updates.
- Six weeks after a customer has completed on their new home they are given the opportunity to complete a detailed, independent survey covering all aspects of their experience.
- Direct engagement between senior management teams and the Main Board and customers if any key issues arise.

Actions and outcomes

- Prompt resolution of issues.
- Continued innovation to ensure we are providing aspirational homes.
- Senior level review of each customer survey with targeted actions.
- Sales & Marketing and Customer Service Committees review trends in feedback to identify improvement areas.
- Consistent achievement of world-class levels of customer satisfaction, with a 'Gold' standard achieved from an independent customer service body.
- Considering energy efficiency and the right energy strategy, whilst accommodating existing regulations.

Key engagement activities this year

We continued to offer every customer opportunities to provide feedback throughout the buying process and to complete a survey after moving in through a third party.

Link to Our Vision 2030 priorities:

 For further detail
see pages 40 and 41

Link to KPIs:

Net Promoter Score

Our stakeholders continued



Communities and local government

Making a positive contribution to the communities in which we work through engagement and partnership working

What matters to them?

- Delivering high quality homes and places that improve people's quality of life.
- Meaningful engagement with local people and stakeholders.
- Delivering local priorities and positive outcomes, such as homes, public amenities, services and jobs, whilst respecting heritage and culture.
- Minimising negative impacts, such as traffic and noise.

How we engage

- Site-specific consultation and engagement strategies, starting at an early stage, pre-planning, with the aim of nurturing lasting, collaborative relationships throughout project delivery.
- In a variety of ways, including open days, community design workshops, presentations, meetings, door knocking, walking tours, pre-application planning meetings, exhibitions, Design Review Panels, newsletters, notices, advertising, surveys, site-specific websites and a mix of digital consultation and engagement tools.

Actions and outcomes

- The creation of enduring local partnerships based on shared objectives for the community's future.
- Bespoke masterplans and placemaking strategies which reflect local views, aspirations and concerns.
- Site-specific Community Plans to create social links and integration with the wider community.
- Prioritising local people for training and job opportunities on our sites.

Key engagement activities this year

We undertook several site-specific community engagement activities across our developments.

Link to Our Vision 2030 priorities:

For further detail see [pages 44 and 47](#)

Link to KPIs

Affordable housing subsidies and wider contributions
Direct apprentices and training
Brownfield regeneration



Employees

Creating a positive working environment and promoting health, wellbeing and inclusion

What matters to them?

- Delivering positive outcomes for local communities.
- Pride in creating great places and high quality homes.
- Career progression.
- Competitive pay and benefits.
- Equity, Diversity and Inclusion (EDI).
- Health, safety and wellbeing.
- The increasing cost of living and travel costs.

How we engage

- Group-wide employee surveys.
- A range of engagement initiatives through our operating businesses including staff conferences, staff surveys and 'sessions with the management'.
- Via our Group People Committee.
- Induction process for new graduates and apprentices who get to meet senior management and have a Q&A session with the CEO.
- Our employee intranet, which provides updates and key information.

Actions and outcomes

- Enhancing health and wellbeing strategies, such as wellbeing webinars and menopause plans.
- Implementing our approach to EDI, with actions taken and events run to raise awareness and foster a culture of inclusion.
- Providing a range of learning and development opportunities, hosted by our in-house training venue, the Berkeley Academy.
- Enhancing parental leave.

Key engagement activities this year

We completed a Group-wide employee survey in autumn 2024; the feedback has been used to create local and Group-wide action plans. We also engaged and requested feedback at events, such as one held for International Women's Day.

Link to Our Vision 2030 priorities:

For further detail see [pages 52 and 53](#)

Link to KPIs

Annual Injury Incidence Rate
Direct apprentices and training



Supply chain

Ensuring responsible procurement and collaborative delivery through engagement and effective communication at all levels with our supply chain

What matters to them?

- Understanding the pipeline of future opportunities and building long-term relationships with us, across our operating companies.
- Early engagement and feedback on tenders, with the ability to feed into the project programme and logistics.
- High standards of health, safety and welfare and being treated as an extended part of the project team.
- Payment in a timely manner.

How we engage

- Events such as supplier days and conferences.
- Through our Supply Chain Portal which includes health and safety, build quality and sustainability standards.
- Throughout the tender process with frequent communication from our commercial team, together with formal tender meetings.
- Pre-start meetings before site works commence and frequent contact whilst on site through regular meetings, signage and 'toolbox talks'.
- Through corporate memberships and industry groups.

Actions and outcomes

- Long-term, collaborative supply chain partnerships.
- Procurement on overall value rather than cost alone.
- Compliance and buy-in around our site safety, quality, ethics, human rights and environmental standards.
- Prompt payment of suppliers.
- Issuing six-monthly trade-specific opportunity schedules to provide the supply chain with visibility of future work.
- Working with our supply chain to help mitigate the risks around financial stability.

Key engagement activities this year

Engagement continues on a daily basis through project teams, and via strategic engagement with our Group Supply Chain team for key manufacturers.

Link to Our Vision 2030 priorities:

For further detail see [pages 42, 43, 48, 49 and 53](#)

Link to KPIs

Annual Injury Incidence Rate



Government, regulators and industry

Working in partnership to shape a delivery environment which creates the conditions for growth and supports high quality homebuilding and placemaking

What matters to them?

- The delivery of private and affordable homes.
- Regenerating brownfield land.
- Placemaking, design, build quality and building safety.
- Delivering economic growth and job opportunities.
- Tackling environmental challenges such as climate change

How we engage

- Responding to policy and regulatory consultations.
- Maintaining constructive dialogue with Government departments, agencies and regulatory bodies.
- Active membership of collaborative initiatives and membership bodies, including the Construction Leadership Council, UK Green Building Council (UKGBC), Future Homes Hub and LDN First and New London Architecture.
- Engaging in public debate via research and thought leadership initiatives, conferences and roundtables.

Actions and outcomes

- Alignment of our business strategy with long-term national and local policy objectives such as increasing economic growth, brownfield regeneration, housing delivery, building safety, climate action, nature recovery and social value.
- Active contribution to policy development and public debate on the above issues.

Key engagement activities this year

Executive Committee member Karl Whiteman is the Building Safety sponsor of the Construction Leadership Council which directly engages with Government on key policies. We hosted several Government site visits, including the Prime Minister Sir Keir Starmer at Eastbrook, Milton Keynes.

Link to Our Vision 2030 priorities:

For further detail see [pages 40 to 55](#)

Link to KPIs

Brownfield regeneration, Direct apprentices

Our stakeholders continued



Environment

Reducing negative impacts and working towards environmental net gain

What matters?

- Reduction of environmental impact from both construction activities and longer-term through the developments we create.
- Global impacts via the supply chain.
- Movement towards a positive environmental impact.

How we engage

- Directly with local authorities, who consult relevant regulators such as the Environment Agency, Natural England and water authorities on development proposals.
- With the public via our partnership with the Considerate Constructors Scheme.
- With industry organisations and initiatives, including the UKGBC, the Supply Chain Sustainability School, the Construction Leadership Council's Green Construction Board and the Wildfowl and Wetlands Trust Blue Recovery Leaders Group.
- By responding to consultations.
- Through our supply chain to understand the environmental credentials of materials.

Actions and outcomes

- Incorporation of key environmental targets and actions into our responsible business strategy, Our Vision 2030.
- Inclusion of Our Vision 2030 and Sustainability within Main Board reporting and monthly Board-level meetings on the topic.
- Clear standards for project teams covering all aspects of operations and the homes and developments we create.
- A dedicated team of sustainability practitioners taking action at a local level on a daily basis.
- The reporting of our impact publicly across a range of indicators.

Key engagement activities this year

We responded to Government's consultations on topics such as Energy Performance Certificates and the Future Homes Standard solar proposal. We were also actively involved in the Future Homes Hub, including co-chairing the BNG Implementation Board with Defra.

Link to Our Vision 2030 priorities:

For further detail
see pages 48 to 50

Link to KPIs: Greenhouse gas (GHG) emissions intensity
Brownfield regeneration



Investors

Delivering long-term sustainable shareholder returns

What matters to them?

- Secure financial investment that provides sustainable risk-adjusted returns over the long-term.
- High standards of Environmental, Social and Governance (ESG) matters.

How we engage

- Twice yearly equity investor road shows in the UK and USA by the CEO and CFO.
- One-to-one meetings, often combined with site visits, enabling investors to view the business operations.
- Group meetings held at periodic investor conferences.
- Structured shareholder consultations on key governance matters.
- Equity analyst briefings.

Actions and outcomes

- An added-value model that recognises the risks of a cyclical housing market and operational complexities of the sites Berkeley develops.
- A focus on financial strength, resilience and liquidity.
- Investment in land to maintain sufficient pipeline and value-added development opportunities.
- Securing forward sales which underpins the upfront investment in our regeneration sites.
- Disclosure of both financial and non-financial information covering a range of ESG topics.

Key engagement activities this year

We have continued to run road shows led by the CEO and CFO, held one-to-one meetings with investors and attended investor conferences.

We have also consulted on proposals for the 2025 Remuneration Policy.

Link to Our Vision 2030 priorities:



Link to KPIs

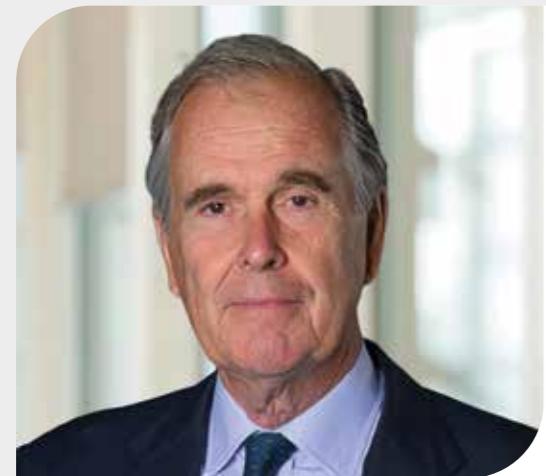
- Profit before tax
- Pre-tax return on equity
- Net cash
- Net asset value per share
- Cash due on forward sales
- Future gross margin in land holdings



Oval Village

Nomination Committee Report

Composition, Succession and Evaluation

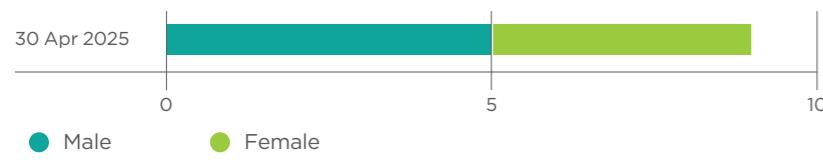


Michael Dobson
Chairman
Nomination Committee

The Board of Directors presents its Nomination Committee Report for the year ended 30 April 2025.

Board composition dashboard

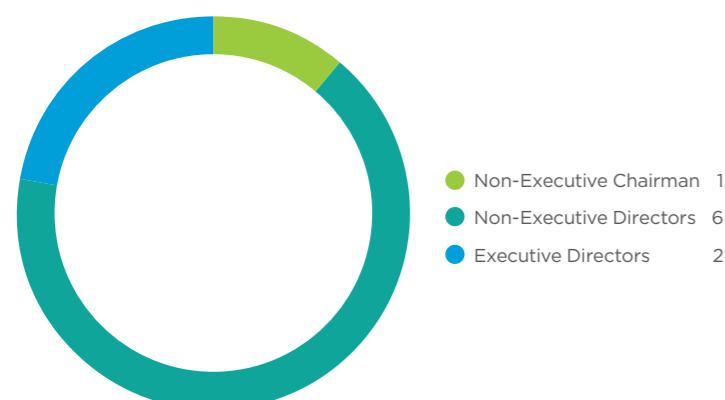
Board gender balance



Non-Executive Director tenure



Board independence



Committee purpose and responsibilities

The key responsibilities of the Committee include:

- reviewing the structure, size and composition of the Board and Board Committees and making recommendations to the Board having regard to succession planning and supporting diversity;
- evaluating the balance of skills, knowledge, experience and diversity on the Board;
- leading the process for identifying and nominating candidates for the Board; and
- led by the Chairman, the appointment and management of an external consultant to undertake the Board evaluation at least once every three years.

Meeting items discussed

June 2024

External Board evaluation

September 2024

Board and Committees' composition, succession planning and diversity and inclusion

March 2025

Board and Committees' composition and succession planning

Committee activities

The Committee met three times this year, as set out on page 99.

Led by Michael Dobson, the Committee gave further consideration to Board and Committee composition, having regard in particular to tenure, independence and diversity, to ensure a mix of skills, knowledge and experience with a view to Non-Executive Director succession.

The Committee reviewed and updated the Board Diversity Policy. The policy is available on the Company's website at www.berkeleygroup.co.uk/investors/corporate-governance and an update in respect of diversity and inclusion is provided on pages 120 and 121.

This year our Board evaluation was carried out internally. Further details are set out on page 119.

Board and Committees' composition and succession planning

During the year the Committee reviewed the Board's composition to ensure that it had the correct balance of skills required for the leadership of the Group. Consideration was therefore given to succession planning for both Non-Executive and Executive Directors.

The Board currently comprises an independent Non-Executive Chairman, two Executive Directors (the CEO and CFO) and six Non-Executive Directors.

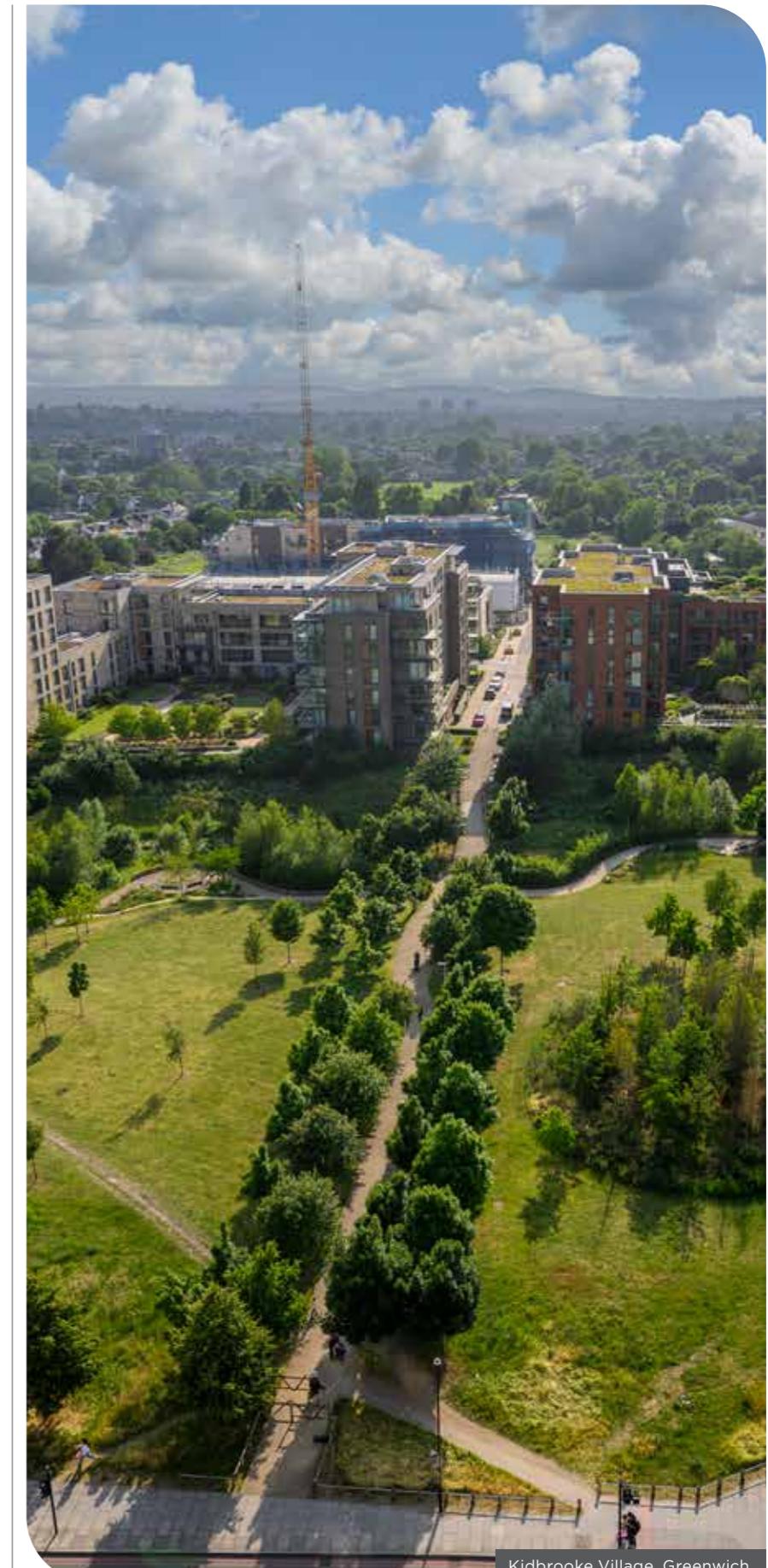
As agreed with the full Board as a goal for 2024/25, the Committee considered staggering the rotation of Non-Executive Directors with similar start dates and the requirement for a succession plan for the Senior Independent Director.

The Committee commenced the recruitment process for two additional Non-Executive Directors who would satisfy the knowledge, skills and experience required.

In accordance with the Board Diversity Policy, the recruitment process included the appointment of executive search consultants, Russell Reynolds, who are signatories to the Voluntary Code of Conduct.

All Directors are subject to election by shareholders annually in accordance with the requirements of the Code. Newly appointed Directors are subject to election at the first opportunity after their appointment.

As detailed in my Chairman's Statement, I will leave the Board at the conclusion of the AGM in September 2025, as will William Jackson. Subject to consultation with major shareholders, Rob Perrins will succeed me as Executive Chair and Richard Stearn will be appointed CEO. Richard Dakin will join the Board as a Non-Executive Director at the conclusion of the AGM, and we are well advanced with the appointment of a further Non-Executive Director.



Kidbrooke Village, Greenwich

Nomination Committee Report continued

Composition, Succession and Evaluation

Board appointment process

The timeline summarises each stage of the process which concluded with the Nomination Committee's recommendation to appoint Richard Dakin to the Board as a Non-Executive Director.

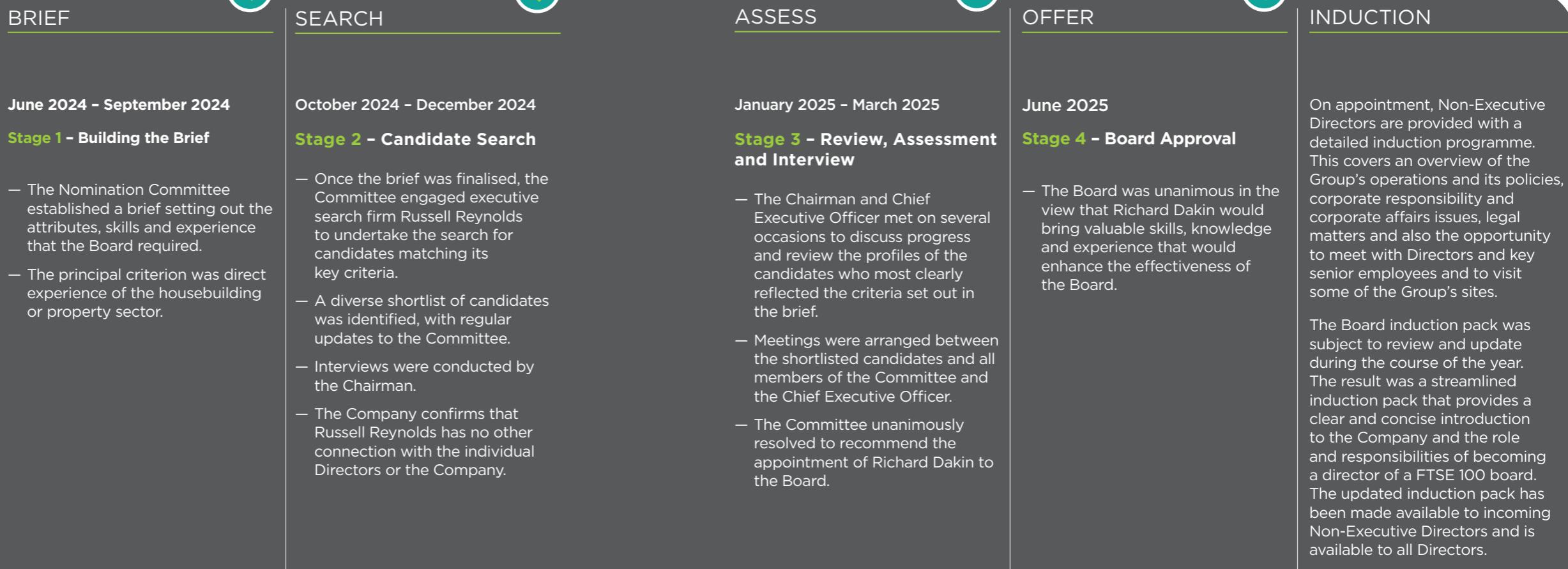
The Committee is satisfied that the process described was appropriately thorough.

Development

Ongoing training and development is available to all Directors to meet their individual needs. Board members also receive regular guidance and updates on regulatory matters and the corporate governance framework in which the Group operates.

Additionally, during the year, Directors received training on the requirement for boards to declare the effectiveness of their risk management internal control systems pursuant to the Corporate Governance Code 2024 and the Market Abuse Regulations.

Non-Executive members of the Audit and Remuneration Committees receive briefings from the Group's auditor and remuneration advisor respectively to ensure that they remain up to date with current regulations and developments.



Development

All Directors have access to advice from the Company Secretary and independent professional advisors, at the Company's expense, where specific expertise is required in the course of their duties.

2023/24 Board Evaluation

Following the 2023/24 Board evaluation which was externally facilitated, the Board set itself the following goals:

- Recognising the similar tenure of the majority of Non-Executive Directors, develop a plan for the staggered rotation of Non-Executive Directors.
- Conduct a search for two new Non-Executive Director candidates for the Board with relevant sector experience.
- Continue to develop succession plans for Executive Director and Senior Management roles within the business.

– Increase site visits for Non-Executive Directors, recognising the value of these in understanding the corporate culture, engaging with employees and the senior management team below the main Board.

- Continue to develop Board induction processes and training, in readiness for future Non-Executive Director appointments.

Progress against these goals is summarised in the feedback from the 2024/25 Board evaluation.

2024/25 Board Evaluation

The annual evaluation was conducted by the Company Secretary in accordance with Provisions 21 and 22 of the Code through a series of one-to-one meetings with the Directors.

The review focused on Board composition, Board meetings, strategy, risk management, and the overall effectiveness of the Board.

In summary, the feedback from the 2024/25 Board review was as follows:

- Meetings were more streamlined and the focus on strategy was welcomed.
- The Committees were seen to be working effectively.

– It was acknowledged that the structure of meetings enabled increased focus on the key issues, and there was an appropriate balance between strategic and operational content.

– Non-Executive Directors valued increased site visits to engage with employees and the senior management team below the main Board and gain further insight into the corporate culture.

- There was a good understanding of the Board's risk appetite, and agreement that a focus for 2025/26 would be a deeper understanding of the effectiveness of the risk management and internal controls framework.

– The Board's strengths were seen as its diversity of perspective and commitment.

Goals

Following this year's evaluation, the Board set itself the following goals:

- Review the balance of skills and experience on the Board and effectively embed any new Non-Executive Directors.
- Continue to develop the Board's understanding of the Company's risk management and internal control framework ahead of adoption of Provision 29 of the Corporate Governance Code 2024 in 2026/27.
- Continue to enhance site visits for Non-Executive Directors and interaction with Executives.
- Review the implementation of the 10-year strategy.

Nomination Committee Report continued

Composition, Succession and Evaluation

Diversity and Inclusion

Berkeley strives to create a positive environment for its people, one that fosters respect, support, wellbeing, safety and inclusivity and continues to work towards a workplace that is representative of the areas and communities in which it operates.

Berkeley is committed to equal opportunities and aims to ensure that all individuals receive equal treatment, regardless of age, disability, ethnicity, gender, sexual orientation or socio-economic, educational or professional background.

Recognising the benefits and value that diversity in its broadest sense brings to the Board, and that the Board sets the tone for diversity and inclusion across the business, Berkeley believes in promoting a culture of integrity, openness and inclusivity. Noting the recommendations of the FTSE Women Leaders and the Parker Reviews, and the targets set out in UK Listing Rule (UKLR) 6.6.6(9)(a), the Board is committed to

sustaining a strong balance of diversity, that reflects the diverse range of perspective, insight and challenge needed to enable the Board to discharge its duties and responsibilities effectively, and to operate in a way that supports the continued development of a diverse and inclusive culture across the Group.

At 30 April 2025, female representation on the Board stood at 44.44%. The Group meets the ethnic diversity target set by the Parker Review, with one Non-Executive Director identifying as being from an ethnically diverse background.

Berkeley continues to help lead the development of diversity and inclusion within the construction sector, bringing through a generation of talented women into senior positions within the business. Across both the Board and Executive Committee, female representation in the most senior roles within the Group stands at 47.1% at 30 April 2025.



In accordance with UKLR 6.6.6(9)(a), set out below is a summary of the Company's compliance with Board diversity targets as at 30 April 2025 (the chosen reference date used for the purposes of UKLR 6.6.6(9)(a)).

Targets	Compliance as at 30 April 2025
At least 40% of the individuals on the Board of Directors are women.	44.44% of the individuals on the Board of Directors are women.
At least one of the senior Board positions (Chairman, Chief Executive, Senior Independent Director, Chief Financial Officer) is held by a woman.	The position of Senior Independent Director is held by a woman.
At least one individual on the Board of Directors is from a minority ethnic background.	The Board currently includes one Director from an ethnically diverse background.

In accordance with UKLR 6.6.6(9)(a), as at 30 April 2025, the numerical data on the gender identity and ethnic background of the Board and Group Executive Committee, which was taken directly from the relevant individuals, is as follows:

	Number of Board members	Percentage of the Board	Number of senior positions on the Board*	Number in executive management	Percentage of executive management
Men	5	55.56%	3	6	60%
Women	4	44.44%	1	4	40%
Not specified/prefer not to say	-	-	-	-	0%
	Number of Board members	Percentage of the Board	Number of senior positions on the Board*	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	8	89%	4	10	100%
Mixed/Multiple ethnic group	-	-	-	-	0%
Asian/Asian British	-	-	-	-	0%
Black/African/Caribbean/Black British	1	11%	-	-	0%
Other ethnic group, including Arab	-	-	-	-	0%
Not specified/prefer not to say	-	-	-	-	0%

* Senior positions on Board refer to the Chairman, Chief Executive, Senior Independent Director and Chief Financial Officer.

A Group-wide Equality and Diversity Policy is in place, making it clear that Berkeley does not tolerate discrimination in any form.

In accordance with Disclosure and Transparency Rule 7.2.8AR, the Board maintains the Board Diversity Policy which sits alongside the Group-wide Equality and Diversity Policy. The Board Diversity Policy applies specifically to the Board and its Committees and sets out the approach to diversity in respect of Berkeley's Board of Directors and Senior Management.

During the year, the Board Diversity Policy was reviewed and updated to take account of changes to the Code and is available on the Company's website at: www.berkeleygroup.co.uk/investors/corporate-governance.

When reviewing the composition of, and succession plans for the Board, and making recommendations to the Board in respect of changes, the Nomination Committee has due regard to all aspects of diversity in determining the appropriate balance of skills, experience, knowledge and independence to enable the Board to continue to operate effectively in the best interests of the Company.

During the year, the Board and its Committees have complied fully with the Board Diversity Policy.

Michael Dobson
Chairman, Nomination Committee
20 June 2025

 Read more about Equality and Diversity on [page 52](#)



Berkeley at London Pride

Audit Committee Report



Andy Kemp
Chair
Audit Committee

I am pleased to present the Audit Committee Report for the year ended 30 April 2025. This report describes the work undertaken by the Committee, including its consideration of the key areas of estimation uncertainty underpinning the consolidated financial statements, its review of the Group's risk management and internal control systems and its assessment of the external auditor's audit plan, strategy and independence.

Introduction

The report has been prepared in accordance with the requirements of the Corporate Governance Code 2018, the Listing Rules, Disclosure Guidance and Transparency Rules 7.1 and 7.2 and the FRC Guidance on Board Effectiveness.

Details of the composition and experience of the Committee can be found in the Directors' biographies on pages 96 to 99 of the Governance report and details of the key matters covered in Committee meetings are summarised on the page opposite.

The Board is satisfied that the Audit Committee has sufficient financial experience and competence.

Meetings

The Committee met four times during the year, as set out on page 99. By invitation, the external auditor, Chairman, Chief Executive Officer and Chief Financial Officer were present at all meetings, while the Head of Finance was present at three meetings and the internal auditor presented at two meetings. The Committee receives reports on whistleblowing from the Group's Solicitor. In addition, the Chair of the Audit Committee meets with the Chief Financial Officer and the external auditor ahead of each meeting and has the opportunity to meet with the internal auditor, as required.

The Chair of the Audit Committee approves fees for non-audit work undertaken by the external auditor, as permitted by the Company's policy on non-audit fees, and presents a paper on such fees at each relevant meeting.

Financial Reporting

Ahead of the interim and full year results announcements, the Chief Financial Officer presented a report on the consolidated financial results of the Company, including the key areas involving financial reporting estimation uncertainty.

The Committee reviewed, prior to their publication, the financial disclosures in the Company's Annual Report and interim and year end results announcements. The Committee's review incorporated consideration of the appropriateness of the relevant accounting policies and financial reporting estimates adopted therein. The reports to the Committee by the external auditor were considered in reaching its conclusions.

Key Sources of Estimation Uncertainty

Key accounting areas involving estimation uncertainty that were considered by the Committee during the year were:

Cost of sales recognition

The Group recognises a cost of sale on each property sold and recorded in revenue by reference to the forecast development margin. The development margin is an estimate of the forecast profit percentage for a development which, for the most part, is developed over multiple financial years. The recognition of cost of sale at a point in time is dependent on an estimate of future selling price, direct costs and an allocation of site-wide costs, including an appropriate allowance for risk. Consequently, the assessment of a development's margin evolves over the development cycle in line with the risk profile.

In addition, the Group's particularly complex, long-term regeneration developments exhibit an inherently higher degree of estimation uncertainty given an exposure to cross-cyclical market movements.

Key matters covered in Audit Committee meetings

October 2024

- KPMG's report on the audit plan and strategy for the year ending 30 April 2025

November 2024

- Interim results for the period ended 31 October 2024
- KPMG's report on the interim review period
- Internal audit report

April 2025

- KPMG's report on updates to the audit strategy for the year ending 30 April 2025

- Annual formal review of risk management and internal control systems
- Internal audit report
- Review of the Company's tax strategy

June 2025

- Financial results for the year ended 30 April 2025
- Going concern and viability assessment
- Tax report for the year ended 30 April 2025
- KPMG's report on the Company's consolidated results
- Assessment of fraud risk

- Internal audit report, including approval of the audit plan for the year ending 30 April 2026
- Auditor independence and non-audit fees and services, alongside an evaluation of the annual audit process
- Review of the 2025 Annual Report to ensure it is fair, balanced and understandable.

these assets are accounted for as additions to investment property at cost. The Group's disclosure in this respect is set out in Note 2.9 to the Consolidated Financial Statements.

Going Concern and Viability Assessment

The Committee reviewed the assumptions and methodology adopted in the Group's going concern and viability statement, the period that the assessment covered, and the sensitivity analysis undertaken. The Committee was satisfied that the going concern basis and the viability statement were appropriate and recommended their approval to the Board. The viability statement can be found on page 81 of the Strategic Report.

Consideration of climate change

Through review of reporting to the Board and of TCFD disclosure in the Annual Report, the Committee concluded that there was no material impact on the financial reporting judgements and estimates in the Consolidated Financial Statements as a result of climate change for the year ended 30 April 2025. The Group's disclosure in this respect is set out in Note 1.3 to the Consolidated Financial Statements.

Audit Committee Report continued

Review of the Annual Report

The Committee reviewed the Annual Report and, taking into account the views of the external auditor, concluded that, taken as a whole, it was fair, balanced and understandable and provided the information necessary for users thereof to assess the Group's corporate strategy and financial performance.

Risk management and internal control

The Board has overall responsibility for monitoring the Group's systems of risk management and internal control, ensuring that they comply with the Code and the FRC's Guidance on Risk Management, Internal Control and Related Business Reporting, and for formally reviewing their effectiveness on an annual basis, but delegates this responsibility to the Audit Committee.

The Group has processes and procedures embedded within its ongoing business activities for identifying, evaluating and managing its principal and emerging risks. At an operating company and divisional level, board meetings are structured around the key risks and opportunities facing each of the businesses. In addition, a quarterly formal process involves each division producing a risk and control report that identifies risks, the potential impact of these and the actions being taken to mitigate them. A consolidated Group Risk Management Report is presented at each Board meeting, which overlays strategic risks to those which are the focus of the divisional reports. The Group report sets out, and the Board monitors, the evolving nature of risk appetite which is a key element in determining the Group's strategy and is set out on pages 78 and 79 of the Strategic Report.

With risk assessment and management being an ongoing dynamic process, it is embedded within the Group's procedures and debated at each Board meeting. Nonetheless, the Audit Committee undertakes a formal review annually on behalf of the Board, which covers:

An assessment of the principal and emerging risks

The Committee reviewed a paper covering the Group's risk appetite in response to the prevailing macro and operating environment in which the Group operated during the financial year. In that context, it also reviewed the risks reported in the narrative of the Annual Report for the year ended 30 April 2025, which are set out on pages 78 to 91 of the Strategic Report.

Assessment of the Group's control processes to mitigate these risks

The Group has five key components to its internal control framework and the Committee reviewed a paper covering the assessment of controls under each component area for the year ended 30 April 2025 highlighted therein:

- 1) Environment and culture;
- 2) Controls over investment decisions and delivery;
- 3) Internal financial and operational reporting;
- 4) Policies, procedures and IT related security; and
- 5) Monitoring and challenge.

The Committee acknowledges that internal control procedures are designed to manage rather than eliminate risk. They can only provide reasonable, and not absolute, assurance against material misstatement or loss.

The Committee continued to assess Provision 29 in respect of Principle O of the 2024 changes to the Code which is applicable for the Company's financial year commencing 1 May 2026, related to the Board's requirement to review the effectiveness of the Company's material controls and report thereon in the Annual Report. It noted that a paper was being presented to the Board at its April 2025 meeting. The Committee acknowledges that it will continue to play a key role as the Company finalises its approach to complying with Provision 29.

The effectiveness of internal audit

Internal auditors are in place at a Group level and, as appropriate, at a divisional level to provide assurance on the effective operation of the Group's internal control systems.

Reports summarising the activities of the Group Internal Audit function were presented at the Committee meetings during the year. These reports covered:

- a summary of the key findings arising from the internal audits undertaken;
- management response to control findings and Internal Audit's follow-up review of mitigating action;
- the outcome of other operational review work undertaken by the Group Internal Audit function; and
- the internal audit plan for the coming year for the approval of the Committee.

The Committee also considered the internal control recommendations reported by the Group's external auditor in its reports to the Committee and the Group's response to such recommendations.

The Committee was satisfied that the scope, extent and effectiveness of the Internal Audit function was appropriate for the Group during the year ended 30 April 2025.

External audit

Audit approach

KPMG presented its audit strategy document to the Committee in October 2024. This document included an assessment of the key audit risks and other areas of audit focus, the scope of the audit work, and updates in respect of regulatory changes for the current year and those anticipated in future years.

KPMG reported to the Committee, ahead of the release of the interim and year end financial results, on its assessment of the Group's key areas of estimation uncertainty which correlate to the key audit risk areas, alongside other findings arising from its work.

The external auditor has recourse to the Non-Executive Directors should it consider it necessary. The Chair of the Committee and the external auditor meet regularly throughout the year and, more formally, prior to each Committee meeting. After each Committee meeting the Committee members met with the external auditor without management present.

Independence of the external auditor

As part of its reporting to the Committee, KPMG identified the safeguards in place within its internal processes and procedures to protect the independence of its audit.

To safeguard auditor independence, the Committee has a policy on the provision of non-audit services by the external auditor. In accordance with that policy the ratio of audit fees to non-audit fees (the 'ratio') should be no greater than 0.7:1, with a target of lower than 0.5:1 in any one year and in aggregate over the previous three financial years.

The ratio for the year ended 30 April 2025 was 0.10:1, well within this limit. The non-audit fees related to:

- The interim review, which is closely related to the annual audit process;
- Provision of limited assurance over the Group's scope 1, 2 and 3 carbon emissions data contained within the Directors' Report on pages 164 and 165; and
- Provision of limited assurance on the Group's compliance with its Green Finance Framework.

Audit and non-audit fee disclosures are set out in Note 2.4 to the Consolidated Financial Statements.

Any departure from the ratio will only be as a consequence of transactional work and only where such transactional work is non-recurring. Where the Committee considers it is right for the external auditor to undertake such non-recurring transactional work, the Committee will ensure:

- that the nature of the work and the basis for using the external auditor shall be disclosed in the Annual Report;
- that the work does not pose any threat to the independence and objectivity of the external auditor; and
- that there is a presumption in favour of using other firms to provide transactional advice unless such advice can only be provided by the external auditor on the grounds that:

- it is proprietary to them;
- it has pre-existing knowledge and experience of a situation which precludes the use of alternative firms;
- the nature of the transaction is such that the Group's auditor is the only practical appointment; and
- it is at the discretion of the Chair of the Audit Committee.

There is open dialogue between the external auditor and the Company's management to monitor any proposed non-audit related instructions.

The Committee has concluded that the auditor was independent throughout the year ended 30 April 2025.

Appointment of KPMG

KPMG was first appointed as the Group's auditor with effect from 1 May 2014 by way of a competitive tender. In line with applicable legal and regulatory requirements, the Group conducted a competitive tender process during 2023 which culminated in the re-appointment of KPMG as the external auditor for the year ended 30 April 2024.

On completion of the audit for the year ended 30 April 2025, the Committee reviewed the performance and effectiveness of KPMG, with feedback sought from management. Taking this review into account, the Committee resolved to propose KPMG's re-appointment as the Company's auditor at the 2025 Annual General Meeting.

The Company confirms that it complied with the provisions of the Competition and Markets Authority's Audit Order for the financial year under review.

Andy Kemp
Chair, Audit Committee
20 June 2025

Directors' Remuneration Report

Annual Statement of the Chair of the Remuneration Committee



Natasha Adams
Chair of Remuneration Committee

I am pleased to introduce our Directors' Remuneration Report for the year ended 30 April 2025.



Contents of the Directors' Remuneration Report

126	Annual Statement of the Chair of the Remuneration Committee
134	Remuneration at a glance
135	Directors' 2025 Remuneration Policy
146	Annual Report on Remuneration
155	Employment at Berkeley

Key responsibilities of the Remuneration Committee

The key responsibilities include:

- Determine and agree with the Board the broad policy for the remuneration of the Group Chairman, Executive Directors and senior management.
- Review pay policies for the wider workforce.
- Determine performance conditions for the incentive plans operated by the Company and approve the total annual payments made under them.
- Determine all share incentive plans for approval by the Board and shareholders.
- Take into account the views of shareholders and the wider workforce when determining plans under the directors' remuneration policy.
- Ensure that the contractual terms on termination, and any payments made, are fair to the individual and the Company and that failure is not rewarded.
- Note annually the remuneration trends and any major changes in employee benefit structures across the Company or Group.

The Committee's Terms of Reference set out its full remit and can be downloaded from Corporate Governance section of the Berkeley website (www.berkeleygroup.co.uk/investors/corporate-governance).

The Committee met seven times this year as set out on page 99.

Decisions made in the year
The Committee determined the following during the year:

- Considered and approved the vesting of the ninth 2011 LTIP tranche in September 2024, including consideration of the extent to which financial and individual performance conditions were met.
- Approved no salary increases for Executive Directors for 2024/25, compared to the average workforce increase of 3.5%.
- Carried out a comprehensive review of the current directors' remuneration policy which is due to expire at the 2025 AGM, resulting in the proposed changes to the directors' remuneration policy outlined in this report.

Dear Shareholder,

I am pleased to introduce our Directors' Remuneration Report for the year ended 30 April 2025. I would like to thank shareholders for their support of our 2023/24 Annual Report on Remuneration at our AGM on 6 September 2024, which received a strong vote in favour of 92.5%. Alongside our usual activities, we undertook a comprehensive review of our current directors' remuneration policy.

Our current directors' remuneration policy (the 2022 Policy) was approved by shareholders at the 2022 AGM, and comprises a bespoke structure based around low fixed pay, annual awards under a Restricted Share Plan (RSP) and a one-off grant under the Long-Term Option Plan (LTOP). In line with the normal three-year lifecycle, we will be submitting our new directors' remuneration policy (the 2025 Policy or the Remuneration Policy) for approval at the AGM on 5 September 2025. On the following pages, I outline the context behind the key decisions made by the Committee this year, particularly those related to the 2025 Policy, how we rewarded performance in accordance with the existing shareholder-approved 2022 Policy, our decisions regarding 2024/25 remuneration arrangements, and the broader context of workforce pay.

Going forward, it is essential that our Remuneration Policy is sufficiently flexible to reward executives as the Company adapts to the changes in the UK housing market in what are volatile geopolitical and macro-economic times and implements our recently announced Berkeley 2035 strategy, which takes into account both this persistent volatility and the opportunities to create value from emerging opportunities.

The remuneration principles that operate at Board level are cascaded to our most senior management as part of a joined-up approach to incentivisation and alignment to deliver on our strategy and facilitate management succession.

Following an extensive process over the last year to consider how our Remuneration Policy can best be structured to suit Berkeley and take account of views expressed by a wide range of shareholders, the Committee has concluded that now is the right moment to move to a market-aligned remuneration package, consisting of an annual bonus and annual grants under a Performance Share Plan (PSP). While these proposals represent a shift from our previous approach to executive remuneration, the Committee firmly believes this new approach upholds our remuneration philosophy and culture of Berkeley which places a strong emphasis on performance-related pay and motivating the Executive Directors and senior management to drive the business strategy, with a continued focus on delivering long-term sustainable risk-adjusted returns for shareholders, forging a strong alignment between them and management.

Performance for the year under review

Berkeley's 2022 Policy was designed to reinforce long-term decisions and align with the interests of our shareholders, and which comprises fixed pay alongside two equity-based awards both with long vesting periods. In 2022/23, following approval of the 2022 Policy, awards were made to the Executive Directors under the LTOP, and these one-off awards will vest over the period through to 2030; no decisions around the LTOP were required of the Committee during 2024/25.

The Executive Directors normally receive annual awards under the RSP. However, for 2024/25, the Committee and the Executive Directors agreed to waive the granting of these awards. RSP awards are subject to achieving a 15% Return on Equity (ROE) over a four-year period, with a further downward adjustment of up to 20% if progress against strategic and ESG priorities is unsatisfactory. A summary of ESG progress to date can be found on pages 56 and 57.

In reaching the decision to waive awards, the Committee and Executive Directors considered the significant challenge posed by the 15% ROE target, particularly given current market conditions which are more difficult than when the target was set in the 2022 Policy, and with regard to the Berkeley 2035 strategy with its more flexible capital allocation. We concluded that waiving the awards for this year was the most appropriate course of action.

The only incentive awards to vest during 2024/25 was the ninth tranche under the 2011 LTIP on 30 September 2024. The vesting of these awards was linked to (i) return targets – cumulative return to shareholders since 2011 and returns for the 12 months to 30 September 2024 and (ii) financial targets – cumulative ROE and cumulative Profit before Tax, all of which were achieved in full. Consequently, this tranche vested in full, and no discretion was required by the Committee other than to apply the Total Remuneration Cap.

No changes were made to the Executive Director salaries for 2024/25, in line with the approach for other senior management. This compares to average salary increases of 3.5% awarded to employees throughout the Group.

Financial performance of 2024/25

- Net cash of £337 million (2023/24: £532 million)
- ROCE of 16.5% (2023/24: 18.3%)
- Pre-tax return on shareholders' equity of 14.9% (2023/24: 16.2%)
- Net asset value per share increased by 6.9% to £35.95 (2023/24: £33.63)
- Cash due on forward sales of £1.4 billion (2023/24: £1.7 billion)
- Future anticipated gross margin in the land bank of £6.7 billion (2023/24: £6.9 billion)
- Profit before tax of £528.9 million (2023/24: £557.3 million)

Directors' Remuneration Report continued

ESG highlights

Awards under the RSP are subject to an ROE underpin and a discretionary assessment by the Committee as to the Company's progress towards its Our Vision 2030 priorities. This second underpin is tested at the vest date, but the Committee reports on the tracking against these priorities in each annual Directors' Remuneration Report. The Committee reviewed progress during the year, taking into account the following aspects and noting the strong performance and leadership positions in these areas:

- Named Britain's Most Admired Company 2024 and received Gold awards for clarity of strategy, long-term value potential and reducing environmental impact in an assessment of over 230 FTSE-listed firms across 27 industry sectors carried out in partnership with the London Stock Exchange.
- Rated as a top 10% company within S&P's Global Corporate Sustainability Assessment (CSA), an ESG Industry Top-Rated company by Sustainalytics, 'AAA' within the MSCI ESG rating and given 'prime' status by ISS Corporate Solutions ESG Corporate Rating.
- 92% of homes delivered in the year were on regenerated brownfield land.
- Approximately £580 million of subsidies provided to deliver affordable housing and committed to wider community and infrastructure benefits in the year.
- Berkeley is delivering some 10% of London's new private and affordable homes – supporting an average of approximately 27,000 UK jobs per annum directly and indirectly through its supply chain over the last five years.
- Industry leading Net Promoter Score (+81.6) and customer satisfaction ratings maintained.
- Ranked as the top UK housebuilder for build quality by HomeViews, the only independent review platform in the country for residential development, which is part of Rightmove.
- Taking a leading role in building safety across the industry, whilst evolving our own established arrangements and training for building safety and quality assurance.
- Long-term commitment to achieving biodiversity net gain on site, helping to connect people and nature. In total, more than 57 developments now committed, which together will create more than 1,200 acres of new or measurably improved natural habitats.
- Reducing embodied carbon within the materials used to construct our buildings, through targeted actions on projects throughout design, specification and procurement. More than 60 embodied carbon assessments completed to date.
- Gold membership of The 5% Club, with 8.7% of direct employees in 'earn and learn' positions as graduates, apprentices or sponsored students within the year.
- Continued industry leading Health & Safety performance, with an Annual Injury Incidence Rate (AIIR) of 102 per 100,000 people.
- £3.3 million given by the Berkeley Foundation last year to its charity partners through grants and staff fundraising, with 58% of staff involved with the work of the Foundation.

Long-term Company performance

Berkeley's ROE compared with the sector over the last 10 years illustrates the relative performance of the Company:

	2017/18										10-year average
	2015/16	2016/17	Restated	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	
Berkeley	30.8%	41.1%	41.9%	27.9%	16.6%	16.5%	17.5%	18.7%	16.2%	14.9%	24.2%
Sector highest	30.8%	41.1%	41.9%	34.1%	32.3%	23.1%	27.1%	20.7%	16.2%	14.9%	24.2%
Sector lowest	16.0%	15.7%	11.0%	15.9%	15.0%	5.7%	13.9%	8.8%	9.3%	3.1%	11.6%
Sector average* (excluding Berkeley)	22.3%	24.2%	23.3%	24.9%	23.8%	10.5%	17.7%	13.7%	12.8%	5.8%	19.1%

* Sector includes Barratt Developments, Bellway, Persimmon, Redrow, Taylor Wimpey and Vistry.

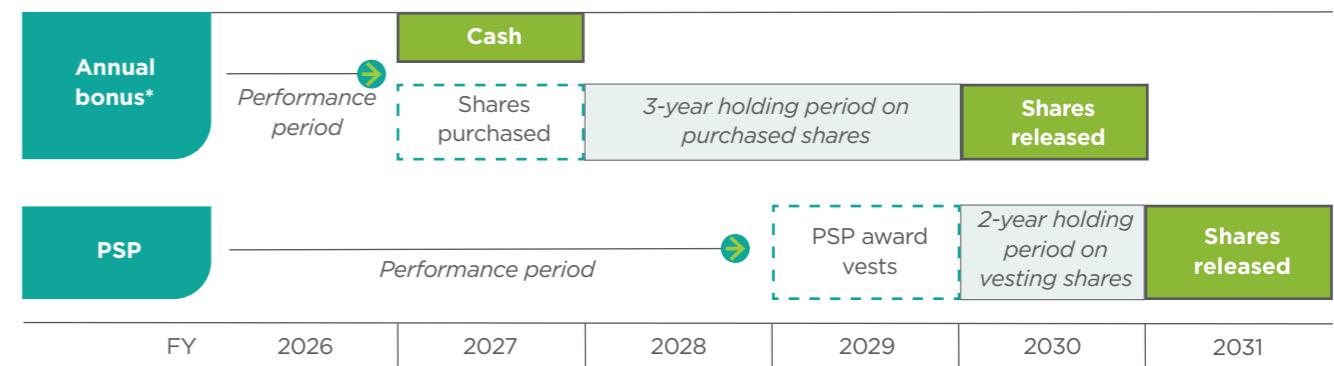
The performance over the last 10 years highlights Berkeley's strategy to deliver long-term returns over the cycle.

2025 Remuneration Policy

As indicated in the 2024/25 Directors' Remuneration Report, the core focus for the Committee this year has been to undertake a comprehensive review of the 2022 Policy. Throughout the process the Committee was cognisant that the UK residential development sector is undergoing a profound transition. Government policy on planning, building regulations and environmental requirements, coupled with the well documented ongoing geo-political and macro-economic volatility, have significantly impacted sector returns over the last three years. At Berkeley, we adapted to this by announcing a revised strategy in 2024/25. Berkeley 2035 provides a framework within which Berkeley can utilise its entrepreneurial property expertise to: (i) increase return on capital in the core business through optimising existing sites, bringing pipeline sites into delivery and investing in new land; (ii) establish our own market-leading Build to Rent (BTR) platform and significantly grow its value; and (iii) make returns to shareholders, through share buy-backs or dividends; a strategy that will grow the long-term value of the Company, while retaining financial strength. The opportunity to introduce third-party funding to the Build to Rent platform provides the financial capacity and flexibility to increase investment or shareholder returns further.

These strategic priorities require a remuneration framework that rewards delivery of a broader set of outcomes, provides a competitive pay opportunity to reinforce exceptional performance, and which retains and motivates the executive team. The Committee concluded that now is an appropriate time to move to a market-aligned remuneration package, consisting of an annual bonus and annual grants under a PSP as follows:

Proposed Remuneration Policy structure



* 50% paid in cash or 75% paid in cash where shareholding requirement met.
Current Executive Directors have met their shareholding requirements.

The Committee considers that the revised remuneration structure is fully aligned with Berkeley's established remuneration philosophy, which prioritises performance-driven incentives. This approach is designed to motivate the Executive Directors and senior management to execute Berkeley 2035 effectively, with a sustained focus on generating long-term, sustainable, risk-adjusted returns for shareholders. It reinforces a strong alignment between the interests of management and those of shareholders.

Directors' Remuneration Report continued

Annual bonus

Berkeley has not operated an annual bonus plan for Executive Directors since 2018/19. Instead, from the approval of the 2022 Policy, annual awards have been granted under the RSP. We considered retaining and amending the conditions to the RSP, but ultimately concluded that reintroducing an annual bonus, with appropriate deferral, would allow greater flexibility to set appropriate incentive measures and targets as the housing market evolves in London and the South East, and which would also help ensure greater alignment in pay structures with other employees at Berkeley for whom bonus participation is part of the existing remuneration offering.

The proposed annual bonus therefore has a regular FTSE structure, with a maximum opportunity of 200% of salary, and a requirement that 50% of any earned bonus (net of tax) is used to purchase shares to be held for three years, reducing to 25% of any earned bonus for any Executive Director who has achieved their shareholding requirement.

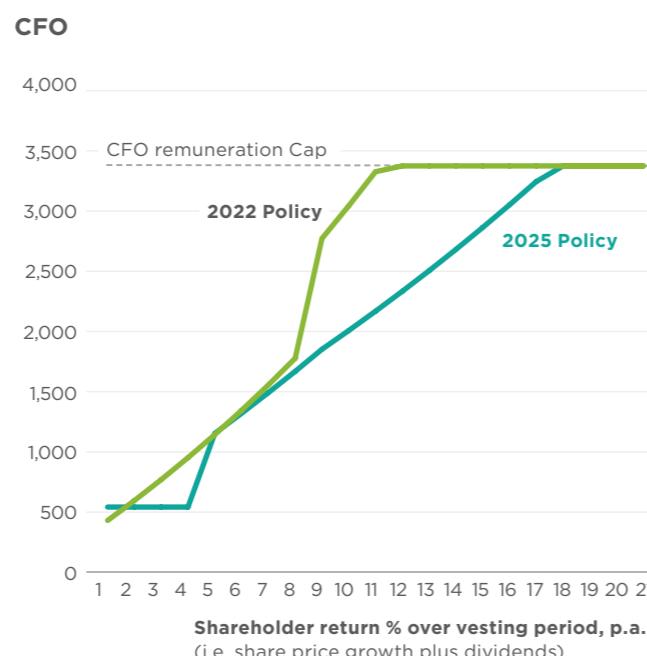
Performance Share Plan

We propose to introduce a PSP which is consistent with FTSE norms i.e. annual rolling grants, a three-year vesting period and a two-year post-vesting holding period. Consistent with our philosophy to have a large emphasis on performance-related pay linked to shareholders' interests, we propose annual awards of 400% of salary for Rob Perrins and 250% for Richard Stearn, reflecting the expertise and experience of the current executive team who have been in place for 16 and 10 years, respectively. In the event of a new appointment to the Board, the Committee will consider the appropriate PSP award opportunity taking account of the experience of the individual, but which will be limited to 300% of salary.

The Committee recognises the proposed grant level for the CEO is high relative to practice at companies of similar size but is satisfied that the level is consistent with the historical pay opportunity at Berkeley and the experience and performance of the current CEO. The proposed grant levels have been modelled to provide an overall pay outcome which is consistent with the Total Remuneration Cap for each Executive Director under realistic-but-stretching performance scenarios, whilst avoiding excessive grant levels. Our modelling also suggests that the pay outcomes under the 2025 Policy will likely be lower than those under the 2022 Policy at various shareholder return scenarios, as illustrated below which indicates the vest-date value of the proposed remuneration package under different performance outcomes.

Value of overall remuneration package after 3 years, £000

2025 Policy: assumes the bonus and PSP vest at levels which are commensurate with Berkeley's Total Shareholder Returns (TSR), assuming nil vesting below TSR of 4% p.a., full vesting at 18% p.a., and with scaled vesting in between. 2022 Policy: assumes the ROE underpin for the RSP is not achieved below TSR of 8% p.a. LTOP value is based on one tranche (i.e. one-fifth of the total grant) valued after the average vesting period (of 6 years) discounted back to 3 years at 8% p.a.



Total Remuneration Cap

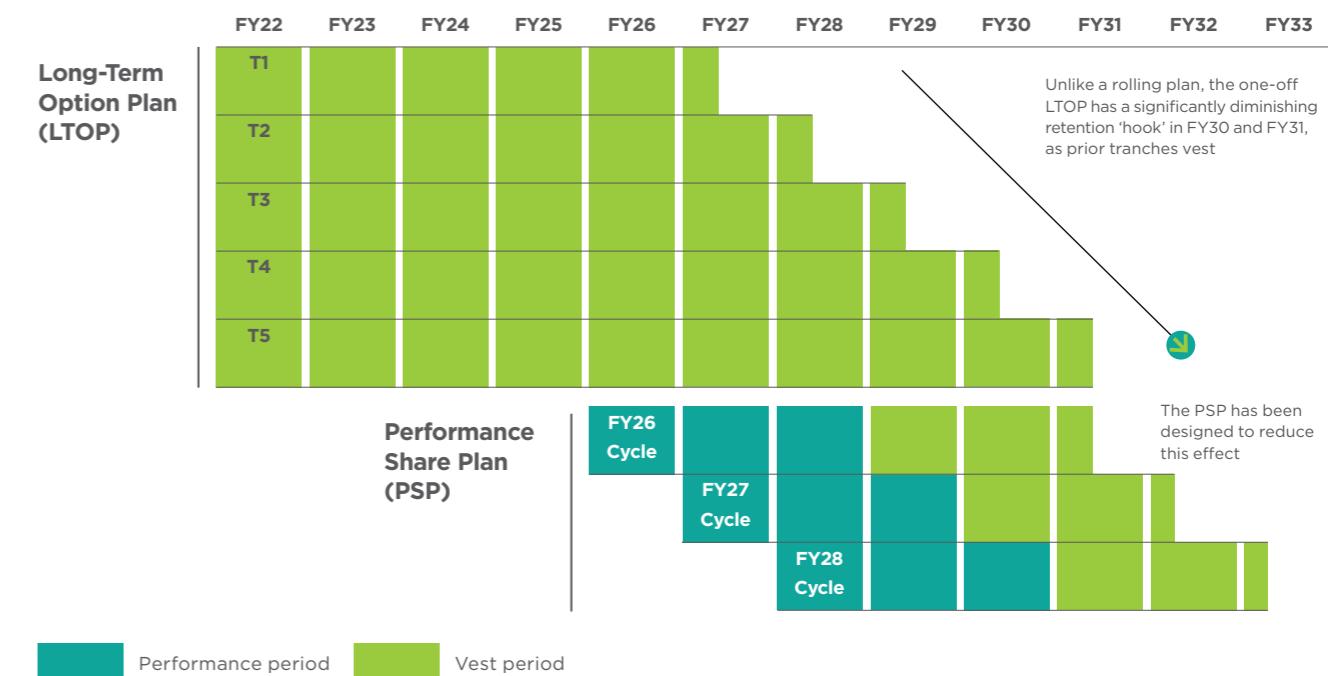
Berkeley is only one of two FTSE 100 companies to include an annual remuneration cap (to-date set at £8m for the CEO, £3.25m for the CFO, and which limits the vest-date value of all remuneration except benefits). The caps have not been increased since they were first adopted by the Company in 2017. The Total Remuneration Cap was introduced to protect against unexpected windfall gains from the 2011 LTIP. Although the Committee does not intend to remove the Total Remuneration Cap as part of the transition to a market-standard package, it is proposed that it be increased annually broadly in line with general inflation going forward, starting from 2025/26. The Committee will keep under review whether it is applied to any new appointments to the Board, although it is likely that the cap would not apply if they do not have outstanding awards under previous remuneration arrangements.

Transition between Policies

For many years, Berkeley has had a long-term incentive structure which is based around one-off awards, with the latest of these being the 2022 LTOP structure. While there are certain merits to one-off structures, a challenge arises in the final stages of such structures whereby the value of the inflight (i.e. unvested) awards significantly diminishes, reducing the 'lock-in' (an effect which is absent in the more traditional rolling award structure). The Committee takes seriously our responsibility to shareholders to ensure that the executive team is suitably motivated and incentivised through the transition from the LTOP to the FTSE-regular pay structure and considered at length how best to minimise the potential reduction in pay opportunity over this period.

The 2025 Policy will be implemented for FY26, with the first PSP awards granted following shareholder approval at the September 2025 AGM, as is common practice. The first release of any vested PSP shares will be in September 2030 (following the 5-year vesting and holding period). Moving to a market-standard policy in 2025 introduces an overlap with the final vesting of the last LTOP tranche in September 2030, an approach with which the Committee is satisfied there is technical merit as it helps mitigate the diminished lock-in from the LTOP (as illustrated below) and smooths the transition from the LTOP to the PSP. Furthermore, unlike at most other FTSE companies, the Total Remuneration Cap will ensure overall vesting values remain within acceptable boundaries and pay outcomes are aligned with shareholder interests.

Illustration of LTOP 'run-off'



Shareholding requirements

We are proposing no change to the shareholding requirement for the current Executive Directors, which require a shareholding of 400% of salary by 2027 and 1000% of salary by 2032, levels which are at the top end of FTSE practice, noting also that the current shareholdings of our CEO and CFO significantly exceed the required level, demonstrating their commitment to Berkeley. However, under the 2025 Policy, for any new appointment to the Board it will be set in line with their annual PSP award level, i.e. up to 300% of salary, to be achieved within five years of appointment, to be more consistent with the levels observed in the FTSE 100.

Directors' Remuneration Report continued

Implementation of the 2025 Policy in 2025/26

The table below summarises the proposed implementation of the 2025 Policy in its first year of operation:

Element	R Perrins, CEO	R Stearn, CFO
Salary	£785,000	£510,000
Annual bonus		
Maximum (% of salary)	200%	200%
Deferral, 3 years (% of award) (applies to the net of tax value of annual bonuses)	25%	25%
Performance Share Plan		
Maximum award (% of salary)	400%	250%
Performance period	3 years	3 years
Post-vesting holding period	2 years	2 years
	400% by 2027, 1000% by 2032	400% by 2027, 1000% by 2032
Shareholding requirement (% of salary)		
Total Remuneration Cap	£8.33m	£3.38m

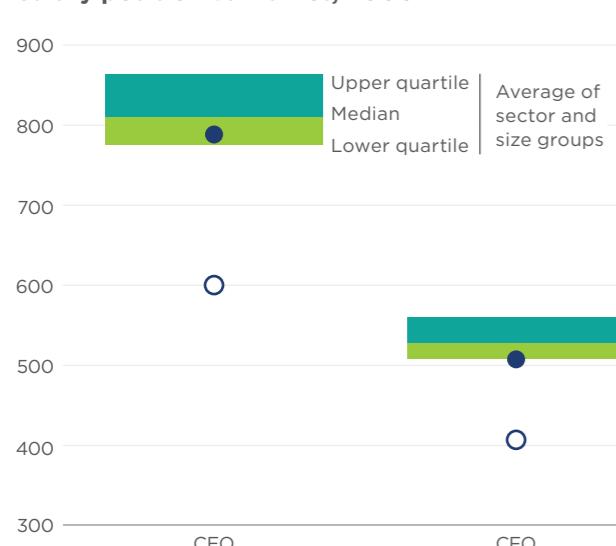
As part of the review, we considered the competitive positioning of our Executive Directors' remuneration. We chose a group of sector comparators (based on housebuilders and real estate companies, listed below) and size comparators (based on FTSE companies of a similar market cap, revenue and employees to Berkeley).

Sector comparators comprise: Barratt Redrow, Bellway, British Land, Crest Nicholson, Derwent London, Great Portland Estates, Hammerson, Land Securities, LondonMetric, Persimmon, Segro, Shaftesbury Capital, Taylor Wimpey, Unite, Vistry, Workspace.

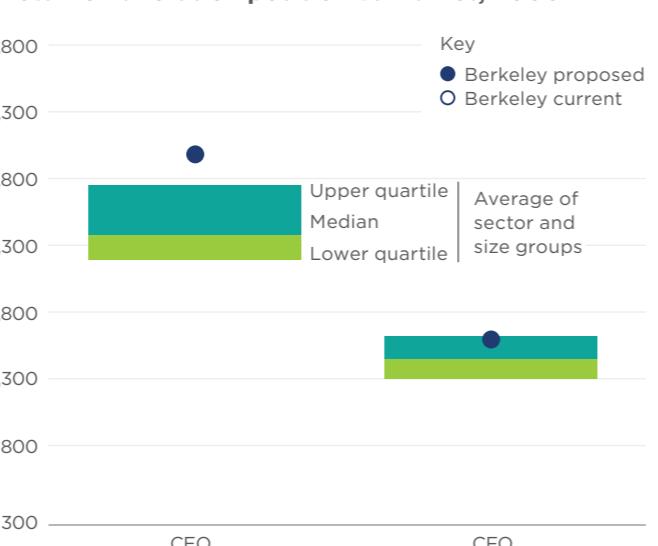
To date, the CEO and CFO salaries have been set at very low levels, roughly equivalent to bottom decile of our peers. This has a historical context and was deemed appropriate as part of the previous, more bespoke remuneration arrangements of the Company, going back to 2011. As part of the shift to a more FTSE-aligned package, the Committee is proposing that salaries are moved closer to a market-median position of the sector peer group and FTSE companies of comparable size in FY26 to help ensure the variable pay opportunities being proposed in the 2025 Policy are reasonable within the FTSE context. The Committee considered phasing the salary increase over the 3-year 2025 Policy period but rejected this approach given the complexity this would introduce around also phasing (down) the bonus and PSP award opportunities, which would have been required to provide a consistent remuneration package in each award cycle.

The Committee acknowledges that the proposed salary increases are significant, but these follow only modest salary increases over the last 5 years, with the CEO and CFO salaries increasing by, on average, 1.8% per annum. The proposed salaries are positioned around median of the comparator groups as illustrated below; we estimate the overall positioning of pay (on a fair value basis) going forward will be around the upper quartile of the sector and size comparator groups for both the CEO and CFO, a position which the Committee is satisfied is appropriate given the experience, quality and tenure of the Berkeley management team.

Salary position vs market, £000



Total remuneration position vs market, £000



Furthermore, the bonus and the PSP will enable the Committee to set performance targets which are relevant to each award cycle, taking into account Berkeley's ambition and prevailing market conditions, which will likely mean that the overall vest-date value of the proposed 2025 Policy will be more variable than that observed in recent years.

Subject to shareholder approval of the 2025 Policy, the Executive Directors will be eligible to participate in the annual bonus scheme in respect of 2025/26. The bonus will be based 80% on financial metrics (for 2025/26, 50% PBT and 30% operating margin) and 20% on strategic metrics (for 2025/26, 10% Net Promoter Score and 10% 'Earn and Learn', an employee education-support measure). The targets are considered to be commercially sensitive and will be disclosed in the 2025/26 Remuneration Report, as is normal FTSE practice.

The Committee also intends to make PSP awards to Executive Directors as soon as practicable following the 2025 AGM. For the 2025/26 cycle the following metrics will be used (see page 154 for full details of the metrics and targets):

- 45% NAV per share, reinforcing our new strategy, its medium-term profit guidance and its investment ambitions, including in our BTR platform;
- 20% cash generation, reinforcing cash discipline; and
- 35% ROCE, reinforcing disciplined capital allocation and long-term profitability.

The announcement made on 20 June, concerning the structure of the Board, has several implications for the implementation of the new remuneration policy in FY26, some of which could not be disclosed earlier in the remuneration report given the timing of the report's drafting and the timing of the announcement. On appointment as Executive Chair, Rob Perrins will continue on the proposed salary of £785,000 and be granted a PSP award of 400% of salary but will not be eligible to participate in the annual bonus for any part of FY26 or in future years. On appointment as CEO, Richard Stearn's salary will be increased to £625,000 and he will continue to participate in the annual bonus and PSP with award opportunities of 200% and 250% of salary respectively. The remuneration for the executive directors (including the new CFO once appointed) under the revised Board structure will be at such levels to keep the cost to the Company broadly the same as under the existing Board structure.

Rob Perrins' remuneration cap will be as per the Remuneration Policy (i.e. £8.33m in FY26), and Richard Stearn's remuneration cap will be raised to £5m from his appointment as CEO to reflect his higher salary and new role (and which has been set at broadly the upper quartile typical actual remuneration level for a CEO in the FTSE100).

Conclusion

As part of the Remuneration Policy renewal, the Committee has engaged with shareholders and shareholder advisory bodies. We have had the benefit of feedback and engagement with approximately 42% of Berkeley's ownership as well as the key proxy advisors. Our discussions with shareholders centred around i) the reasons for the transition away from the less traditional remuneration structure we have used for many years to one which is consistent with FTSE norms, ii) the rationale for the significant increase in salaries, iii) the slight overlap of the new PSP with the existing LTOP, and iv) the targets which would be used to determine bonus and PSP vesting. The topics raised through our engagement with shareholders were broadly consistent with the discussions at Committee meetings during the development of the proposals. I trust that the information provided earlier in this letter helps our shareholders understand the rationale for where the Committee has concluded on these issues. Over the course of the 3-year term of the 2025 Policy, the Committee will be setting performance targets for the annual bonus and PSP which will reinforce the delivery of Berkeley 2035, and reflect Berkeley's performance-oriented culture.

The Committee took comfort from the predominantly positive reception for the new Policy and concluded that the Policy which had been originally proposed should remain unchanged, other than to reduce the PSP opportunity for Rob Perrins from 500% to 400% of salary.

I would like to thank my fellow Committee members for their support, insight and commitment, and shareholders for their invaluable feedback and support which has helped inform and update our proposed Remuneration Policy, and for their support over the last year.

The Committee, and Board, recognise that the proposed 2025 Policy represents a significant change from how Executive Directors have been remunerated at Berkeley in the past, but have a strong belief that this revised approach will help ensure remuneration reinforces the drivers of financial success for Berkeley, be more motivational for the management team going forward as we evolve our strategy over the next Remuneration Policy period, better reflect the potential volatility of the housebuilding sector, and be better suited for succession in the long term.

We believe this evolution in our remuneration approach is essential to support our next chapter. The Committee remains committed to ongoing dialogue with shareholders and I hope you will support our remuneration-related resolutions at the AGM.

Natasha Adams
Chair of Remuneration Committee
20 June 2025

Directors' Remuneration Report continued

Remuneration at a glance

What we paid Executive Directors in the year

Executive Director £'000	Fixed pay ¹	LTIP	Total 2025
R C Perrins	650	7,367	8,017
R J Stearn	449	2,821	3,270

1. Fixed pay includes benefits, which are not included in the Total Remuneration Cap. See page 146 for a full breakdown

 Read more
pages 146 to 148

Executive Directors shareholdings

R C Perrins CEO
Shares at 30/04/25 % base salary

 **8,467%**

R J Stearn CFO
Shares at 30/04/25 % base salary

 **2,227%**

 Read more
page 150

Looking ahead

Executive Directors' remuneration for 2025/26

Fixed pay

CEO salary **£785,000**

CFO salary **£510,000**

Benefits package remains unchanged

Pension contribution of 6% of salary

Annual bonus

- **Maximum opportunity:** 200% of salary
- **Performance metrics:** 50% PBT; 30% operating margin; 10% net promoter score; 10% 'Earn and Learn'
- **Deferral:** 25% of any earned bonus to be used to purchase shares to be held for three years (provided the Executive Directors continue to maintain shareholdings above their shareholding requirement)

 Read more
page 154

Performance shares

- **Annual grant:** Rob Perrins 400% of salary; Richard Stearn 250% of salary
- **Performance metrics:** 45% NAV per share; 20% cash generation; 35% ROCE
- **Two-year post-vesting holding period**

 Read more
page 154

Directors' Remuneration Policy

This section of the Remuneration Report contains details of our Remuneration Policy. During the course of the last year, we undertook a detailed review of the 2022 Policy which applies to our Executive Directors. We have proposed some changes to ensure that the Remuneration Policy remains aligned with the Group's strategy, is competitive within the market and effectively supports the attraction and retention of the senior management team. The amended Remuneration Policy will be put to shareholder approval at our 2025 AGM and, if approved, will become effective from that date. We have indicated the changes to the components of pay in the Remuneration Policy table and have made minor changes to some of the other policy wording to improve clarity or to update for recent regulatory or market practice developments.

The Committee has established the Remuneration Policy on the remuneration of the Executive Directors; the Board has established the Remuneration Policy on the remuneration of the Non-Executive Directors. All awards granted under previous Directors' remuneration policies will be honoured as will any legacy arrangements for the Executive Directors.

The Committee considers that the remuneration framework appropriately addresses the following principles:

Clarity: Our remuneration framework is clear and transparent for both Executive Directors and shareholders. Full details of the proposed Remuneration Policy and how it will be implemented has been set out in this report. We have undertaken an extensive consultation process with major shareholders to discuss the proposals and address feedback.

Simplicity: The new remuneration structure for the Executive Directors is simple (comprising of fixed pay, a short-term incentive and a long-term incentive), and is aligned to the strategic priorities (both short- and long-term) of the business.

Risk: The Remuneration Policy includes a number of features to mitigate potential risks and drive right behaviours. These include: i) performance measures and targets that are calibrated appropriately; ii) the Committee retaining discretion to adjust variable incentive outcomes away from formulaic outturns in the context of wider performance; iii) malus and clawback provisions; iv) the continued inclusion of a Total Remuneration Cap mitigates against the reputational risk from excessive rewards; and v) the significant shareholding requirement for current Executive Directors provides further safeguards, aligning Executive Director interests with those of shareholders.

Predictability: The inclusion of a Total Remuneration Cap provides a limit on the remuneration which can be provided to an Executive Director in respect of any one financial year providing predictability of the maximum levels of remuneration that could be earned. The Remuneration Policy clearly sets out relevant limits as well as an illustration of each Executive Director's potential package under different performance scenarios.

Proportionality: We believe that our approach ensures proportionate pay outcomes that reward performance. A significant part of each Executive Director's remuneration package under the proposed and historic long-term plans is based on variable pay and measured over a long-term time horizon.

Alignment to culture: The proposed new approach upholds our remuneration philosophy and culture, placing a strong emphasis on performance-related pay and motivating the Executive Directors and senior management to drive the business strategy, with a continued focus on delivering long-term sustainable risk-adjusted returns for shareholders.

Directors' Remuneration Report continued

Compliance with the UK Corporate Governance Code

Key remuneration element of the UK Corporate Governance Code	Alignment with our Remuneration Policy
Five-year period between the date of grant and realisation for equity incentives	The PSP has a combined vesting and holding period of 5 years.
Phased release of equity awards	The PSP ensures the phased release of equity awards through annual rolling vesting.
Discretion to override formulaic outcomes	The Remuneration Policy contains the ability to override formulaic outcomes and apply discretion where deemed necessary.
Post-cessation shareholding requirement	The Executive Directors are required to comply with a 2-year post-cessation shareholding requirement.
Pension alignment	The pension entitlement for Executive Directors is in line with the eligibility for the majority of the wider workforce.
Extended malus and clawback	The current malus and clawback provisions already exceed the best practice suggested in relation to the Code.

Our remuneration philosophy

We have developed a clear set of principles which embed our strategy into how we deliver remuneration to our Executive Directors.

Remuneration principle	Details
Fixed pay should be aligned to the market and the individual's experience.	The Committee sets salaries for the Executive Directors based on their experience, role, individual and corporate performance. Salaries on appointment to the Board may be set below that of the comparator group and subsequently, based on appropriate levels of individual and corporate performance, may be increased with experience gained over time.
Variable pay should be linked to the long- term performance of the Company.	The Committee believes that shareholders' interests are best served by remuneration packages that have a large emphasis on performance-related pay which encourage the Executive Directors to focus on delivering the business strategy.
Executive Directors should be rewarded for sustainable performance.	Our Remuneration Policy delivers variable pay in the form of an annual bonus and PSP, designed to link reward to both short- and long-term performance, with a focus on delivering long-term sustainable risk-adjusted returns for shareholders.
Executive Directors should hold substantial equity holdings.	In order to align the interests of Executive Directors and shareholders, the reward strategy is designed so that, provided performance is delivered, the Executive Directors become material (in relation to their overall compensation) shareholders in the Company. We have a two-year post-cessation shareholding period to align with best practice.
Executive Director remuneration should not be excessive.	The Committee is cognisant of the broader environment regarding executive remuneration and the potential concerns regarding the quantum available to Executive Directors notwithstanding the level of performance and growth which may have been achieved by the Company. The Committee considers the use of the Total Remuneration Cap for each Executive Director to be an appropriate response to these challenges.

Remuneration Policy

The following table sets out the Remuneration Policy for Executive Directors:

Objective and link to strategy	Operation	Maximum opportunity	Performance conditions and assessment
Base salary			
To recruit and retain Executive Directors of the appropriate calibre and experience to achieve the Company's business strategy.	<p>An Executive Director's basic salary is set on appointment and reviewed annually (effective from 1 May each year) or when there is a change in position or responsibility.</p> <p>When determining an appropriate level of salary, the Committee considers:</p> <ul style="list-style-type: none"> – the Executive Director's experience and responsibilities; – the performance of the individual Executive Director and the Group; – pay and conditions throughout the Group; – general salary rises to employees; – the economic environment; and – when the Committee determines a benchmarking exercise is appropriate, levels of base salary for similar positions with comparable status, responsibility and skills in companies in the comparator groups used for remuneration benchmarking. <p>Individuals who are recruited or promoted to the Board may, on occasion, have their salaries set below the targeted policy level until they become established in their role. In such cases subsequent increases in salary may be higher than the general rises for employees until the target positioning is achieved.</p>	<p>Typically, the base salaries of Executive Directors in post at the start of the Remuneration Policy period and who remain in the same role throughout the Remuneration Policy period will be increased by a similar percentage to the average annual percentage increase in salaries of all other employees in the Group.</p> <p>The exceptions to this rule may be where:</p> <ul style="list-style-type: none"> – an individual is below market level and a decision is taken to increase base pay to reflect proven competence in role; or – there is a material increase in scope or responsibility to the Executive Director's role. <p>The Committee ensures that maximum salary levels are positioned in line with companies of a similar size to Berkeley and validated against other companies in the industry, so that they are competitive against the market.</p> <p>The Total Remuneration Cap will apply to salary.</p>	There are no performance conditions on salary. However, the performance of the individual and the Company are reflected in the salary they are paid.

Change to 2022 Policy: none.

Directors' Remuneration Report continued

Remuneration Policy continued

Objective and link to strategy	Operation	Maximum opportunity	Performance conditions and assessment	Objective and link to strategy	Operation	Maximum opportunity	Performance conditions and assessment
Benefits							
To provide competitive levels of employment benefits.	Benefits include a fully expensed car or car allowance alternative, and medical insurance. Additional benefits may also be provided in appropriate circumstances, if required for business needs, for example (but not limited to), relocation expenses, housing allowance, and education support. May also include other benefits to which the wider workforce becomes eligible in the future.	The maximum level of benefit is the cost of providing the relevant benefits. Levels are determined by market rates. The Total Remuneration Cap does not apply to benefits.	No performance conditions.	To provide long-term retention and alignment of Executive Directors' interests with shareholders.	Grant of conditional share awards which vest after three years, subject to Company performance and continued employment. Awards may alternatively be granted as nil-cost options if considered appropriate. The shares acquired upon vesting will normally be subject to a two-year holding period. Malus and clawback applies for five years from the date of grant.	Up to 400% of salary in any financial year.	Performance measures will be set to reflect the Company's strategy and provide stretching conditions in the light of the Company's current and expected performance over the performance period. The measures and targets are reviewed and may be changed by the Committee for each new cycle to ensure alignment with strategic objectives. For each performance measure up to 25% of the maximum pays out for threshold performance. Vesting is normally assessed by the Committee after the end of the performance period, taking into account performance against the targets and the underlying performance of the business.
Change to 2022 Policy: slight updating of wording around the operation of the 2022 Policy.							
Pension							
To provide competitive levels of retirement benefits.	The Company provides either a contribution to a pension arrangement or a payment in lieu of pension. All payments in lieu of pension are subject to income tax and national insurance.	Salary is the only element of remuneration that is pensionable. In line with the contribution to the majority of the wider workforce, the maximum contribution into a pension arrangement or payment in lieu of pension is 6% of base salary. The Total Remuneration Cap will apply to pension.	No performance conditions.				The Committee has the ability to adjust incentive payments (positively or negatively) if it believes that out-turns are not appropriate in the context of overall performance and shareholder and wider stakeholder experience.
Change to 2022 Policy: none.							
Annual bonus							
To drive the short-term strategy and recognise annual performance against targets which are based on business objectives.	Awards are based on Group annual performance targets. The Committee will determine the business performance metrics and weightings on an annual basis. 50% of any annual bonus will be paid (net of tax) in cash and 50% of any bonus (net of tax) will be used to acquire shares which may not be sold or transferred for a three-year period. For an Executive Director who has achieved the shareholding guideline, the proportion of bonus deferred into shares will be reduced to 25%. The Committee may determine that, as an alternative, deferral may take place through a deferred share award. Bonus awards are subject to appropriate malus and clawback provisions.	The maximum opportunity in respect of a financial year is 200% of salary. The opportunity will be up to 200% of salary for any new appointments to the Board, depending on experience and role. The Total Remuneration Cap will apply to bonus awards at the point at which the annual bonus is determined.	The annual bonus will be measured against a range of key Group performance indicators, including both financial and non-financial measures, with a minimum weighting of 70% on financial measures. At threshold performance up to 25% of the maximum bonus can be earned. At target performance up to 50% of the maximum bonus can be earned. Annual bonus out-turns are normally assessed by the Committee at year-end, taking into account performance against the targets and the underlying performance of the business. The Committee has the ability to adjust annual bonus payments if it believes that out-turns are not appropriate in the context of overall performance and wider stakeholder experience.	To achieve a balance between the need to reward and incentivise the Executive Directors to implement the Company strategy and the interests of other stakeholders in the Company.	Individual caps will limit the amount of total remuneration that has been earned over the financial year and is capable of being paid out with reference to the values in the single total figure of remuneration table. All elements of remuneration are subject to the Total Remuneration Cap excluding buy-out awards and benefits. Benefits are not included in the Total Remuneration Cap as they are not material in the context of the overall package and vary based on the individual circumstances of the relevant Executive Director. The Committee will apply its discretion to reduce one or more of the incentive components vesting responsibilities and/or in each year to ensure compliance pay opportunity.	The Total Remuneration Cap for the Executive Directors was previously set at £8.0m for the current CEO and £3.25m for the current CFO. From the start of FY26 the Total Remuneration Cap will be increased annually broadly in line with general inflation. The Committee will keep under review whether a cap is applied, and at what level, to any new appointments to the Board on a case-by-case basis. The Committee may alter the level of an individual's cap in the event of a significant change in their discretion to reduce one or more of the incentive components vesting responsibilities and/or in each year to ensure compliance pay opportunity.	No performance conditions.
Change to 2022 Policy: the annual bonus is a new incentive arrangement from 2025/26.							
Performance Share Plan (PSP)							
Change to 2022 Policy: the PSP is a new incentive arrangement from 2025/26.							
Total Remuneration Cap							
Change to 2022 Policy: the Total Remuneration Cap is to be increased annually broadly in line with general inflation going forward and the Committee may alter the cap in the event of a significant change in an individual's responsibilities. The Committee will keep under review whether a cap is applied to any new appointments to the Board. The sequencing of the application of the cap will be at the discretion of the Committee.							

Directors' Remuneration Report continued

Remuneration Policy continued

Objective and link to strategy	Operation	Maximum opportunity	Performance conditions and assessment
Shareholding requirements			
To ensure that Executive Directors' interests are aligned with those of shareholders over a longer time horizon and encourage long-term share ownership by the Executive Directors.	<p>In-post</p> <p>Current Executive Directors: The full requirement should be achieved by the later of 10 years from appointment and 6 September 2032. The interim requirement should be achieved by the later of five years from appointment and 6 September 2027.</p> <p>New Appointments: the requirement should normally be met within 5 years of appointment.</p> <p>Post-employment</p> <p>For two years following cessation of employment, Executive Directors are required to hold shares to the value of the shareholding requirements that applied at the cessation of their employment; or, in cases where the individual has not had sufficient time to build up shares to meet their requirements, the actual level of shareholding at cessation.</p>	<p>Current Executive Directors: No performance or recovery provisions apply.</p> <p>New appointments: set in line with their annual PSP award level.</p>	
	Change to 2022 Policy: no change for current incumbents. For any new appointment to the Board, the in-post requirement will be set in line with their annual PSP award level.		

Notes to the Remuneration Policy table

Legacy arrangements

The Committee reserves the right to make any remuneration payments and/or payments for loss of office (including the exercise of any applicable discretions) even if such payments are not in line with the Remuneration Policy, where the terms of those payments were agreed: i) prior to the implementation of the Remuneration Policy set out above, provided the terms were consistent with the shareholder-approved directors' remuneration policy in effect at the time; or ii) at a time when the individual was not a Director of the Company (or otherwise subject to the scope of the Remuneration Policy), and where, in the Committee's view, the payment was not made in consideration of that individual becoming a Director.

Performance measures and target setting

The Committee considers carefully the selection of measures to be used in the incentive scorecards at the start of each performance cycle. In doing so, the Committee takes into consideration the Group's financial, non-financial and strategic objectives as well as the macro-economic environment. Annual bonus performance measures are selected to closely reinforce the Group's short-term KPIs. The performance measures attaching to the PSP are selected to reinforce the delivery of the Company's longer-term strategic aims and align with shareholder interests by underpinning success and value creation.

Malus and clawback

Malus provisions apply to unpaid annual bonus and to unvested PSP awards. Under malus, unpaid annual bonus and unvested PSP awards can be reduced (down to zero if considered appropriate).

Clawback is the recovery of payments under the annual bonus or vested PSP awards and may be effected, among other means, by requiring the transfer of shares, payment of cash or reduction of other share awards or bonus payments.

Malus and clawback can be operated up to four years following the start of the relevant bonus year for bonuses and up to five years from the date of grant for PSP awards.

Circumstances in which malus and clawback may be applied include:

- errors in assessing a performance condition or in the information, calculations or assumptions which impacts upon the level at which an award was granted, vests or is released;
- conduct by a participant which results in or is reasonably likely to result in significant reputational damage to the Company or censure by regulatory authority;
- misconduct or fraud;
- significant corporate failure which has a material impact on the value of the Group (taken as a whole) or the ability of the Group to continue normal operations; or
- any other circumstances that the Board considers to be similar in their nature or effect.

Differences in remuneration policy for all employees

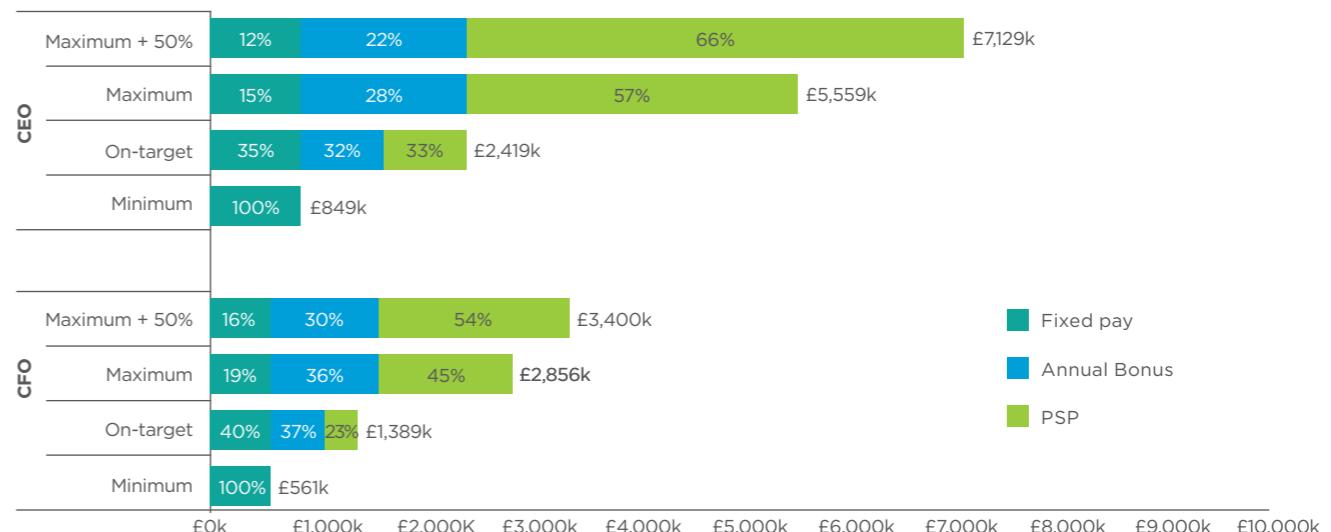
The Company seeks to establish remuneration packages that will attract, retain and motivate high quality employees. Remuneration packages for all employees are linked to both individual and business performance.

The Company's business comprises a number of operating Divisions. The annual cash-based compensation arrangements for other senior employees of the Company are linked to the performance of the relevant Division for which they work. It is proposed that members of the Executive Committee will participate in the PSP. It is the view of both the Committee and the Board as a whole that these arrangements are very effective in ensuring the delivery of Divisional performance for which the Executive Committee is responsible, as well as supporting the Company's performance through participation in the PSP.

All other eligible employees participate in bonus plans, which, together with salary reviews linked to business performance, enable all employees to share in the success of the Group.

Application of the Remuneration Policy

The charts below provide an indication of the level of remuneration that would be received by each Executive Director under four performance scenarios.



Minimum Fixed elements of pay which comprise: FY25/26 salary, 6% of salary pension contribution; FY24/25 benefits as an estimate for FY25/26

On-target Fixed elements of pay as set out above, plus:

- 50% of the maximum pay-out under the annual bonus (100% of salary)
- 25% vesting under the PSP (100% of salary for R C Perrins and 62.5% of salary for R J Stearn)

Maximum Fixed elements of pay as set out above, plus:

- Annual bonus payout at 200% of salary
- PSP vesting at 400% of salary for R C Perrins and 250% of salary for R J Stearn

Maximum + 50% As maximum above, plus 50% assumed share price growth over three-year PSP performance period (and subject to the FY26 Total Remuneration Cap of £8.33m for R C Perrins and £3.38m for R J Stearn)

Directors' Remuneration Report continued

Approach to recruitment remuneration

The Committee's approach to recruitment remuneration is to pay no more than is necessary to attract candidates of the appropriate calibre and experience needed for the role. The remuneration package for any new Executive Director would be assessed following the same principles as for the current Executive Directors.

External appointment

When hiring or appointing a new Executive Director from outside the Group, the Committee may make use of all existing components of the Remuneration Policy, as follows:

Pay element	Policy on recruitment	Maximum
Salary	The salary level will be set taking into account the responsibilities of the individual, experience and the salaries paid to similar roles in comparable companies. The Committee will apply the Remuneration Policy set out on salaries for the current Executive Directors in the Remuneration Policy table.	No maximum.
Benefits	As described in the Remuneration Policy table. The Committee may approve the payment of one-off relocation-related expenses and legal fees. On-going benefits may be approved in cases where the Director is expected to spend significant time away from their country of domicile.	No maximum.
Pension	Eligible to join the defined contribution scheme available to the wider workforce or alternatively to receive a supplement in lieu of pension contributions as set out in the Remuneration Policy table.	In line with Remuneration Policy limits.
Annual bonus	As described in the Remuneration Policy table, and typically pro-rated in the year of joining for the proportion of the year served. Performance measures may include strategic and operational objectives tailored to the individual in the financial year of joining.	In line with Remuneration Policy limits.
Performance Share Plan	New appointees may be granted PSP awards on similar terms to other Executive Directors. Different performance targets and measures may be set initially for incentives in the first year of appointment to recognise the timing of their appointment during the year. The rationale will be clearly explained in each case.	In line with Remuneration Policy limits.
Total Remuneration Cap	The Committee will determine if a Total Remuneration Cap will apply to a new Executive Director on appointment based on the elements of remuneration offered as part of the remuneration package, although this is unlikely if the only variable components are the bonus and PSP.	In line with Remuneration Policy limits for existing CEO.
Other	The Committee's policy is not to provide buy-outs as a matter of course. However, should the Committee determine that the individual circumstances of recruitment justifies the provision of a buy-out, the equivalent value of any incentives that will be forfeited on cessation of an Executive Director's previous employment will be calculated taking into account the following: – the proportion of the performance period completed on the date of the Executive Director's cessation of employment; – the performance conditions attached to the vesting of these incentives and the likelihood of them being satisfied; and – any other terms and conditions having a material effect on their value (lapsed value). The Committee may then grant up to the equivalent value as the lapsed value, where possible, under the bonus and/or the PSP. To the extent that it is not possible or practical to provide the buyout within the terms of the bonus and/or the PSP, a bespoke arrangement would be used, which could be share or cash based.	No maximum.

The Committee reserves discretion to offer appropriate benefit arrangements, which may include the continuation of benefits received in a previous role.

Internal promotion to the Board

In cases of appointing a new Executive Director via internal promotion, the Remuneration Policy will be consistent with that for external appointees detailed above (except in relation to buyout awards). Where an individual has contractual commitments made prior to their promotion to Executive Director, the Company will continue to honour these arrangements even if there are instances where they would not otherwise be consistent with the Remuneration Policy.

Service contracts

All contracts are available for viewing at the Company's registered office. When setting notice periods for Executive Directors, the Committee has regard to market practice and corporate governance best practice. Notice periods will not be greater than 12 months. Directors' service contracts do not contain any obligation on the Company which could give rise to or impact on remuneration payments or payments for loss of office in addition to those disclosed elsewhere in this Remuneration Policy.

The following table shows the date of the contract for each Executive Director who served during the year:

Executive Director	Date of contract	Notice period months (employer/employee)
R C Perrins	15 July 2002	12 / 12
R J Stearn	3 October 2014	12 / 12

Payments for loss of office

The following principles apply when determining payments for loss of office for the Executive Directors and any new Executive Directors. The Company will take account of all relevant circumstances on a case-by-case basis including (but not limited to): the sums stipulated in the service contract; whether the Executive Director has presided over an orderly handover; the contribution of the Executive Director to the success of the Company during his or her tenure; and the need to compromise any claims that the Executive Director may have. The Company may, for example, if the Committee considers it to be appropriate:

- enter into agreements with Executive Directors which may include the provision of legal fees or the settlement of liabilities in return for a single one-off payment or subsequent payments subject to appropriate conditions;
- reimburse reasonable relocation costs where an Executive Director (and, where relevant, their family) had originally relocated to take up the appointment;
- terminate employment other than in accordance with the terms of the contract (bearing in mind the potential consequences of doing so); or
- enter into new arrangements with the departing Executive Director (for example, confidentiality, restrictive covenants and/or consultancy arrangements).

Directors' Remuneration Report continued

The table below sets out the Company's termination policy for each element of total remuneration. Provisions for legacy arrangements (RSP, LTOP) can be found in the 2022 Notice of Annual General Meeting on page 140.

Reason for cessation	Calculation of vesting/payment	Time of vesting / forfeiture
Annual bonus		
Voluntary resignation or termination for cause	No bonus to be paid for the financial year.	Not applicable.
All other circumstances	Bonuses will be paid only to the extent that the objectives have been met. Any such bonus will normally be paid on a pro-rata basis up to the termination date and will typically be subject to deferral requirements where applicable.	Following the end of the financial year, unless the Committee determines otherwise.
Deferred share bonus		
Termination for cause	Deferred shares acquired with after-tax bonus will normally be forfeited.	Forfeiture of deferred shares will normally apply for up to three years from acquisition.
All other circumstances	Deferred shares acquired with after tax bonus will not be forfeitable, unless the Committee, in its discretion, decides otherwise.	Forfeiture of deferred shares may continue to apply for up to three years from acquisition of deferred shares.
Performance Share Plan awards		
Good leaver	Awards will normally be pro-rated for time. Awards will vest based on performance over the original performance period (unless the Committee decides to measure performance to the date of cessation, for example in the case of death).	At the normal vesting date, save in the case of death or in exceptional circumstances at the Committee's discretion, in which cases the award will vest as soon as practicable. Holding periods will apply unless waived at the discretion of the Committee.
Change of control	Awards will be pro-rated for time (unless the Committee decides otherwise). Awards will vest subject to performance over the performance period to the change of control. Awards may be exchanged for equivalent replacement awards, where appropriate.	On change of control.
All other reasons	Awards normally lapse.	Not applicable.

A good leaver is a person whose cessation of employment is in the following circumstances:

- death;
- injury;
- ill-health;
- disability;
- redundancy;
- retirement, in agreement with the Company;
- employing company ceasing to be a Group company;
- transfer of employment to a company which is not a Group company; and
- any other reason at the discretion of the Committee.

Non-Executive Directors

This section of the Report describes the Remuneration Policy for the Non-Executive Directors.

Objective and link to strategy	Operation	Maximum opportunity	Performance conditions and assessment
To attract Non-Executive Directors with the requisite skills and experience to contribute to the strategy of the Company and to review its implementation.	<p>All Non-Executive Directors have specific terms of engagement, and their remuneration is determined by the Board within the limits set by the Articles of Association.</p> <p>Each Non-Executive Director receives a fee which relates to membership of the Board and additional fees are paid for Committee Chairmanship.</p> <p>In exceptional circumstances, fees may also be paid for additional time spent on the Company's business outside of the normal duties. The Board reviews the fees of the Non-Executive Directors annually taking into account the following factors:</p> <ul style="list-style-type: none"> – the workload and level of responsibility of the Non-Executive Directors under the changing corporate governance expectations of shareholders and their representative bodies; – the current market rate for fees for Non-Executive Directors based on the comparators used for the Executive Directors <p>Changes are effective from 1 May each year.</p> <p>The Company has a shareholding requirement for Non-Executive Directors, equal to 100% of the net fee they receive from the Company. This should be achieved within three years of appointment.</p> <p>Non-Executive Directors do not participate in any variable remuneration or benefits/pension arrangements.</p>	<p>In general, fee rises will be limited to the increase applied to the salary of employees of the Company as a whole.</p> <p>In setting fees, the Board looks at the fee levels of companies in the housebuilding sector, and at companies of broadly similar size and complexity.</p> <p>The Company will pay reasonable expenses incurred by the Non-Executive Directors and may settle any tax incurred in relation to these.</p> <p>The Articles of Association impose a limit on the aggregate annual sum that can be paid to Non-Executive Directors by way of fees (excluding amounts payable under any other Articles) of £1,000,000 or such larger amount as the Company may by ordinary resolution determine.</p>	No performance conditions.

The Non-Executive Directors have letters of appointment, which are available for viewing at the Company's registered office, and are renewable annually on 1 May. Non-Executive Directors' appointments can be terminated by either party with one month's notice. The appointments are subject to the provisions of the Articles of Association and, in accordance with the UK Corporate Governance Code, are subject to annual re-election.

Directors' Remuneration Report continued

The dates relating to the appointments of the Chairman and Non-Executive Directors who served during the reporting period are as follows:

Non-Executive Director	Date of appointment
M Dobson	8 June 2022
R Downey	8 December 2017
E Adekunle	5 January 2021
W Jackson	5 January 2021
S Sands	30 April 2021
A Kemp	1 July 2021
N Adams	1 February 2022

The terms of appointment for a new Non-Executive Director would be in accordance with the Remuneration Policy for Non-Executive Directors as set out in the table above.

Consideration of employment conditions elsewhere in the Group

In making annual pay decisions the Committee also gives consideration to pay and employment conditions in the rest of the Group, including any base salary increases awarded. The Committee is provided with data on the remuneration structure for management level tiers below the Executive Directors and uses this information to ensure consistency of approach throughout the Group. Although the Committee takes into account the pay and conditions of other employees, the Company does not consult with employees when drawing up the Remuneration Policy.

Consideration of shareholder views

The Committee takes the views of shareholders seriously and these views have been taken into account in shaping the Remuneration Policy through an extensive shareholder consultation exercise, and further detail on the outcome of this consultation is provided in the Committee Chair's letter. Shareholder views are considered when evaluating and setting remuneration strategy and the Committee commits to consulting with key shareholders prior to significant changes to the Remuneration Policy or as to how it is implemented.

Annual Report on Remuneration

This section of the Remuneration Report contains details of how the Company's Remuneration Policy, approved by shareholders at the AGM on 6 September 2022, was implemented for Executive Directors during the financial year that ended on 30 April 2025.

Single total figure of remuneration (Audited)

The table below sets out the single total figure of remuneration and breakdown for each Executive Director paid in the 2024/25 financial year. The components of the single figure for 2024/25 are aligned with the calculation of the individual elements of remuneration for the purposes of the Total Remuneration Cap.

Executive Director	Salary £'000	Pension 2025	Total Remuneration				Total variable 2025	Total 2025	
			LTIP ¹	Cap ²	Actual ³	Benefits ⁴			
R C Perrins	597	36	7,367	8,000	8,000	17	650	7,367	8,017
R J Stearn	405	24	2,821	3,250	3,250	20	449	2,821	3,270

Notes

- 1 This represents the ninth tranche of the 2011 LTIP that vested on 30 September 2024 at a share price of £48.14 subject to the operation of the Total Remuneration Cap (see table on page 148 for details). Where the LTIP value would have been greater without the Total Remuneration Cap, it is the capped amount which is payable and therefore disclosed in the single figure of remuneration. The capped amount is equivalent to the Total Remuneration Cap less salary less pensions.
- 2 The Total Remuneration Cap limits the amount of total remuneration that has been earned over the financial year and is capable of being paid out.
- 3 The Total Remuneration Cap operated for the 2024/25 financial year and where the remuneration would have been greater without the Total Remuneration Cap, it is the capped amount which is payable and therefore disclosed in the single figure of remuneration.
- 4 Benefits, which are not included in calculating the Total Remuneration Cap, include a fully expensed company car or cash allowance alternative and medical insurance.

Comparative figures for 2023/24, as disclosed in last year's Directors' Remuneration Report, are set out in the table below.

Executive Director	Salary £'000	Pension 2024	Total Remuneration				Total fixed 2024	Total variable 2024	Total 2024
			LTIP ¹	Cap ²	Actual ³	Benefits ⁴			
R C Perrins	597	36	7,367	8,000	8,000	26	659	7,367	8,026
R J Stearn	405	24	2,405	3,250	2,834	24	453	2,405	2,858

Notes

- 1 This represents the eighth tranche of the 2011 LTIP that vested on 2 October 2023 at a share price of £41.03 subject to the operation of the Total Remuneration Cap. Where the LTIP value would have been greater without the Total Remuneration Cap, it is the capped amount which is payable and therefore disclosed in the single figure of remuneration. The capped amount is equivalent to the Total Remuneration Cap less salary less pensions.
- 2 The Total Remuneration Cap limits the amount of total remuneration that has been earned over the financial year and is capable of being paid out.
- 3 The Total Remuneration Cap operated for the 2023/24 financial year and where the remuneration would have been greater without the Total Remuneration Cap, it is the capped amount which is payable and therefore disclosed in the single figure of remuneration.
- 4 Benefits, which are not included in calculating the Total Remuneration Cap, include a fully expensed company car or cash allowance alternative and medical insurance.

Long-term incentives (Audited)

Vesting of the ninth tranche of the 2011 LTIP

The ninth tranche of the LTIP was the fifth to be subject to the enhanced performance conditions set out on pages 112 and 113 of the 2020 Report and Accounts. The following table sets these out split between Return Targets and Financial Targets:

Return Targets	No element of the 2011 LTIP can vest unless the cumulative returns target has been met through the delivery of the targeted returns during the financial year.		
Performance Condition	Detail	Actual Performance	
Cumulative Return	Target returns in respect of the 12 months to 30 September 2024: £283.2 million.	Actual returns made in respect of the 12 months to 30 September 2024: £283.2 million.	
	Cumulative return target since 2011: £2,245 million.	Actual cumulative return since 2011: £2,245 million.	
Vesting	50% of the 2011 LTIP tranche will be capable of vesting at the 2024 vesting date and will vest on the satisfaction of the Cumulative Return performance condition. Where this performance condition is not met 100% of the relevant tranche due to vest on 30 September 2024 will lapse.	This element of the award vested in full on 30 September 2024.	
Financial Targets	Provided the Cumulative Return performance condition has been satisfied 50% of this tranche under the 2011 LTIP is subject to the satisfaction of the following additional performance conditions.		
Performance Condition	Detail	Actual Performance	
Cumulative ROE	30% of the tranche is subject to achieving a cumulative pre-tax Return on Equity (ROE) of a minimum of 15% (to be calculated commencing 1 May 2019).	Actual cumulative ROE of 16.8%.	
		Full vesting of the 30% of the tranche subject to this performance condition.	
Cumulative Profit before Tax	20% of the tranche is subject the cumulative Profit before Tax; to achieve the target in any one year:	The Company delivered a Profit before Tax of £557.3 million for the year ended 30 April 2024.	
	1. The Company needs to deliver Profit before Tax of at least £500 million; or	Full vesting of the 20% of the tranche subject to this performance condition.	
	2. The Company must be on track to deliver a cumulative Profit before Tax of £3 billion in the six years ending 30 April 2025.		
Vesting of the 2011 LTIP Tranche on 30 September 2024			100%

Directors' Remuneration Report continued

As detailed on page 128 of the 2021 Report and Accounts, the tranches of the 2011 LTIP which vest from 2021 onwards are subject to additional performance conditions based on the individual performance of the Executive Directors. The Committee assessed the individual contribution of the Executive Directors and determined that no adjustment to the formulaic outcome, as detailed in the table above, was appropriate.

The ninth tranche of the 2011 LTIP award vested in the year as follows. The number of options released from the 2011 LTIP is limited to ensure the value of the Total Remuneration Cap for each individual is not exceeded:

	Cumulative banked options at 30/9/23 ¹	Net Total Remuneration Cap after fixed pay ²	Options in each annual tranche for 2022 to 2025 ³	Maximum number of banked options capable of vesting ⁴	Actual number of options capable of vesting ⁵	Performance measure and outcome	Number of options vested after performance test	Value of gain on options vested ⁶	Cumulative Banked options carried forward ⁷
R C Perrins	1,880,920	7,367,180	590,904	171,981	171,981	See page 147 for performance measures. Vesting outcome - 100%	171,981	7,367,150	1,708,939
R J Stearn	134,606	2,820,700	67,303	65,847	65,847		65,847	2,820,688	68,759

Notes

- 1 This is the brought forward banked shares after the vesting on 30 September 2023.
- 2 The Total Remuneration Cap continues to limit the LTIP vesting at each vesting date. The Total Remuneration Cap operated for the 2024/25 financial year and where the 2011 LTIP value would have been greater without the Total Remuneration Cap based on the cumulative banked options vesting in four equal tranches, it is the capped amount which is payable and therefore disclosed in the single figure of remuneration.
- 3 The banked options at 30 September 2021 vest in four equal tranches from September 2022 to September 2025, subject to the application of the Total Remuneration Cap at each vesting.
- 4 This is the maximum number of options that could have vested up to the Total Remuneration Cap.
- 5 This is the maximum number of options that vested, being the lesser of (3) and (4).
- 6 This is the value of the options that vested, calculated using the opening share price of £48.14 on 30 September 2024 (the date the options vested and became exercisable) less the exercise price of £5.30 per share.
- 7 These are the banked options carried forward to next year.
- 8 Each Executive Director exercised all the options that vested on 30 September 2024. Under the rules of the 2011 LTIP, after the sale of shares to pay tax, only 10% of shares are permitted to be sold each year until 30 September 2025 at which point the sale restriction falls away.

The Committee did not adjust the level of option vesting as a result of share price growth over the performance period. It is an inherent feature of the 2011 LTIP that management and shareholders' interests are aligned based on Total Shareholder Returns (including share price growth) over the performance period. The Committee did not exercise any other discretion in relation to the level of the option vesting other than to apply the Total Remuneration Cap.

Restricted Share Plan awards granted in the year

RSP awards entitle Executive Directors to acquire shares subject to continued employment and two underpins: the Company's average return on equity over four financial years being at least 15% on an annualised basis; and an additional discretionary underpin pursuant to which the Committee may reduce the level of vesting by up to 20% to reflect what it considers to be unsatisfactory progress over the performance period against the strategic and ESG priorities set out in Our Vision 2030.

During 2024/25, the Committee and Executive Directors were mindful of the significant stretch represented by the 15% ROE underpin, which is materially more challenging in the current operating environment for the sector than was envisaged at the time of embedding this level of underpin in the 2022 Policy. In light of this the Committee and the Executive Directors agreed to waive the grants for 2024/25.

Dilution

A maximum of approximately 19 million shares were approved by shareholders under the 2011 LTIP. The actual number issued is significantly lower due to a combination of the Total Remuneration Cap, the settlement of awards net of both the option price and participants' tax obligations and leavers.

To date, 4.6 million shares have been issued under the 2011 LTIP since 2016 and it is anticipated that, applying the same principles, a maximum of approximately 0.2 million further shares will be awarded by the final vesting in September 2025; in total 4.5% of the Company's current issued share capital over a ten year period.

The Company intends to manage the level of dilution arising from the LTOP awards by implementing net settling for tax and the exercise price where appropriate.

Non-Executive Directors single figure table (Audited)

The table below sets out the single total figure of remuneration and breakdown for each Non-Executive Director. Non-Executive Directors do not participate in any of the Company's incentive arrangements, nor do they receive benefits.

Non-Executive Director £'000	Basic fees		Additional fees ¹		Total fees	
	2025	2024	2025	2024	2025	2024
M Dobson	400.0	400.0	-	-	400.0	400.0
R Downey	88.5³	82.6	5.0^{b)}	-	93.5	82.6
E Adekunle	72.5	72.5	-	-	72.5	72.5
W Jackson	72.5	72.5	5.0^{c)}	-	77.5	72.5
S Sands	72.5	72.5	5.0^{b)}	-	77.5	72.5
A Kemp	72.5	72.5	20.0^{a)c)}	13.0	92.5	85.5
N Adams	72.5	72.5	15.0^{a)}	8.2	87.5	80.7
J Armitt ²	-	31.3	-	-	-	31.3
A Myers ²	-	25.9	-	4.6	-	30.5
D Brightmore-Armour ²	-	31.5	-	-	-	31.5

Notes

- 1 Additional fees represent fees paid for:
 - the role of Committee Chair;
 - membership of the Audit Committee;
 - membership of the Remuneration Committee.
- 2 J Armitt, A Myers and D Brightmore-Armour stepped down from the Board on 8 September 2023.
- 3 R Downey's basic fee includes the SID fee.

Payments to past Directors (Audited)

Karl Whiteman, Justin Tibaldi and Paul Vallone stepped down from the Board on 8 September 2023. They remain in their current operational roles and members of the Board of the Company's immediate subsidiary. Their outstanding 2011 LTIP, LTOP and RSP awards vest at their normal vesting dates and subject to performance conditions and/or underpins as set out in previous annual reports. The ninth tranche of the 2011 LTIP award vested on 30 September 2024 as to the following number of options: Whiteman 66,243 options; Tibaldi 23,056 options; Vallone 46,400 options. Each former Executive exercised all the options that vested.

Payments for Loss of Office (Audited)

No payments were made in the year.

Directors' Remuneration Report continued

Directors' shareholding and share interests (Audited)

The Company has a shareholding requirement for both Executive and Non-Executive Directors, linked to the base salary or net fee they receive from the Company. Using the Company's closing share price of £41.70 on 30 April 2025, compliance with the requirements was as follows:

	Obligation ¹ (% of salary)	Actual Shareholding as a % of salary at 30 April 2025	Achievement at 30 April 2025
Executive Directors			
R C Perrins	400%/1000%	8,467%	✓
R J Stearn	400%/1000%	2,227%	✓
Non-Executive Directors			
M Dobson	100%	435%	✓
R Downey	100%	96%	✗
E Adekunle	100%	116%	✓
W Jackson	100%	4,061%	✓
S Sands	100%	86%	✗
A Kemp	100%	216%	✓
N Adams	100%	169%	✓

Notes

- 1 A 100% of salary requirement for the current Executive Directors is to be achieved within the later of 10 years from appointment and 6 September 2032. An interim requirement equal to 400% of salary should be achieved within the later of 5 years from appointment and 6 September 2027.
- 2 To be achieved within three years of appointment. The level of shareholding is inevitably impacted by share price fluctuations which can move individuals above or below the threshold for periods of time.
- 3 There have been no changes in the interests of the Directors from the end of the period under review to the date of this report.

	Beneficially owned shares ¹	Banked 2011 LTIP options ²	LTOP options ³	RSP awards ⁴	Total interests held
Executive Directors					
R C Perrins	1,212,122	1,708,939	1,000,000	49,785	3,970,846
R J Stearn	216,247	68,759	350,000	28,948	663,954
Non-Executive Directors					
M Dobson	22,969	-	-	-	22,969
R Downey	1,145	-	-	-	1,145
E Adekunle	1,069	-	-	-	1,069
W Jackson	40,000	-	-	-	40,000
S Sands	843	-	-	-	843
A Kemp	2,543	-	-	-	2,543
N Adams	1,878	-	-	-	1,878

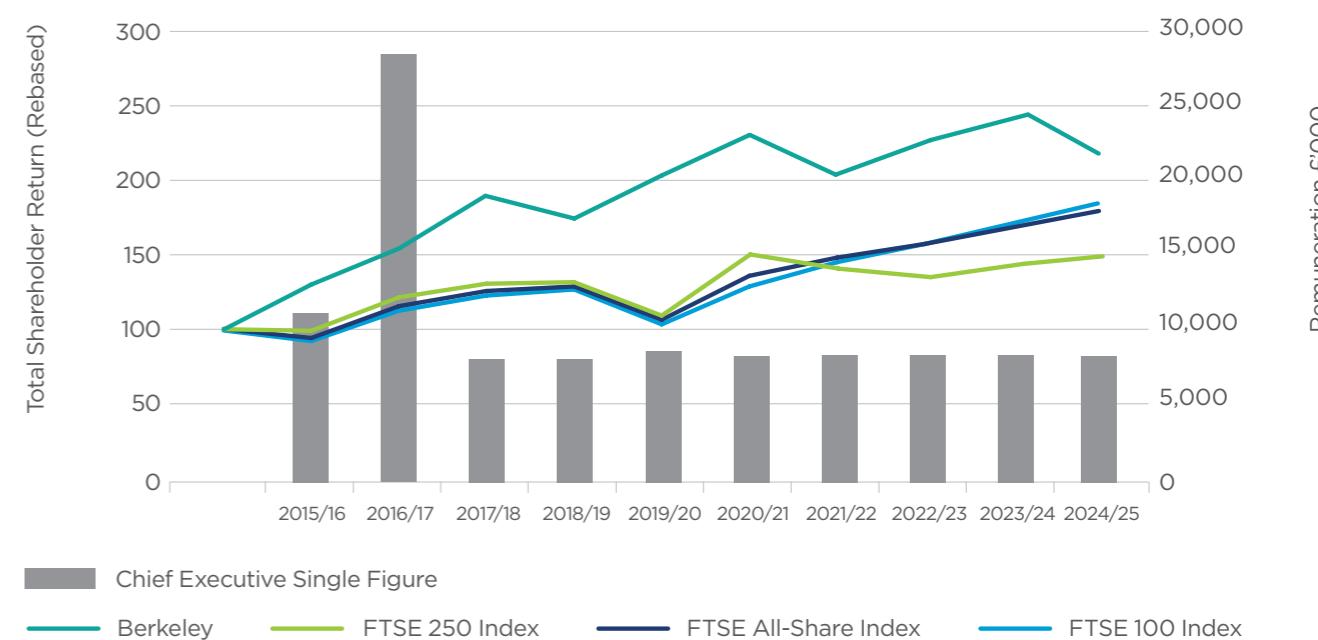
Notes

- 1 Beneficial interests include shares held directly or indirectly by connected persons.
- 2 Banked 2011 LTIP options may vest subject to the achievement of performance conditions depending on the number of banked options held by a participant and the share price of the Company.
- 3 LTOP options vest in five equal tranches between September 2026 and September 2030, subject to continued service, with a holding restriction in place until at least 5 years from grant. The exercise price ranges from £48.50 to £58.50, and will be reduced in proportion to dividends paid over the exercise period.
- 4 RSP awards vest after four years subject to satisfaction of underpin conditions and continued service.

Comparison of CEO total remuneration and Total Shareholder Return against the market

The graph below shows the Company's performance, measured by Total Shareholder Return (TSR), compared with the performance of the FTSE 250, FTSE 100 and the FTSE All Share indices. The Company considers these the most relevant indices for Total Shareholder Return disclosure required under the Regulations.

To give context to the total single figure levels of the CEO we have also included the single figure historical outcomes from the table below onto the chart to demonstrate the clear alignment between shareholder returns and the CEO's single figure pay that results from the nature of the remuneration structure in place.



CEO pay in the last 10 years

The table below shows the remuneration of the CEO for each of the financial years shown in the graph above.

R C Perrins CEO	Single figure total of remuneration (£'000)	Annual bonus payout (as a % of maximum opportunity)	Multi-year incentive vesting awards (as a % of maximum opportunity)
2024/25	8,017	-	100%
2023/24	8,026	-	100%
2022/23	8,043	-	100%
2021/22	8,043	-	100%
2020/21	7,971	-	100%
2019/20	8,303	-	100%
2018/19	7,809	100%	100%
2017/18	7,806	100%	100%
2016/17	27,963	100%	100%
2015/16	10,993	100%	100%

Directors' Remuneration Report continued

Percentage change in Directors' remuneration

The following table compares Directors' pay (including salary, taxable benefits and annual bonus) with the wider employee population. The Company considers the full-time employee population, excluding the Main Board, to be an appropriate comparator group and the most stable point of comparison:

	Base salary/fees					Benefits					Annual bonus				
	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021
Executive Directors															
R C Perrins	0%	0%	3.0%	3.5%	0%	-34%	-40%	1%	64%	-37%	n/a	n/a	n/a	n/a	n/a
R J Stearn	0%	0%	3.0%	3.5%	0%	-19%	4%	1%	1%	1%	n/a	n/a	n/a	n/a	n/a
Non-Executive Directors															
M Dobson ¹	0%	0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
R Downey ²	0%	22.1%	3.1%	3.5%	0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
E Adekunle	0%	0%	3.1%	3.5%	0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
W Jackson	0%	0%	3.1%	3.5%	0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
S Sands	0%	0%	3.1%	3.5%	0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A Kemp	0%	0%	3.1%	3.5%	0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
N Adams	0%	0%	3.1%	3.5%	0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Average percentage for employees ³	3.5%	3.8%	6.2%	5.3%	0.2%	-2%	0%	5%	4%	4%	8%	-7%	2%	5%	7%

Notes

- 1 M Dobson was appointed to the Board on 8 June 2022.
- 2 On appointment as Senior Independent Director on 8 September 2023 R Downey's fee increased from £72.5k to £88.5k per annum.
- 3 The listed Parent Company does not employ any staff. The data in respect of employees is therefore in relation to the whole Group (excluding the Main Board).

The Committee considers the year-on-year change in salary between the CEO and the employees is a clear indication that there is no divergence in the rate of fixed pay.

Pay comparisons

The following table provides the ratio of the CEO to that of the median, 25th and 75th percentile total remuneration of full-time equivalent UK employees.

Year	Method ¹	25th percentile pay ratio	Median pay ratio	75th percentile
2024/25	Option B	165:1	107:1	70:1
2023/24	Option B	176:1	111:1	77:1
2022/23	Option B	189:1	123:1	77:1
2021/22	Option B	200:1	109:1	85:1
2020/21	Option B	189:1	119:1	85:1
2019/20	Option B	189:1	125:1	84:1

Notes

- 1 CEO pay ratio is determined by reference to representative employee data as at the financial year end

The median pay ratio for 2024/25 is 107:1. The Company considers that the median pay ratio for 2024/25 is consistent with the pay, reward and progression policies for the Company's UK employees as a whole.

The Committee determined that it would be appropriate to use Option B of The Companies (Miscellaneous Reporting) Regulations 2018, where the latest available gender pay gap data (i.e. from April 2025) was used to identify the best equivalent for three Group UK employees whose hourly rates of pay were at the 25th, 50th and 75th percentiles for the Group. A full-time equivalent total pay and benefits figure for the relevant financial year was then calculated for each of those employees. No adjustments (other than the approximate up-rating of pay elements to achieve full time equivalent rates) were made and no components of pay have been omitted. We believe this provides a clear and robust methodology to facilitate year-on-year reporting whilst remaining simple and providing a reasonable estimate for employee pay at these levels.

The Committee is satisfied that the individuals identified within each relevant percentile appropriately reflects the employee pay profiles at those quartiles, and each was remunerated in line with Berkeley's remuneration policies.

A small number of employees at either side of the quartile points identified from the gender pay gap data were also considered, together with their corresponding full time equivalent total pay and benefits figures to ensure that the employees identified at each of the three percentile points are reasonably representative of each quartile.

The table below sets out the salary and total pay and benefits for the representative employees.

	25th percentile	Median	75th percentile
Salary	42,000	62,981	88,904
Total pay and benefits	48,663	75,129	114,543

Shareholders expect the CEO to have a significant proportion of his pay based on performance and paid in shares. It is this element of his package which will provide any observed volatility in his remuneration when comparing this on a year-to-year basis to the wider employee population. The Committee is comfortable that the underlying picture is not one of a greater divergence of the CEO remuneration from employees, i.e. excluding the volatility of long-term incentive arrangements, the relationship will be consistent. There is likely to be significant volatility in this ratio year-on-year, and we consider that this is caused by the following factors:

- Our CEO's pay is made up of a higher proportion of incentive pay than that of our employees, in line with the expectations of our shareholders. This introduces a higher degree of potential variability in his pay each year, which will affect the ratio.
- The value of long-term incentives is disclosed in pay in the year it vests, which increases the CEO's pay in that year, again impacting the ratio for that year.
- Long-term incentives are provided in shares, and therefore an increase in share price magnifies the impact of a long-term incentive award vesting in a year, reflecting alignment with shareholder value.
- We recognise that the ratio is driven by the different structure of the pay of our CEO versus that of our employees, as well as the make-up of our workforce. This ratio varies between businesses even in the same sector. What is important from our perspective is that this ratio is influenced only by the differences in structure, and not by divergence in fixed pay between the CEO and the wider workforce.
- Where the structure of remuneration is similar, as it is for the Company's most senior executives and the CEO, the ratio will be much more stable over time.
- None of the lower quartile, median and upper quartile employees identified this year is a participant in the 2011 LTIP. If the value of the 2011 LTIP is excluded in the CEO pay ratio calculation, the ratios would be as follows:

- To employee at the 25th percentile – 13:1
- To employee at the 50th percentile – 9:1
- To employee at the 75th percentile – 6:1

Relative importance of spend on pay

The table below sets out the relative importance of spend on pay in the 2023/24 and 2024/25 financial years compared with distributions to shareholders.

	2024/25 £m	2023/24 £m	% change
Remuneration of Group employees (including Directors)	218	233	(7%)
Distributions to shareholders by way of dividends and share buy-backs	381	170	124%

Implementation of the Remuneration Policy in 2025/26

The details provided below relate to the FY26 pay proposals for Rob Perrins as CEO and Richard Stearn as CFO. Should the Board changes announced on 20 June become effective following the 2025 AGM, the pay structure detailed on page 133 will be effective for Rob Perrins as Executive Chair and Richard Stearn as CEO.

Directors' Remuneration Report continued

Salary

Base salary levels for 2025/26 will be as follows:

£000	2024	2025	% Increase
R C Perrins	597	785	31.5%
R J Stearn	405	510	25.9%

The salary increases awarded to employees throughout the Group, which were on average 3.5%.

Benefits and pension

There is no change in benefits arrangements for 2025/26. Executive Director pension contributions are aligned with the wider workforce at 6% of salary.

Annual bonus

Maximum opportunity of 200% of salary. As both Executive Directors have achieved their shareholding requirement, 25% of any earned bonus to be used to purchase shares to be held for three years.

For 2025/26 the following metrics will apply:

- 50% PBT;
- 30% operating margin;
- 10% net promoter score; and
- 10% 'Earn and Learn'.

The annual bonus out-turn will be assessed by the Committee at year-end, taking into account performance against the targets and the underlying performance of the business.

Performance Share Plan

Annual awards of 400% of salary for Rob Perrins and 250% for Richard Stearn, with a three-year vesting and two-year post-vesting holding period.

For the 2025/26 cycle, vesting will be based on the ranges as per the table below. In determining these ranges, the Committee has considered internal and external projections, Berkeley's performance vs the sector, and taken account of the capital allocation framework of Berkeley 2035 and the BTR investment profile which will be in its infancy over the FY26 cycle performance period but which aims to add value over the long-term.

	Weighting	Threshold (25% vesting)	Max (100% vesting)
Growth in NAV per share plus dividends	45%	21.5%	27.5%
Cumulative Cash (FY26-FY28)	20%	£1300m	£1550m
ROCE (3-year average)	35%	10%	13%

The PSP out-turn will be assessed by the Committee at the end of the performance period, taking into account performance against the targets and the underlying performance of the business.

Total Remuneration Cap

The Total Remuneration Cap as of 1 May 2025 will be as follows:

	Total Remuneration Cap p.a. (£)
R C Perrins	8,330,000
R J Stearn	3,380,000

Non-Executive Directors

Non-Executive Director fee levels for 2025/26 are as follows:

- Chair: £400k;
- SID fee: £88.5k;
- Basic fee: £72.5k;
- Additional fee for Chair of Committee: £15k;
- Membership of Committee fee (Audit and Remuneration): £5k.

The Committee's remit

The Committee remit includes responsibility for setting and managing the remuneration of Berkeley's Senior Management, in addition to Executive Directors. The Committee's focus is on determining the Remuneration Policy and practices to ensure that the incentives operated by the Company align with its culture and strategy.

The Committee also has oversight of wider workforce pay and policies and incentives, which enables it to ensure that the approach to executive remuneration is consistent with those for the workforce. The Committee is provided with additional information from the Company in order to carry out these responsibilities.

Who supports the Committee?

In determining the Executive Directors' remuneration for the year, the Committee consulted with the CEO, R C Perrins, and the CFO, R J Stearn. No Director played a part in any discussion about their own remuneration. The Company Secretary attended each meeting as Secretary to the Committee.

Ellason LLP has been appointed by the Committee as its independent remuneration advisor. Ellason does not provide any other services to the Company. Ellason is a member of the Remuneration Consultants Group and the voluntary code of conduct of that body is designed to ensure objective and independent advice is given to remuneration committees. Fees of £210,080 (2024: £47,535) were paid to Ellason during the year in respect of advice to the Committee on Directors' remuneration. The Committee is comfortable that the members of the advisory teams who provide remuneration advice have no connections with the Company or its Directors that may impair their independence.

Shareholder support

The results of the shareholder votes on the 2022 Policy at the 2022 AGM and the 2024 Annual Report on Remuneration at the 2024 AGM are set out below.

	Votes For	Votes Against	Votes Withheld ¹
2022 Policy	60.3%	39.7%	10,552,281
2024 Annual Report on Remuneration	92.5%	7.5%	73,132

Notes:

1 A vote withheld is not a vote in law and it is not counted in the calculation of the votes for or against a resolution.

Employment at Berkeley

Fairness, diversity and wider workforce considerations

Our employees are our strongest resource; it is important that we attract, develop and retain talented teams at every level. Each operating company runs personal and professional development programmes and ensures individuals receive the support and training that they need. In the section titled 'Our Vision 2030 progress', on pages 51 to 54, we set out how we are working towards creating a positive working environment for our people; one that fosters respect, support, wellbeing, safety and inclusivity.

The Committee seeks to ensure that pay is fair throughout the Company and makes decisions in relation to the structure of executive pay in the context of the cascade of pay structures throughout the business.

Remuneration across the Company

The Committee carried out a review of key remuneration elements, policies and processes during the 2024/25 financial year, in order to ensure that wider workforce pay and policies were designed to support the Company's desired culture and values.

Directors' Remuneration Report continued

A process was adopted whereby the Committee receives a report periodically from the Company setting out key details of remuneration throughout the Company. Clearly the levels of remuneration and the types offered will vary across the Company depending on the employee's level of seniority and role and also the employee's location. The Committee is not looking for a homogeneous approach; however, when conducting its review, it is paying particular attention to:

- whether the element of remuneration is consistent with the Company's remuneration principles;
- if there are differences, are they objectively justifiable; and
- whether the approach seems fair and equitable in the context of other employees.

Once the Committee has conducted its review of the wider workforce remuneration and incentives it considers the approach applied to the remuneration of the Executive Directors and Senior Management. In particular, the Committee is focused on whether, within the framework set out above, the approach to the remuneration of the Executive Directors and senior management is consistent with that applied to the wider workforce.

The following table sets out a summary of the information received by the Committee.

Element of remuneration	Key areas reviewed and summary of findings
Base salary	We set salaries to ensure that we remain competitive in the market and that levels are appropriate considering roles and responsibilities of individuals. We have also committed to ensuring that all our employees receive at least the voluntary Living Wage as set by the Living Wage Foundation.
Pension	We provide either a contribution to a pension arrangement or a payment in lieu of pension. The maximum pension contribution for the wider workforce is 15% of salary; the average is 6%, the level to which pension contributions for the Executive Directors have been aligned since 31 December 2022.
Benefits	We offer a range of benefits to our employees, including medical insurance.
Bonus	Each business operates a bonus scheme for its employees. For senior employees (other than Executive Directors) elements of the bonus plan are linked to the performance of the relevant Division and are deferred to ensure performance over the long-term and to provide lock-in.
LTOP	A number of senior individuals participate in the LTOP, on largely similar terms to those for the Executive Directors.
Medium-term incentives	In addition, medium-term incentive schemes are in place for some staff below Executive Director level.

In conducting the review process for wider workforce remuneration for the coming financial year, and recognising the ongoing cost of living pressures, the Company focused reviews on lower salary levels and young talent, and exhibited restraint at higher salary levels.

The Committee is satisfied that:

- all employees are treated consistently and that the context and knowledge shared with the Committee is a useful underpin to ensure that the Committee's future decision making around Executive Director's and senior management's pay supports fair and equal remuneration;
- salary increases for employees across the Company are being applied on an equitable basis, and that average employee increases are considered when setting pay increases for both the Executive Directors and Non-Executive Directors;
- our levels of variable pay continue to be linked to the achievement of stretching performance targets and a strong governance framework, and all employees have the ability to share in the success of the Company. The incentive approach applied to the Executive Directors aligns with the wider Company policy on incentives, which is to have a higher percentage of at risk performance pay for more senior employees and to increase the amount of incentive deferred, provided in equity and/or measured over the longer term for more senior employees; and
- overall the wider workforce pay policies and practices for all employees are in line with the remuneration principles, and the approach to Executive Director remuneration aligns with wider Company pay policy and that there are no anomalies specific to the Executive Directors.

Gender pay gap reporting

The median pay gap for Berkeley is 31.0%.

We acknowledge the existence of a gender pay gap. Our mean and median gender pay gaps have decreased by more than 20% since we began reporting in 2017.

Like much of our industry, this is primarily driven by the shape of our workforce, with a lower proportion of women in senior, higher paid roles, and more women occupying junior, lower paid roles. This has been slowly improving year on year since we began reporting in 2017.

In addition, the pay gap is shaped by Berkeley's strategy for procurement whereby construction labour (roles typically filled by men) is procured through subcontractor packages rather than directly employed labour; this results in fewer men occupying junior, lower paid roles.

The shape of our workforce also impacts our bonus gap, with our senior executives participating in the Company's Long-Term Incentive Plans.

How we are improving diversity, fairness and equality across our organisation

We are committed to paying for performance equally and fairly and rewarding and retaining our best people. We believe there are real benefits in ensuring diverse views, skills and perspectives which can lead to creative thinking and more effective problem solving. We remain committed to creating an engaged and inclusive environment and seeking to attract and retain a diverse workforce.

The proportion of women in our business varies across our teams, with a high or growing number of women in a range of roles, including people functions, sustainability, sales and marketing and finance. However, within the production areas of the business, women are still underrepresented; this includes our construction teams on site, together with supporting functions such as commercial, procurement and health and safety.

We are taking steps to increase the proportion of women within Berkeley as a whole, focusing on our emerging talent programmes and appropriate representation within the recruitment process for experienced roles. There is also the desire in the Group to promote from within and therefore provide increased opportunities for career progression within the organisation and to more senior roles over the long-term. Central to this is the creation of a positive working environment — one that promotes respect, support, wellbeing, safety, and inclusivity for all our people.

Employee experience

This area of our long-term business strategy places a specific focus on several areas, including employee experience and diversity and inclusion. Over the past year we have continued to develop our approach to EDI for everyone working in the Berkeley Group. We have focused on, and continue to drive, a range of actions across the business to help drive change.

Strong leadership to support diversity

Our Main Board meets the recommendations of the Hampton-Alexander Review to help increase the representation of women on boards. Currently 44% of Berkeley's Board of Directors are female, including our Senior Independent Director.

Each member of our Executive Director team is responsible for our approach to EDI and encouraging senior leadership support within our autonomous businesses for all aspects of its implementation.

We committed to increasing the representation of women in management positions to 33% by 2026, ensuring greater alignment with our overall workforce. This target has already been reached, with women currently making up 35% of our people managers, and this number has been increasing year on year. Currently, 40% of our colleagues are female.

Setting the tone at a leadership level is key to creating a culture where everyone can thrive; our Leadership Competency Framework clearly outlines the importance of our management staff in creating an inclusive environment.

This year we have reinforced our commitment to EDI at a senior level, underpinned by training on behaviours in the workplace, including all directors. Our Group values – and particularly respect for people – are used within both Group-wide and local communication to support expected behaviours within the workplace.

Many of our autonomous management teams have also had specific training on EDI within the period. For example, the East Thames management team has had detailed training to provide an enhanced awareness of EDI challenges and opportunities and practical ways to understand and embrace inclusive leadership behaviours. In addition, each individual also received one to one EDI coaching sessions to discuss areas they would personally like to develop.

Directors' Remuneration Report continued

People policy and practices

In 2024/25 we enhanced our maternity leave policy (increasing fully paid leave from three to six months), with the view of attracting more women and retaining a more diverse pool of talent.

Within the past year we have also introduced a new Menopause Plan to supplement the existing suite of health and wellbeing benefits, so women can get tailored menopause support and feel confident about managing symptoms.

We are an industry that relies on site presence for construction and sales and face-to-face working to solve complex problems with a variety of stakeholders, often with early starts and tight deadlines to meet. We operate core working hours to enable people to flex their day to meet their needs. Our autonomous businesses implement agile working policies locally. This year, autonomy – measured by whether people feel they have control over how they carry out their work – saw the largest increase in score in our employee survey.

Employee engagement and sentiment

Our 2024 employee survey gave insight into how men and women feel working at Berkeley, and how employees perceive Berkeley's efforts to maintain a diverse workforce and create an inclusive environment. We were pleased to see overall increases in engagement and diversity scores across the business. Women feel more supported by their managers and have more healthy peer relationships.

Ambassadors to champion Fairness, Inclusion and Respect

We support the built environment sector's Fairness, Inclusion and Respect (FIR) programme, which provides training and resources on EDI. This year we have increased the number of FIR Ambassadors across the business, ensuring we have a network of individuals who can help us to improve workplace culture day-to-day within their teams. We also continue to promote the use of the FIR resources to our supply chain. Within St George FIR toolbox talks have been carried out on all construction sites and we also raised awareness with 100 of our key contractors at our Supply Chain conference in autumn 2023.

Employing best practice recruitment practices

Attracting and recruiting more women into our business is a crucial step in addressing the gender gap and fostering a culture where everyone can thrive. We are actively enhancing our proactive outreach, partnerships, and recruitment strategies to ensure that talented women see Berkeley Group as a place where they can build successful careers and make a lasting impact.

Developing women in the business

All of our autonomous businesses run leadership programmes to develop the leaders of the future. Typically these include workshops on key skills together with mentoring and coaching. To supplement this, we are committed to an industry-wide programme for women developed and run by The Circle Partnership.

The Mentoring Circle was established to increase and promote female talent retention in the built environment, through mentoring, networking and leadership development. In 2024 10 women from Berkeley successfully completed the programme out of a total of 100 participants across the Real Estate industry. We have now committed to at least three years of the programme, with 13 women joining in 2025.

Recognising that this detailed programme for women is only available to a small number each year, this year we are piloting a bespoke programme in St James. This has been designed by The Circle Partnership to empower and support the growth of women within our business, with five modules tailored specifically to women covering content such as confidence and authenticity, understanding leadership, and communicating with impact.

Celebrating women within the business

We remain committed to fostering networking and discussions on how women thrive in the workplace. Building on the success of last year's International Women's Day event, we brought together another 250 colleagues from across our divisions to celebrate, inspire, and connect female talent. This event provided a fantastic platform to highlight ongoing initiatives to empower women and reinforce our commitment to creating a workplace where everyone feels a sense of belonging. The event included a panel session to hear about the experience of women working in different roles and we also used a photo gallery and videos to showcase and share the stories of women within our business.

Taking action locally

Our autonomous businesses run networks for women and allies. Their actions range from delivering training on key areas such as imposter syndrome and public speaking, to more practical items such as expanding the range of women's PPE and sales uniforms, alongside networking events, workshops and socials. Additionally, they have focused on topics such as supporting women returning to work after maternity leave, ensuring they have the guidance and tools needed for a smooth transition.

Skills and training

Our second strategic priority under Our Vision 2030 focuses on 'Future Skills', looking at how we can create tangible long-term change within the industry and inspire a broad range of people to join the built environment sector.

Bringing in the next generation of talent

Our emerging talent programmes, such as graduate and apprenticeship pathways, offer an opportunity to bring a diverse range of people into the business and to train them to become the next generation of leaders. Success in this area will help us to make long-term lasting changes to our teams, and the wider industry. This will naturally take a period of time but we are investing for the long term.

Our programmes continue to target a balanced intake each year. We use an anonymised application form to level the playing field for all early careers applications. By eliminating bias and emphasising skills and potential, we've been able to identify individuals who truly align with the roles we offer. This approach has helped us to recruit more females into the industry; more than 50% of graduate offers this year are to females.

Inspiring people to join the built environment sector

In line with our continued work in local communities, we have continued to engage with young people in schools. We have worked with Spark! to offer tailored support and mentoring to ensure young women receive the best possible careers education in their local area, in addition to attending numerous schools and trusts to network with young women and educate them about careers in construction.

Signed on behalf of the Board

Natasha Adams

Chair of the Remuneration Committee
20 June 2025

Directors' Report

The Directors submit their report together with the audited Consolidated and Company Financial Statements for the year ended 30 April 2025.

For the purpose of Disclosure Guidance and Transparency Rule (DTR) 4.1.8R, the Directors' Report is also the Management Report for the year ended 30 April 2025.

Certain information that is relevant to this report, including information required in accordance with the Companies Act 2006, the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), DTR 4.1.8R, DTR 7, UK Listing Rule (UKLR) 9.3.3R and UKLR 6.6.1R can be found in the Strategic Report and the Corporate Governance section of this Annual Report, as detailed in each case below, and is thereby incorporated by reference into this report.

The following information in respect of UKLR 6.6.1R can be located in the following sections:

Information	Section in Annual Report	Pages
Capitalised interest	Directors' Report	163
Unaudited financial information	-	N/A
Long-term incentive schemes	Remuneration Report	126-159
Waiver of Directors' emoluments	Remuneration Report	126-159
Allotments of equity securities	-	N/A
Contracts of significance	Directors' Report	163
Controlling shareholders	-	163
Dividend waivers	Directors' Report	161

The Corporate Governance section on pages 92 to 159 forms part of the Directors' Report.

The Company's statement of how it has applied the Principles of the Code and complied with the relevant provisions of the Code is set out on pages 95, 122 and 136 of this report.

A full review of the business, its development, performance and position at the year end, together with information in respect of important events and likely future developments, as required by DTR 4.1.8R, is set out on pages 16 to 31 of the Strategic Report and is incorporated into this report by reference.

Financial risk management and financial instruments

The Company has not used financial instruments during the year under review. Information in respect of the principal financial and operating risks and uncertainties relating to the business, including the Group's financial risk management objectives and policies and its exposure to liquidity, foreign currency, interest rate, price and credit risks, is set out on pages 78 to 91 of the Strategic Report and in Note 2.24 of the Consolidated Financial Statements, and is incorporated into this report by reference.

Dividends

An interim dividend of 33 pence per share was paid to shareholders on 27 June 2024. A special dividend of 174 pence per share was paid to shareholders on 20 September 2024 and a further interim dividend of 33 pence per share was paid on 25 March 2025.

Post Balance Sheet events

There are no post Balance Sheet events that require disclosure.

Share capital

As at 30 April 2025, the Company had 107,372,287 ordinary shares of 5.6110477936 pence each in issue (2024: 114,711,897 ordinary shares of 5.4141 pence each), which are fully paid.

The share capital of the Company was reduced by 3.51% as a result of the share consolidation undertaken in the year. The share consolidation involved the reduction in the total number of ordinary shares in issue by the consolidation of the existing ordinary shares, with the nominal value of 5.4141 pence each into a smaller number of new ordinary shares, each at a nominal value of 5.6110477936 pence. See note 2.19 of the Consolidated Financial Statements.

During the year to 30 April 2025, and in accordance with the authority provided by shareholders at the 2023 and 2024 AGMs, the Company has purchased through the market for cancellation 3,320,898 ordinary shares with a nominal value of £18,633,717, which equated to 3.09% of the called-up share capital of the Company immediately following the share consolidation in the year, excluding treasury shares. The aggregate consideration paid for these shares was £129.7 million.

As at 30 April 2025, the Company held 8,305,936 shares in treasury. These shares have no voting rights. Authority will be sought from shareholders at the forthcoming AGM to renew the authority given at the 2024 AGM for a further year, permitting the Company to purchase its own shares in the market up to a limit of 10% of its issued share capital.

The business of the Company shall be managed by the Directors, who may exercise all the powers of the Company subject to the provisions of the Company's Articles of Association (the 'Articles') and statutes, and to such directions as may be given by the Company in general meeting by special resolution, provided that no such direction or alteration of the Articles shall invalidate any prior act of the

Directors which would have been valid if such direction or alteration of the Articles had not been given. Further details of Directors' powers are set out in the Articles.

At the Company's 2024 AGM, Directors were authorised to allot shares or grant rights to subscribe for, or convert, any security into shares up to an aggregate nominal amount of £1,907,729.34 and to allot shares for a similar aggregate nominal amount for the purposes of a rights issue.

The Directors were further authorised to disapply statutory pre-emption rights in connection with certain allotments of shares. These authorities will apply until the conclusion of the 2025 AGM and it is proposed that shareholders will be asked to authorise the Directors to allot shares and disapply statutory pre-emption rights at the 2025 AGM.

Movements in the Company's share capital are shown in note 2.19 to the Consolidated Financial Statements.

All the Company's issued share capital is publicly listed on the London Stock Exchange.

All shares have full rights in the Company with respect to voting, dividends and distributions, except as explained above in respect of treasury shares. Further information in respect of the rights and obligations attaching to the ordinary shares are set out in the Articles.

There are no specific restrictions on the size of a shareholding or on the transfer of shares, which are both governed by the Articles and the prevailing law. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of shares or on voting rights.

No person has special rights of control over the Company's share capital.

Information on the Group's share option schemes is set out in note 2.5 to the Consolidated Financial Statements. Details of the Long-Term Incentive Schemes and Long-Term Incentive Plans for key Executives are set out within the Directors' Remuneration Report on pages 126 to 159.

Articles of Association

The Articles set out the basic management and administrative structure of the Company. They regulate the internal affairs of the Company and cover such matters as the issue and transfer of shares, Board and shareholder meetings, powers and duties of Directors and borrowing powers. In accordance with the Articles, Directors can be appointed or removed by shareholders in a general meeting.

The Articles may only be amended by special resolution at a general meeting of shareholders. The Articles are available on the Company's website (www.berkeleygroup.co.uk/investors/corporate-governance). Copies are available by writing to the Company Secretary and are also open to inspection at Companies House.

Directors

The Directors of the Company, their profiles and details of their roles and the Committees of which they are members are detailed on pages 96 to 99 and are incorporated into this report by reference. The Directors served throughout the year under review and up to the date of this report.

The appointment and replacement of Directors is governed by the Company's Articles, the Code, the Companies Act 2006 and any related legislation. The Company, by ordinary resolution, or the Directors may from time to time appoint a Director to fill a casual vacancy or as an additional Director. Any Director so appointed shall hold office only until the next AGM and shall then be eligible for reappointment.

The Articles require Directors to submit themselves for re-election every three years. However, in accordance with UK Corporate Governance Code, each of the Directors is subject to annual re-election at the AGM and is being unanimously recommended by all the other members of the Board.

The interests of the Directors and their connected persons in the share capital of the Company and its subsidiaries are set out on page 150. At 30 April 2025 each of the Executive Directors was deemed to have a non-beneficial interest in 46,062 (2024: 56,116) ordinary shares held by the Trustees of the Berkeley Group Employee Benefit Trust (EBT). The shares held in the EBT rank pari passu with all other shares in issue. However, the Trustees of the EBT has waived entitlement to dividends until further notice and has agreed not to vote on any shares held in the EBT at any general meeting.

There were no contracts of significance during, or at the end of, the financial year in which a Director of the Company is, or was, materially interested, other than those set out in note 2.26 to the Consolidated Financial Statements, the contracts of employment of the Executive Directors, which are terminable within one year, and the appointment terms of the Non-Executive Directors, which are renewable annually and terminable on one month's notice.

Directors' Report continued

Directors' indemnities

The Company maintains Directors' and officers' liability insurance which provides appropriate cover for legal action brought against its Directors.

The Company's practice has always been to indemnify its Directors in accordance with the Company's Articles and to the maximum extent permitted by law. Qualifying third-party indemnities, under which the Company has agreed to indemnify the Directors, were in force during the financial year and at the date of approval of the Financial Statements, in accordance with the Company's Articles and to the maximum extent permitted by law, in respect of all costs, charges, expenses, losses and liabilities which they may incur in or about the execution of their duties for the Company, or any entity which is an associated company (as defined in Section 256 of the Companies Act 2006), or as a result of duties performed by the Directors on behalf of the Company or any such associated company.

Annual General Meeting

The Company's AGM will take place at 11.00 a.m. on 5 September 2025. Details of the AGM and arrangements for engagement with shareholders will be set out within the Notice of Meeting.

In accordance with the FRC Guidance on Board Effectiveness, the Company arranges for the Annual Report and Accounts and related papers to be posted to shareholders so as to allow at least 20 working days for consideration prior to the AGM.

At the AGM, voting on all resolutions will be by proxy voting and the results of the AGM will be announced to the Stock Exchange shortly after the close of the meeting. They will also be made available on the Company's website.

The terms and conditions of appointment for the Non-Executive Directors, which set out their expected time commitment, in addition to the service contracts for the Executive Directors, are available for inspection during normal business hours at the Company's registered office. Ordinarily, these are also available for inspection at the AGM.

The Directors are responsible for preparing the Annual Report and the Group and Parent Company Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company Financial Statements for each financial year. Under that law they are required to prepare the Group Financial Statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the Parent Company Financial Statements in accordance with UK accounting standards and applicable law, including FRS 101 Reduced Disclosure Framework.

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the Group's profit or loss for that period. In preparing each of the Group and Parent Company Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable and prudent;
- for the Group Financial Statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the Parent Company Financial Statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Parent Company Financial Statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its Financial Statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

In accordance with Disclosure Guidance and Transparency Rule ("DTR") 4.1.16R, the financial statements will form part of the annual financial report prepared under DTR 4.1.17R and 4.1.18R. The auditor's report on these financial statements provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

Substantial shareholders

	Number of ordinary shares held ⁽ⁱ⁾	% of voting rights ⁽ⁱ⁾
The latest notifications received by the Company from shareholders in respect of their interests, pursuant to DTR 5, as at 30 April 2025 are as follows:		
BlackRock	6,600,867	5

(i) The number of ordinary shares held and percentage of voting rights is as stated by the shareholder at the time of notification.

Between 30 April 2025 and the date of this report, the Company was not notified by a shareholder of any change pursuant to DTR 5.

Political donations

The Group did not make any political donations or incur any political expenditure (2024: £nil) during the year.

Capitalised interest

No interest has been capitalised by the Group (2024: £nil) during the year under review.

Significant agreements

Pursuant to the Companies Act 2006, the Company is required to disclose whether there are any significant agreements that take effect, alter or terminate upon a change of control.

Change of control provisions are included as standard in many types of commercial agreements, notably bank facility agreements and joint venture shareholder agreements, for the protection of both parties.

Such standard terms are included in Berkeley's bank facility agreement which contains provisions that give the banks certain rights upon a change of control of the Company.

In addition, the Company's share schemes contain provisions which take effect upon change of control. These do not entitle the participants to a greater interest in the shares of the Company than that created by the initial grant of the award. The Company does not have any arrangements with any Director or employee that provide compensation for loss of office or employment resulting from a takeover.

Stakeholder engagement

The Company recognises the importance of good supplier, customer and other relationships to the overall success of the business and manages dealings with stakeholders in a fair, consistent and transparent manner.

The Company's s172(1) Statement on page 76 of the Strategic Report sets out further details of how the Directors have:

- engaged with employees;
- had regard to employee interests and the effect of that regard, including on the principal decisions taken by the Company during the year; and
- had regard to the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regard, including on the principal decisions taken by the Company during the year.

Employee engagement

The Group's policy of operating through autonomous subsidiaries has ensured close consultation with employees on matters likely to affect their interests. The Group is firmly committed to the continuation and strengthening of communication lines with all its employees.

Further information is provided on pages 51 to 54 of the Strategic Report.

The Group has in place an Equality and Diversity Policy Statement, an Employee Policy and Equal Opportunities Policy in addition to Sexual Harassment and Workplace Bullying and Harassment Policies which aim to ensure that all employees, potential employees and other individuals receive equal treatment (including access to employment, training, career development and opportunity for promotion) regardless of their age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief (including lack of belief), sex and sexual orientation.

Directors' Report continued

Scopes 1 and 2 greenhouse gas emissions and energy consumption

The Group has reported on greenhouse gas (GHG) emissions for which it is responsible and energy use associated with these GHG emissions, as required under the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, as amended by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The emissions and energy consumption disclosed are aligned to the Group's financial reporting year; are based on the operational boundary of the Group covering regional offices, sales suites, development sites and business vehicle travel; include 100% of joint venture emissions for these activities; and are considered material to the business. They have the following parameters:

- Scope 1 – direct emissions from natural gas consumed for office, sales and development site activities; biodiesel HVO (Hydrotreated Vegetable Oil), diesel, petrol and liquefied petroleum gas (LPG) purchased directly for development site activities; and travel (business and other travel where expensed) in Company owned and Company leased vehicles utilising conventional fuels as an energy source. Fugitive emissions from refrigerants are also included.

- Scope 2 – indirect emissions from electricity and heat consumed for office, sales and development site activities; and travel (business and other travel where expensed) in Company owned and Company leased vehicles utilising electricity as an energy source. The Group has reported both location-based and market-based emissions for scope 2, with the market-based emissions taking into account Berkeley's purchase of Renewable Energy

Guarantees of Origin (REGOs) to certify that 100% of UK electricity is from a renewable source (i.e. solar, wind or hydro power).

Emissions intensity ratios have been calculated using the floor area of legally completed homes and commercial space during the year, including our joint ventures.

The Group creates homes and neighbourhoods across London, Birmingham and the South of England. As a result, the majority of emissions and energy consumption are UK-based. Global emissions and energy consumption result from electricity usage in eight international offices.

In addition to the emissions reported in the table on page 165 in 2025 biogenic CO₂ (considered 'outside of scopes') amounted to 1,903 tCO₂.

UK Government Environmental Reporting Guidelines 2019 have been used as the basis for disclosures. UK Government GHG Conversion Factors for Company Reporting and International Energy Agency conversion factors have been used to convert raw data units into GHG emissions and energy consumption.

The Directors confirm that reported GHG emissions and energy consumption have been prepared in accordance with the Group's established reporting criteria, are free from material misstatement and have been presented in a manner that provides relevant, reliable, comparable and understandable information.

Further details on our methodology for reporting emissions and energy consumption can be found in our established reporting criteria available at www.berkeleygroup.co.uk/sustainabilitydisclosures.

A range of actions have been implemented in the year to reduce energy consumption and emissions, including the installation of solar photovoltaic (PV) panels to power construction activities at our Bow Green development

site and the refurbishment of our Imperial Wharf divisional office to improve the energy efficiency of operating systems.

Following the completion of energy audits in 2024 that were compliant with the Energy Savings Opportunity Scheme (ESOS), this year we have shared the recommendations across the business and developed an energy reduction action plan. A key focus has been on addressing out of hours energy usage, particularly through the use of enhanced energy monitoring and real-time consumption alerts.

We have continued to encourage the use of sustainably sourced biodiesel HVO (Hydrotreated Vegetable Oil). The use of this alternative fuel has reduced scope 1 emissions by 564 tCO₂ in the year compared to an equivalent use of fossil diesel.

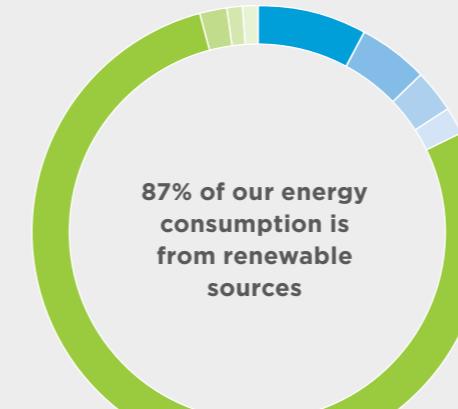
GHG Emissions by Scope



	Unit	2025			2024		
		Total	UK (excluding UK)	Global	Total	UK (excluding UK)	Global
Scope 1 emissions	tCO ₂ e	582 ^A	582	–	609	609	–
Scope 2 (location-based) emissions	tCO ₂ e	4,445 ^A	4,246	199	4,636	4,425	211
Scope 2 (market-based) emissions	tCO ₂ e	314 ^A	115	199	308	97	211
Scopes 1 and 2 (location-based) emissions	tCO ₂ e	5,027 ^A	4,828	199	5,245	5,034	211
Scopes 1 and 2 (location-based) emissions intensity	tCO ₂ e/100sqm	1.57	–	–	1.71	–	–
Scopes 1 and 2 (market-based) emissions	tCO ₂ e	896 ^A	697	199	917	706	211
Scopes 1 and 2 (market-based) emissions intensity	tCO ₂ e/100sqm	0.28	–	–	0.30	–	–
Energy consumption associated with scope 1 emissions	MWh	4,658 ^A	4,658	–	5,665	5,665	–
Energy consumption associated with scope 2 emissions	MWh	21,087 ^A	20,723	364	21,840	21,470	370
Energy consumption associated with scopes 1 and 2 emissions	MWh	25,745 ^A	25,381	364	27,505	27,135	370

^A 2025 information has been separately subject to limited assurance by KPMG LLP. Further details of the assurance provided in 2025, including the independent assurance report and our methodology for reporting emissions, can be found at www.berkeleygroup.co.uk/sustainabilitydisclosures

Energy Consumption by Fuel Type



Scope 1

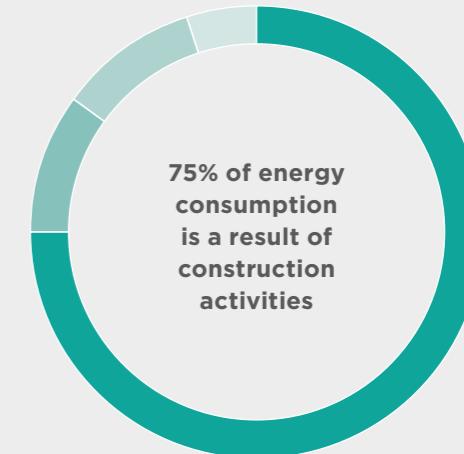
● Biodiesel HVO	8%
● Vehicle Travel	5%
● Natural Gas	3%
● Diesel	2%
○ LPG	0%
○ Petrol	0%

Scope 2

● Purchased Electricity – UK	78%
● Purchased Heat	2%
● Purchased Electricity – Global exc UK	1%
● On-site Generated Renewable Electricity	1%
○ Electric Vehicle Travel	0%

Renewable energy sources

Energy Consumption by Activity Type



Directors' Report continued

Sustainability

The Group is committed to being a responsible and sustainable business which thinks about the long-term and creates positive environmental, social and economic impacts. These aspects are considered in the Group's approach to managing its operational activities and in the homes and places it develops.

The Group has an integrated responsible business strategy: Our Vision 2030. Sustainability is a key element of the Group's strategy with three priority focus areas and underlying targets directly relating to material sustainability topics; Climate Action, Nature and Communities. Information on Our Vision 2030 can be found within the Strategic Report and on the Group's website.

The Directors have ultimate responsibility for sustainability within the Group. The Our Vision 2030 and Sustainability Board, which meets monthly to set strategic direction and review performance, consists of the Chief Executive, the Chief Financial Officer, the Chief Operating Officer, the Executive Committee member responsible for sustainability, the Responsible Business Executive and the Group Head of Sustainability. Dedicated operational practitioners work throughout the business to ensure that sustainability is incorporated into daily activities. Group Sustainability Standards cover our activities, supported by detailed procedures within a Sustainability Management System.

Independent auditor and disclosure of information to auditor

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

Going concern

The Group's business activities together with the factors likely to affect its future development performance and position are set out in the Strategic Report. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are all described in the Trading and Financial Review on pages 29 to 31.

The Directors have assessed the business plan and future funding requirements of the Group over the medium-term and compared these with the level of committed loan facilities and existing cash resources. As at 30 April 2025, the Group has net cash of £337.3 million and total liquidity of £1.5 billion when this net cash is combined with banking facilities of £800 million, (which expire in February 2029) and £400 million listed Green Bonds (which mature in August 2031). Furthermore, the Group has cash due on forward sales of £1,403 million, a significant amount of which covers delivery for the next 18 months.

In making this assessment, consideration has been given to the uncertainty inherent in future financial forecasts and where applicable, reasonable sensitivities have been applied to the key factors affecting the financial performance of the Group. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for not less than 12 months from the date of these Financial Statements. For this reason, it continues to adopt the going concern basis of accounting in preparing its Consolidated Financial Statements.

By order of the Board

Victoria Mee
Company Secretary
The Berkeley Group Holdings plc

Registered number: 5172586
20 June 2025

Directors' responsibility statement

Each of the Directors confirms that, to the best of each person's knowledge:

- the Consolidated Financial Statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole;
- the Company Financial Statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities, financial position and results of the Company; and
- the Strategic Report, together with the Directors' Report, includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces, including those that would threaten its business model, future performance, solvency or liquidity.

For and on behalf of the Board

R Perrins
Chief Executive

R J Stearn
Chief Financial Officer
20 June 2025

Financial Statements

Pages 168 to 237



FINANCIAL STATEMENTS

- 170 | Independent Auditor's Report
- 186 | Consolidated Income Statement
- 186 | Consolidated Statement of Comprehensive Income
- 187 | Consolidated Statement of Financial Position
- 188 | Consolidated Statement of Changes in Equity
- 189 | Consolidated Cash Flow Statement
- 190 | Notes to the Consolidated Financial Statements
- 230 | Company Balance Sheet
- 231 | Company Statement of Changes in Equity
- 232 | Notes to the Company Financial Statements
- 236 | Five Year Summary
- 237 | Financial diary
- 237 | Registered office and advisors



TwelveTrees Park

At TwelveTrees Park we are transforming a derelict 12-acre logistics site into a sustainable mixed-use neighbourhood with over 4,700 homes, a new entrance to West Ham Tube station, commercial space, a secondary school and a 4.5-acre public park.

KPMG LLP's Independent Auditor's Report

To the members of The Berkeley Group Holdings plc

1. Our opinion is unmodified

In our opinion:

- the financial statements of The Berkeley Group Holdings plc give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 April 2025, and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; and
- the Group and Parent Company financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

What our opinion covers

We have audited the Group and Parent Company financial statements of The Berkeley Group Holdings plc ("the Company") for the year ended 30 April 2025 (FY25) included in the Annual Report, which comprise:

Group	Parent Company (The Berkeley Group Holdings plc)
Consolidated Income Statement, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Cash Flow Statement and notes 1 to 2.27 to the Group financial statements, including the accounting policies in notes 1 to 2.27.	Company Balance Sheet, Company Statement of Changes in Equity and notes C1 to C2.9 to the Parent Company financial statements, including the accounting policies in notes C1 to C2.9.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion and matters included in this report are consistent with those discussed and included in our reporting to the Audit Committee ("AC").

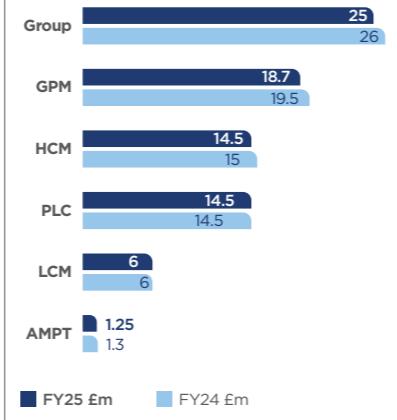
We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities.

2. Overview of our audit

Key Audit Matters	Vs FY24	Item
Cost of sales recognition	◀ ➡	4.1
Post completion development provisions	◀ ➡	4.2
Recoverability of the Parent Company's investment in subsidiaries	◀ ➡	4.3
Factors driving our view of risks		
Our risk assessment considers the Group's operations, the macro-economic and other external factors which impact the judgements and estimates made by the Group. Having considered these external factors, we have identified the same key audit matters as in the prior year, except in respect of the Parent Company key audit matter as described below.		
Cost of sales is subject to estimation uncertainty as it is dependent on the Group's estimate of future sales prices and land and build costs, including an allowance for risk. However, the risk has not been significantly impacted by changes in the macro-economic environment during FY25.		
Post completion development provisions are estimates based on historical experience of liabilities arising on completed developments and have a high level of estimation uncertainty. There have been no significant changes in the macroeconomic environment or regulatory framework during the year that would materially affect these estimates. As a result, the provisions remain broadly stable.		
Recoverability of the Parent Company's investment in subsidiaries remains our focus in the audit of the Parent Company, The Berkeley Group Holdings plc, due to its materiality in the context of the Parent Company's financial statements.		
We have not considered the recoverability of amounts due from the Parent company's indirect subsidiaries as a key audit matter this year as, following our risk assessment procedures, we have determined that this is not an area with a significant impact on our audit of the Parent Company, therefore, it is not separately identified in our report this year.		
Audit committee interaction		
During the year, the AC met four times. KPMG is invited to attend all AC meetings and are provided with an opportunity to meet with the AC in private sessions without the Executive Directors being present. For each Key Audit Matter, we have set out communications with the AC in section 4, including matters that required particular judgement for each.		
The matters included in the Audit Committee Chair's report on pages 122 and 123 are materially consistent with our observations of those meetings.		

Independent Auditor's Report continued

To the members of The Berkeley Group Holdings plc

Our independence	<p>We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities.</p> <p>We have not performed any non-audit services during FY25 or subsequently which are prohibited by the FRC Ethical Standard.</p> <p>We were first appointed as auditor by the directors for the year ended 30 April 2014. KPMG were reappointed as external auditors in FY24 following a competitive tender process. The period of total uninterrupted engagement is for the 12 financial years ended 30 April 2025.</p> <p>The Group engagement partner is required to rotate every five years. As these are the fourth set of the Group's financial statements signed by Anna Jones, she will be required to rotate off after the FY26 audit.</p>	<table border="1"> <tr> <td>Total audit fee</td><td>£1.6m</td></tr> <tr> <td>Audit related fees (including interim review)</td><td>£0.1m</td></tr> <tr> <td>Other services</td><td>£0.1m</td></tr> <tr> <td>Non-audit fee as a % of total audit and audit related fee %</td><td>6%</td></tr> <tr> <td>Date first appointed</td><td>27 November 2013</td></tr> <tr> <td>Uninterrupted audit tenure</td><td>12 years</td></tr> <tr> <td>Next financial period which requires a tender</td><td>2034</td></tr> <tr> <td>Tenure of Group engagement partner</td><td>4 years</td></tr> </table>	Total audit fee	£1.6m	Audit related fees (including interim review)	£0.1m	Other services	£0.1m	Non-audit fee as a % of total audit and audit related fee %	6%	Date first appointed	27 November 2013	Uninterrupted audit tenure	12 years	Next financial period which requires a tender	2034	Tenure of Group engagement partner	4 years	Group scope (Item 7 below)	<p>We have performed risk assessment procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements, what audit procedures to perform at these components and the extent of involvement required from our component auditors to address those risks.</p> <p>Of the Group's 16 reporting components, we identified 5 as quantitatively significant components and 3 as requiring special audit consideration owing to Group risks related to cost of sales recognition and post completion development provisions. One component was selected for audit procedures relating to significant borrowings contributing to specific RMMs of the Group financial statements.</p> <p>The components within the scope of our work accounted for the percentages illustrated opposite.</p>	<p>Our audit procedures covered 100% of Group revenue.</p> <p>We performed audit procedures in relation to components that accounted for 93% of Group profit before tax and 98% of Group total assets.</p>					
Total audit fee	£1.6m																									
Audit related fees (including interim review)	£0.1m																									
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Non-audit fee as a % of total audit and audit related fee %	6%																									
Date first appointed	27 November 2013																									
Uninterrupted audit tenure	12 years																									
Next financial period which requires a tender	2034																									
Tenure of Group engagement partner	4 years																									
Materiality (Item 6 below)	<p>The scope of our work is influenced by our view of materiality and our assessed risk of material misstatement.</p> <p>We have determined overall materiality for the Group financial statements as a whole at £25.0m (FY24: £26.0m) and for the Parent Company financial statements as a whole at £14.5m (FY24: £14.5m).</p> <p>Consistent with FY24, we determined that Group profit before taxation remains the benchmark for the Group as the users of the financial statements will be primarily interested in the profitability of the Group and its ability to generate returns for shareholders. As such, we based our Group materiality on Group profit before taxation, of which it represents 4.7% (FY24: 4.7%).</p> <p>Materiality for the Parent Company financial statements was determined with reference to a benchmark of Parent Company total assets of which it represents 0.7% (FY24: 0.8%).</p>	Materiality levels used in our audit  <table border="1"> <tr> <td>Group</td> <td>FY25 £m</td> <td>FY24 £m</td> </tr> <tr> <td>GPM</td> <td>25</td> <td>26</td> </tr> <tr> <td>HCM</td> <td>18.7</td> <td>19.5</td> </tr> <tr> <td>PLC</td> <td>14.5</td> <td>14.5</td> </tr> <tr> <td>LCM</td> <td>14.5</td> <td>14.5</td> </tr> <tr> <td>AMPT</td> <td>6</td> <td>6</td> </tr> <tr> <td></td> <td>FY25 £m</td> <td>FY24 £m</td> </tr> </table> <p>Group Materiality GPM Group Performance Materiality HCM Highest Component Materiality PLC Parent Company Materiality LCM Lowest Component Materiality AMPT Audit Misstatement Posting Threshold</p>	Group	FY25 £m	FY24 £m	GPM	25	26	HCM	18.7	19.5	PLC	14.5	14.5	LCM	14.5	14.5	AMPT	6	6		FY25 £m	FY24 £m	The impact of climate change on our audit	<p>In planning our audit, we considered the potential impact of climate change on the Group's business and its financial statements.</p> <p>The Group's core activities of designing, building, and selling new homes is a carbon intensive process. This includes developing large-scale regeneration projects to transform mainly brownfield sites into new homes and communal spaces by using heavy machinery to demolish existing structures and constructing new buildings using carbon intensive materials, such as steel and concrete. The Group emits greenhouse gases directly from energy used in its construction operations.</p>	<p>As part of the Group's Our Vision 2030, the Group has set targets of reducing greenhouse gas emissions and becoming a net zero business by 2045. Whilst the Group has set targets to be carbon neutral by 2045, the full impact on its cost base and on cash flows are inherently uncertain and the Group's assessment continues to evolve. Further information is provided in the Strategic Report on pages 48 and 49 and the Group's climate-related disclosures on pages 58 to 75 of the annual report.</p>
Group	FY25 £m	FY24 £m																								
GPM	25	26																								
HCM	18.7	19.5																								
PLC	14.5	14.5																								
LCM	14.5	14.5																								
AMPT	6	6																								
	FY25 £m	FY24 £m																								
				<p>Climate change initiatives and commitments could impact the Group's future cash flows, particularly the forecasts of future build costs: for example, in relation to materials, new building technologies, regulatory changes, and changes in specifications. The potential effect of climate on build costs in the future is not separately identifiable and the full extent is uncertain. Our work on the forecasts of future build costs as they apply to the estimates of the cost of sales recognition is discussed in our cost of sales recognition key audit matter.</p> <p>As part of our audit, we have performed a risk assessment, including enquiries of Group and divisional management to understand how the impact of commitments made by the Group in respect of climate change, as well as the physical or transition risks of climate change, may affect the financial statements and our audit.</p> <p>Our risk assessment procedures also included comparing operational plans for the Group's existing climate related initiatives, such as the installation of air source heat pumps and EV charging points on sites, to the Group's forecast of future build costs.</p> <p>We have also read the Group's disclosure of climate related information in the front half of the annual report and considered consistency with the financial statements and our audit knowledge.</p>	<p>02-91 STRATEGIC REPORT</p> <p>92-167 CORPORATE GOVERNANCE</p> <p>168-237 FINANCIAL STATEMENTS</p>																					

Independent Auditor's Report continued

To the members of The Berkeley Group Holdings plc

3. Going concern, viability and principal risks and uncertainties

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Parent Company or to cease their operations, and as they have concluded that the Group's and the Parent Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Going concern

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Parent Company's financial resources or ability to continue operations over the going concern period.

The risk that we considered most likely to adversely affect the Group's and Parent Company's available financial resources over this period was a possible reduction in sales prices and volumes as a consequence of changes in the economic environment leading to a sustained medium-term decline in revenue and profits.

We also considered less predictable but realistic second order impacts, such as cost inflation, delays to construction programmes and new building regulations.

We considered whether these risks could plausibly affect the liquidity or covenant compliance in the going concern period by comparing severe, but plausible, downside scenarios that could arise from these risks individually and collectively against the level of available financial resources and covenants indicated by the Group's financial forecasts.

Our conclusions

- We consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- We have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Parent Company's ability to continue as a going concern for the going concern period;
- We have nothing material to add or draw attention to in relation to the directors' statement in note 1.2 and C1.2 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Parent Company's use of that basis for the going concern period, and we found the going concern disclosure in note 1.2 and C1.2 to be acceptable; and
- The related statement under the Listing Rules set out on page 166 is materially consistent with the financial statements and our audit knowledge.
- However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Parent Company will continue in operation.

Disclosures of emerging and principal risks and longer-term viability

Our responsibility

We are required to perform procedures to identify whether there is a material inconsistency between the directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the Viability Statement on page 81 that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the 'how we manage risk' disclosures describing these risks and how emerging risks are identified and explaining how they are being managed and mitigated; and
- the directors' explanation in the Viability Statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Viability Statement set out on page 81 under the Listing Rules.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Parent Company's longer-term viability.

Our reporting

We have nothing material to add or draw attention to in relation to these disclosures.

We have concluded that these disclosures are materially consistent with the financial statements and our audit knowledge.

Independent Auditor's Report continued

To the members of The Berkeley Group Holdings plc

4. Key audit matters

What we mean

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on:

- the overall audit strategy;
- the allocation of resources in the audit; and
- directing the efforts of the engagement team.

We include below the Key Audit Matters in decreasing order of audit significance together with our key audit procedures to address those matters and our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, for the purpose of our audit of the financial statements as a whole. We do not provide a separate opinion on these matters.

4.1 Cost of sales recognition (group)

Financial Statement Elements

	FY25	FY24
Cost of sales	£1,826.2m	£1,819.8m

Description of the Key Audit Matter

Cost of sales is subject to estimation uncertainty as it is dependent on the Group's estimate of future sales prices and land and build costs, including an allowance for risk.

Further, estimation uncertainty and exposure to market cyclicity exists within longer term sites. Forecasts are dependent on market conditions, which can be difficult to predict and can be influenced by political and economic factors including, but not limited to, the future market uncertainties surrounding the longer term impacts of macroeconomic factors, uncertainties over associated costs and sales prices.

The effect of this matter is that, as part of our risk assessment, we determined that cost of sales has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 2.13) disclose that this is unlikely to have a material effect in the next financial year.

Our assessment of risk vs FY24
  We have not identified any significant changes in our assessment of the level of risk relating to the cost of sales recognition compared to FY24.

Our results
FY25: Acceptable
FY24: Acceptable

Our response to the risk

Our procedures to address the risk included:

Methodology choice: Assessed whether the cost allocation methodology used by the Group to recognise cost of sales, including any changes in methodology made in the year, is in accordance with the Group's accounting policies;

Control observation and operation: We attended a haphazard sample of the Group's build cost meetings that are held for each site to assess the discussion and review of site forecasts. We assessed whether the appropriate individuals attended the meetings, and that the site forecast costs for developments are challenged and discussed, and costs forecasts are updated as appropriate;

We tested the effectiveness of control over changes in margin, for a haphazard sample of sites where cost of sales was recognised in the year.

For a sample of sites that we consider at higher risk of misstatement, due to either their size, complexity or specific risk factors, we inspected the whole site forecasts and challenged the Group's inputs and assumptions by performing the following procedures:

Historical and current transactions comparison – forecast sales prices: We compared forecast sales prices to recent prices achieved for similar units as this is the best indicator of current market prices; compared forecast sales prices to average sales prices per unit and square footage achieved to date on a site; and assessed the Group's historical accuracy of forecasting sales prices;

Historical and current transactions comparison – forecast costs: We assessed the Group's historical accuracy of forecasting costs by comparing build costs incurred to date to original budgets and benchmarking forecast build costs against similar sites across the Group. Benchmarked contingencies included in the site wide forecasts for cost increases, sales price uncertainties or other potential changes such as new regulations or climate related costs to forecast contingencies held for similar sites across the Group and to historical uncertainties that have crystallised;

Our sector experience: We challenged the Group's forecast sales price and forecast cost assumptions using our own expectations based on our knowledge of the Group and experience of the industry in which it operates;

Sensitivity analysis: We used third party forecasts for the housing market and industry cost indices to sensitise the sales price and build cost assumptions, to assess the impact on the forecast margin used to allocate costs and compared the results to site contingencies held; and

Assessing transparency: We considered the adequacy of the Group's disclosures in note 2.13 to the financial statements regarding the degree of judgement, estimation uncertainty and sensitivity to key assumptions involved in arriving at the forecast site margins and resultant cost of sales recognised.

Communications with The Berkeley Group Holdings plc's Audit Committee

Our discussions with and reporting to the Audit Committee included:

- Our approach to the audit of cost of sales including details of our planned substantive procedures and the extent of our control reliance.
- Our assessment of the Group's methodology for accounting for cost of sales.
- Our assessment of the key assumptions used by management in determining the cost of sales to be recognised for units legally completed in the year.
- Our assessment of the level of contingency held across the Group's sites.
- The adequacy of disclosures made by the Group on the estimates, and related estimation uncertainty, used to determine the amount of cost of sales to recognise.

Areas of particular auditor judgement

We identified the cost, sales, and risk allowance forecast utilised in the Group's estimate as the area of particular audit judgement.

Our results

We found the cost of sales recognised to be acceptable (FY24 result: acceptable).

Further information in the Annual Report and Accounts: See the Audit Committee Report on pages 122 and 123 for details on how the Audit Committee considered cost of sales recognition as an area of significant attention, note 2.13 for the accounting policy on cost of sales recognition, and note 2.13 for the financial disclosures.

Independent Auditor's Report continued

To the members of The Berkeley Group Holdings plc

4.2 Post Completion Development Provision (Group)

Financial Statement Elements	FY25	FY24
Post completion development provision	£217.5m	£200.6m

Our assessment of risk vs FY24

  We have not identified any significant changes in our assessment of the level of risk relating to the cost of sales recognition compared to FY24.

Our results

FY25: Acceptable
FY24: Acceptable

Description of the Key Audit Matter

The Group holds post completion development provisions in respect of claims and construction related liabilities that have arisen, or that prior claims experience indicates may arise subsequent to the completion of certain developments. The identification and estimation of amounts to be recognised in relation to post completion development provisions is judgemental by its nature as it requires the Group to make a number of estimates, including the forecast costs to rectify identified issues and whether prior claims experience is reflective of future issues. The effect of these matters is that, as part of our risk assessment, we determined that post completion development provisions have a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 2.17) disclose that this is unlikely to have a material effect in the next financial year.

Our response to the risk

We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.

Our procedures to address the risk included:

Methodology: We assessed the Group's methodology for accounting for provisions and the appropriateness of estimates made in making provisions;

Personnel interviews: We inspected board minutes to identify potential claims to be provided for and corroborated through enquiries of Group Directors and Management, and divisional management and compared to Group's provisions assessments;

Test of detail: We critically assessed the Group's calculation of the provision held, challenged internal remediation cost assessments and considered third party evidence for provisions made for significant known issues and claims;

Historical comparisons: Where past events indicate that an obligation may arise, we evaluated the Group's risk assessment performed in respect of known and/or settled issues and considered any changes in the development portfolio over time, in assessing the estimation of the provision. For a sample of post completion development provisions, we performed a retrospective review, comparing actual rectification costs incurred to the Group's previously estimated cost to evaluate the Group's forecasting accuracy;

Our sector experience: We utilised the audit team's experience to challenge the assumptions over appropriateness of the rectification cost assumptions;

Enquiry of lawyers: In respect of open matters of litigation, we held enquiries with the Group's in-house legal counsel and inspected relevant correspondence and considered against provisions made; and

Assessing transparency: We considered the adequacy of the Group's disclosures in the financial statements regarding the degree of judgement, estimation uncertainty, and sensitivity to key assumptions involved in arriving at the recorded post completion development provisions.

Communications with The Berkeley Group Holdings plc's Audit Committee

Our discussions with and reporting to the Audit Committee included:

- Our approach to the audit of the post completion development provisions including details of our planned substantive procedures.
- Our assessment of the Group's methodology for accounting for provisions.
- Our conclusion of the appropriateness of estimates made in making provisions.
- The adequacy of disclosures made by the Group on the estimates, and related estimation uncertainty, used to determine the amount of provisions to recognise.

Areas of particular auditor judgement

We identified the Group's estimation of amounts to be recognised as a provision to be the area of particular auditor judgement.

Our results

We found the amount of post completion development provision to be acceptable (FY24 result: acceptable).

Further information in the Annual Report and Accounts: See the Audit Committee Report on page 123 for details on how the Audit Committee considered post completion development provisions as an area of significant attention, note 2.17 for the accounting policy on post completion development provisions and note 2.17 for the financial disclosures.

4.3 Recoverability of the Parent Company's Investment in Subsidiaries

Financial Statement Elements	FY25	FY24
Investment carrying value note 2.4	£1,445.8m	£1,443.1m

Our assessment of risk vs FY24

  We have not identified any significant changes in our assessment of the level of risk relating to the cost of sales recognition compared to FY24.

Our results

FY25: Acceptable
FY24: Acceptable

Description of the Key Audit Matter

The carrying amount of the Parent Company's investment in subsidiary undertakings represents circa 69.3% of the Parent Company's total assets.

Their recoverability is not at high risk of significant misstatement or subject to significant judgement. However, due to their materiality in the context of the Parent Company financial statements, this is considered to be the area that has the greatest effect on our overall Parent Company audit.

The Parent Company holds a direct investment in The Berkeley Group plc, which in turn holds the rest of Group's subsidiaries.

Communications with The Berkeley Group Holdings plc's Audit Committee

Our discussions with and reporting to the Audit Committee included:

- Our approach to the audit of the recoverability of the Parent Company investment in subsidiaries including details of our planned substantive procedures.
- Our conclusion of the appropriateness of the carrying value of the Parent Company's investment in subsidiaries.

We found the Parent Company's conclusion that there is no impairment of its investment in subsidiaries to be acceptable (FY24 result: acceptable).

Further information in the Annual Report and Accounts: See note C2.4 for the accounting policy on the Parent Company's investment in subsidiary and note C2.4 for the financial disclosures.

We continue to perform procedures over the recoverability of amounts due from the Parent Company's indirect subsidiaries. However, following completion of our risk assessment procedures, we have not determined this as one of the areas with a significant impact on our audit of the Parent Company and, therefore, it is not separately identified in our report this year.

Independent Auditor's Report continued

To the members of The Berkeley Group Holdings plc

5. Our Ability to Detect Irregularities, and our Response

Fraud - Identifying and responding to risks of material misstatement due to fraud

Fraud risk assessment

To identify risks of material misstatement due to fraud ('fraud risks') we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud.

Our risk assessment procedures included:

- our forensic specialists assisted us in identifying key fraud risks. This included attending the Risk Assessment and Planning Discussion, holding a discussion with the engagement partner, engagement manager, and engagement quality control reviewer, and assisting with designing relevant audit procedures to respond to the risk of management override of controls;
- enquiring of Directors, the Audit Committee, internal audit, internal legal counsel and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Group's channel for 'whistleblowing', as well as whether they have knowledge of any actual, suspected or alleged fraud;
- reading Board, Audit Committee and Remuneration Committee minutes;
- considering remuneration incentive schemes (these include the 2011 LTIP, Restricted Share Plan and Long-Term Option Plan) and performance targets for management and Directors, including any revenue and trading margin targets for management remuneration; and
- using analytical procedures to identify any unusual or unexpected relationships.

Risk communications

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

Fraud risks

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that Group and component management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgments such as cost of sales recognition and post completion development provisions. On this audit we do not believe there is a fraud risk related to revenue recognition as the accounting for the Group's revenue is non-complex and the majority is only recognised on the legal completion of the sale, being the point at which the balance of the sale is paid for and title of the unit transfers to the customer. There are therefore limited levels of judgment with limited opportunities for manual intervention in the sales process to fraudulently manipulate revenue. We did not identify any additional fraud risks.

Procedures to address fraud risks

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls, such as the appropriate sign off of changes in forecasted site wide margin and appropriate challenge to changes in forecasted costs within the Build Cost meetings. We also performed procedures including:

- identifying journal entries and other adjustments to test for all entities across the Group based on specific risk-based criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management, certain descriptions, those posted to unusual accounts, seldom used accounts and journals posted by leavers; and
- assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Laws and regulations - Identifying and responding to risks of material misstatement relating to compliance with laws and regulations

Laws and regulations risk assessment

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

Direct laws context and link to audit

The potential effect of these laws and regulations on the financial statements varies considerably. The Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Most significant indirect law/regulation areas

The Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's license to operate.

We identified the following areas as those most likely to have such an effect:

- UK planning permission and building regulations, such as the Building Safety Act;
- health and safety;
- anti-bribery;
- anti-money laundering and sanctions checking;
- employment laws;
- data protection laws;
- environmental laws; and
- competition law.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report continued

To the members of The Berkeley Group Holdings plc

6. Our determination of materiality

£25m (FY24: £26m) Materiality for the group financial statements as a whole	What we mean A quantitative reference for the purpose of planning and performing our audit.
	Basis for determining performance materiality and judgements applied Materiality for the Group financial statements as a whole was set at £25.0m (FY24: £26.0m). This was determined with reference to a benchmark of Group profit before taxation. Consistent with FY24, we determined that Group profit before taxation remains the main benchmark for the Group as the users of the financial statements will be primarily interested in the profitability of the Group and its ability to generate returns for shareholders. Our Group materiality of £25m was determined by applying a percentage to the Group profit before taxation. When using a benchmark of Group profit before taxation to determine overall materiality, KPMG's approach for listed entities considers a guideline range of 3%-5% of the measure. In setting overall Group materiality, we applied a percentage of 4.7% (FY24: 4.7%) to the benchmark. Materiality for the Parent Company financial statements as a whole was set at £14.5m (FY24: £14.5m), determined with reference to a benchmark of Parent Company total assets, of which it represents 0.7% (FY24: 0.7%).
	What we mean Our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.
£18.7M (FY24: £19.5M) Performance Materiality	Basis for determining performance materiality and judgements applied We have considered performance materiality at a level of 75% (FY24: 75%) of materiality for The Berkeley Group Holdings plc Group financial statements as a whole to be appropriate. The Parent Company performance materiality was set at £10.8m (FY24: £10.8m), which equates to 75% (FY24: 75%) of materiality for the Parent Company financial statements as a whole. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.
	What we mean This is the amount below which identified misstatements are considered to be clearly trivial from a quantitative point of view. We may become aware of misstatements below this threshold which could alter the nature, timing and scope of our audit procedures, for example if we identify smaller misstatements which are indicators of fraud. This is also the amount above which all misstatements identified are communicated to The Berkeley Group Holdings plc's Audit Committee.
	Basis for determining performance materiality and judgements applied We set our audit misstatement posting threshold at 5% (FY24: 5%) of our materiality for the Group financial statements. We also report to the Audit Committee any other identified misstatements that warrant reporting on qualitative grounds.

The overall materiality for the Group financial statements of £25.0m (FY24: £26.0m) compares as follows to the main financial statement caption amounts:

	Total Group Revenue		Group profit before tax		Total Group Assets	
	FY25	FY24	FY25	FY24	FY25	FY24
Financial statement Caption	£2,486.5m	£2,464.3m	£528.9m	£557.3m	£6,692.8m	£6,996.3m
Group Materiality as % of caption	1.0%	1.1%	4.7%	4.7%	0.4%	0.4%

7. The scope of our audit

Group scope	What we mean How the Group auditor determined the procedures to be performed across the Group. This year, we applied the revised group auditing standard in our audit of the consolidated financial statements. The revised standard changes how an auditor approaches the identification of components, and how the audit procedures are planned and executed across components. In particular, the definition of a component has changed, shifting the focus from how the entity prepares financial information to how we, as the group auditor, plan to perform audit procedures to address group risks of material misstatement ("RMMs"). Similarly, the group auditor has an increased role in designing the audit procedures as well as making decisions on where these procedures are performed (centrally and/or at component level) and how these procedures are executed and supervised. As a result, we assess scoping and coverage in a different way and comparisons to prior period coverage figures are not meaningful. In this report we provide an indication of scope coverage on the new basis. We performed risk assessment procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks. In total, we identified 16 components, having considered our evaluation of the Group's operational structure, the existence of common risk profiles across business activities, the presence of key audit matters and our ability to perform audit procedures centrally. Of those, we identified 5 quantitatively significant components which contained the largest percentages of either total revenue or total assets of the Group, for which we performed audit procedures. We also identified 3 components as requiring special audit consideration, owing to Group risks relating to cost of sales recognition and post completion development provisions residing in these components. Additionally, having considered qualitative and quantitative factors, we selected 1 component with significant borrowings contributing to the specific RMMs of the Group financial statements.														
	The below summarises where we performed audit procedures:														
	<table border="1"> <thead> <tr> <th>Component type</th> <th>Number of components where we performed audit procedures</th> <th>Range of materiality applied</th> </tr> </thead> <tbody> <tr> <td>Quantitatively significant components</td> <td>5</td> <td>£10.5m - £14.5m</td> </tr> <tr> <td>Components requiring special audit consideration</td> <td>3</td> <td>£6m - £8m</td> </tr> <tr> <td>Other components where we performed procedures</td> <td>1</td> <td>£9m</td> </tr> <tr> <td>Total</td> <td>9</td> <td></td> </tr> </tbody> </table>	Component type	Number of components where we performed audit procedures	Range of materiality applied	Quantitatively significant components	5	£10.5m - £14.5m	Components requiring special audit consideration	3	£6m - £8m	Other components where we performed procedures	1	£9m	Total	9
Component type	Number of components where we performed audit procedures	Range of materiality applied													
Quantitatively significant components	5	£10.5m - £14.5m													
Components requiring special audit consideration	3	£6m - £8m													
Other components where we performed procedures	1	£9m													
Total	9														
Group scope continued	All the work on components and the audit of the Parent Company were performed by the group auditor. Our audit procedures covered 100% of Group revenue. We performed audit procedures in relation to components that accounted for 93% of Group profit before taxation and 98% of Group total assets. For the remaining components for which we performed no audit procedures, no component represented more than 3% of Group profit before taxation or 1% of Group's total assets. We performed analysis at an aggregated Group level to re-examine our assessment that there is not a reasonable possibility of a material misstatement in these components.														
	Impact of controls on our group audit We identified the main finance IT system used to record underlying transactions within the Group to be the main IT system relevant to our Group audit. We used IT auditors to assist us in assessing the design and operating effectiveness of the general IT controls of this system, which is managed from the UK. Following our testing over the IT system, we relied on general IT controls to allow us to place reliance on these controls when designing our audit response. This reduced both the extent of testing required over the completeness and accuracy of system information used in manual controls and sample sizes in our substantive procedures for quantitatively significant components. We also tested the design and operating effectiveness of manual controls over the Cost of Sales recognition key audit matter and certain other areas of the audit, including revenue and inventory. For these areas we were able to rely on these manual controls, which reduced both the extent of substantive testing required over the completeness and accuracy of system information used in manual controls and sample sizes in our substantive procedures. In the other areas of the audit a predominately substantive approach was taken.														

Independent Auditor's Report continued

To the members of The Berkeley Group Holdings plc

8. Other information in the annual report

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

All other information

Our responsibility

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Strategic Report and Directors' Report

Our responsibility and reporting

Based solely on our work on the other information described above we report to you as follows:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' Remuneration Report

Our responsibility

We are required to form an opinion as to whether the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate Governance Disclosures

Our responsibility

We are required to perform procedures to identify whether there is a material inconsistency between the financial statements and our audit knowledge, and:

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the Audit Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems

We are also required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review.

Other matters on which we are required to report by exception

Our responsibility

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Our reporting

Based solely on that work we have not identified material misstatements or inconsistencies in the other information.

Our reporting

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Our reporting

Based on those procedures, we have concluded that each of these disclosures is materially consistent with the financial statements and our audit knowledge.

We have nothing to report in this respect.

Our reporting

We have nothing to report in these respects.

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 167, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared under Disclosure Guidance and Transparency Rule 4.1.17R and 4.1.18R. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Anna Jones (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**
Chartered Accountants

London

20 June 2025

Consolidated Income Statement

For the year ended 30 April	Notes	2025 £m	2024 £m
Revenue	2.1	2,486.5	2,464.3
Cost of sales		(1,826.2)	(1,819.8)
Gross profit		660.3	644.5
Net operating expenses		(160.3)	(164.8)
Operating profit		500.0	479.7
Finance income	2.3	55.8	53.9
Finance costs	2.3	(41.6)	(41.9)
Share of results of joint ventures using the equity method	2.12	14.7	65.6
Profit before taxation for the year		528.9	557.3
Income tax expense	2.6	(146.9)	(159.7)
Profit after taxation for the year		382.0	397.6
Earnings per share (pence):			
Basic	2.7	371.8	373.9
Diluted	2.7	370.0	371.1

Consolidated Statement of Comprehensive Income

For the year ended 30 April	Notes	2025 £m	2024 £m
Profit after taxation for the year		382.0	397.6
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss:			
Actuarial gain/(loss) recognised in the pension scheme	2.5	0.2	(0.7)
Total items that will not be reclassified to profit or loss		0.2	(0.7)
Other comprehensive income/(expense) for the year		0.2	(0.7)
Total comprehensive income for the year		382.2	396.9

Consolidated Statement of Financial Position

As at 30 April	Notes	2025 £m	2024 £m
Assets			
Non-current assets			
Intangible assets	2.8	17.2	17.2
Investment property	2.9	145.7	-
Property, plant and equipment	2.10	27.2	28.0
Right-of-use assets	2.11	4.2	4.3
Investments accounted for using equity method	2.12	243.4	227.0
Deferred tax assets	2.18	87.3	116.9
		525.0	393.4
Current assets			
Inventories	2.13	5,052.2	5,283.9
Trade and other receivables	2.14	88.8	119.8
Current tax receivables		11.6	7.2
Cash and cash equivalents	2.15	1,015.2	1,192.0
		6,167.8	6,602.9
Total assets		6,692.8	6,996.3
Liabilities			
Non-current liabilities			
Borrowings	2.24	(677.9)	(660.0)
Trade and other payables	2.16	(462.8)	(683.6)
Lease liabilities	2.11	(2.3)	(2.3)
Provisions for other liabilities and charges	2.17	(153.6)	(140.7)
		(1,296.6)	(1,486.6)
Current liabilities			
Trade and other payables	2.16	(1,758.4)	(1,878.0)
Lease liabilities	2.11	(2.0)	(2.1)
Provisions for other liabilities and charges	2.17	(76.0)	(69.1)
		(1,836.4)	(1,949.2)
Total liabilities		(3,133.0)	(3,435.8)
Total net assets		3,559.8	3,560.5
Equity			
Shareholders' equity			
Share capital	2.19	6.0	6.2
Share premium	2.19	49.8	49.8
Capital redemption reserve	2.20	25.5	25.3
Other reserve	2.20	(961.3)	(961.3)
Retained earnings	2.20	4,439.8	4,440.5
Total equity		3,559.8	3,560.5

The financial statements on pages 186 to 229 were approved by the Board of Directors on 20 June 2025 and were signed on its behalf by:

R J Stearn
Chief Financial Officer

Consolidated Statement of Changes in Equity

	Notes	Share capital £m	Share premium £m	Capital redemption reserve £m	Other reserve £m	Retained earnings £m	Total equity £m
For the year ended 30 April							
At 1 May 2024		6.2	49.8	25.3	(961.3)	4,440.5	3,560.5
Profit after taxation for the year		-	-	-	-	382.0	382.0
Other comprehensive income for the year		-	-	-	-	0.2	0.2
Purchase of own shares	2.19	(0.2)	-	0.2	-	(129.7)	(129.7)
Transactions with shareholders:							
Charge in respect of employee share schemes	2.5	-	-	-	-	(2.6)	(2.6)
Deferred tax in respect of employee share schemes	2.18	-	-	-	-	1.2	1.2
Dividends to equity holders of the Company	2.21	-	-	-	-	(251.8)	(251.8)
At 30 April 2025		6.0	49.8	25.5	(961.3)	4,439.8	3,559.8
At 1 May 2023							
At 1 May 2023		6.3	49.8	25.2	(961.3)	4,212.3	3,332.3
Profit after taxation for the year		-	-	-	-	397.6	397.6
Other comprehensive expense for the year		-	-	-	-	(0.7)	(0.7)
Purchase of own shares	2.19	(0.1)	-	0.1	-	(72.3)	(72.3)
Transactions with shareholders:							
Charge in respect of employee share schemes	2.5	-	-	-	-	(0.8)	(0.8)
Deferred tax in respect of employee share schemes	2.18	-	-	-	-	2.5	2.5
Dividends to equity holders of the Company	2.21	-	-	-	-	(98.1)	(98.1)
At 30 April 2024		6.2	49.8	25.3	(961.3)	4,440.5	3,560.5

Consolidated Cash Flow Statement

For the year ended 30 April	Notes	2025 £m	2024 £m
Cash flows from operating activities			
Cash generated from operations	2.23	285.8	383.0
Interest received		57.4	50.4
Interest paid		(29.6)	(29.5)
Income tax paid		(120.5)	(170.5)
Net cash flow from operating activities		193.1	233.4
Cash flows from investing activities			
Additions to investment property	2.9	(2.0)	-
Purchase of property, plant and equipment	2.10	(1.0)	(1.4)
Proceeds on disposal of property, plant and equipment		0.1	0.3
Dividends from joint ventures	2.12	-	74.9
Increase in loans with joint ventures	2.12	(1.1)	(12.9)
Net cash flow from investing activities		(4.0)	60.9
Cash flows from financing activities			
Lease capital repayments	2.11	(2.3)	(2.3)
Purchase of own shares	2.19	(129.7)	(72.3)
Dividends to equity holders of the Company	2.21	(251.8)	(98.1)
Drawdown of borrowings	2.24	17.9	-
Net cash flow from financing activities		(365.9)	(172.7)
Net (decrease)/increase in cash and cash equivalents	2.23	(176.8)	121.6
Cash and cash equivalents at the start of the financial year		1,192.0	1,070.4
Cash and cash equivalents at the end of the financial year	2.23	1,015.2	1,192.0

Notes to the Consolidated Financial Statements

1 Basis of preparation

1.1 Introduction

These Consolidated Financial Statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards (UK-adopted IFRS). The Company has elected to prepare its Parent Company financial statements in accordance with FRS 101; these are presented on pages 230 to 235.

The Group Financial Statements consolidate those of the Company and its subsidiaries (together referred to as the Group) and equity account the Group's interest in joint ventures. The Parent Company financial statements present information about the Company as a separate entity and not about its Group.

The Consolidated Financial Statements have been prepared under the historical cost convention and on the going concern basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with International Financial Reporting Standards (IFRS) requires the use of certain critical accounting estimates. It may also require management to exercise their judgement in the process of applying the Group's accounting policies.

The key areas involving estimation uncertainty, which are significant to the Consolidated Financial Statements, are:

- cost of sales recognition which is dependent on an estimate of future selling prices and costs. See Note 2.13; and
- post completion development provisions which rely on management judgement in estimating the quantum and timing of outflows of resources to settle any associated legal or constructive obligations. See Note 2.17.

Whilst these are key areas of estimation uncertainty, these are unlikely to have a material impact on the carrying value of assets and liabilities in the next financial year.

There are no significant areas of judgement in applying the Group's accounting policies exercised by management during the current or prior year.

Group accounting policies

The significant Group accounting policies are included within the relevant notes to the Consolidated Financial Statements on pages 190 to 229. The accounting policies set out have been applied consistently to all periods presented in these Consolidated Financial Statements, except for investment property which applies to the current financial year.

1.2 Going concern

The Directors have assessed the business plan and funding requirements of the Group over the medium-term and compared these with the level of committed debt facilities and existing cash resources. As at 30 April 2025, the Group had net cash of £337 million and total liquidity of £1,537 million when this net cash is combined with banking facilities of £800 million (committed to February 2029) and £400 million of listed bonds (which mature in August 2031). Furthermore, the Group has cash due on forward sales of £1,403 million, a significant proportion of which covers delivery for the next 18 months.

In making this assessment, consideration has been given to the uncertainty inherent in future financial forecasts and where applicable, severe but plausible sensitivities have been applied to the key factors affecting the financial performance of the Group. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for not less than 12 months from the date of approval of these Consolidated Financial Statements. For this reason, the Directors continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

1.3 Consideration of climate change

In preparing the Financial Statements, consideration has been given to the Group's activities to address climate change as part of Our Vision 2030 and its assessment and reporting of future climate-related transitional and physical risks under the Task Force on Climate-related Financial Disclosures (TCFD) framework, both of which are set out in the Strategic Report.

The costs incurred in developing the Group's sites are held in inventory as these are trading in nature and are therefore taken through cost of sales to match the revenue generated by the sale of properties on each development. The recognition of cost of sales, and therefore the carrying value of inventory, during a financial year is made by reference to the latest assessment of each development's forecast profit margin, which is a key area of estimation uncertainty as set out in Note 2.13.

The cost of specific climate change related activities undertaken as part of the development of a site are inherently difficult to disassociate from other input costs as these typically involve a myriad of inter-related design and construction based solutions, for instance over the selection of key materials and technologies adopted to reduce embodied carbon and minimise future energy use of the Group's occupied homes. In turn, these activities are regulated by prevailing planning and building regulations requirements.

The future cost estimates used to determine the cost of sales recognition during the financial year inherently reflect the Group's current development-specific climate-related actions through its cost plans. Consistent with the inherently higher cost uncertainty of its longer-term developments from evolving regulatory and other market-led changes, the Group may incur as yet unknown costs associated with its own future climate-related actions as well as costs arising from the impact of climate change. As set out in Note 2.13, the Group's cost assessments and allocation evolve over the life of each development.

1.4 Basis of consolidation

(a) Subsidiaries

The Consolidated Financial Statements comprise the financial statements of the Parent Company and all its subsidiary undertakings. The accounting date for subsidiary undertakings is 30 April, unless otherwise stated in Note 2.27.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration substantive rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. The financial statements of subsidiaries are included in the Consolidated Financial Statements from the date that control commences until the date that control ceases. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

The purchase method of accounting is used to account for the acquisition of subsidiary undertakings by the Group.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Group. All intra-Group transactions, balances, income and expenses are eliminated on consolidation. Acquisition-related costs are expensed as incurred.

(b) Joint ventures

Joint ventures are accounted for using the equity method (equity accounted investees) and are initially recognised at cost.

The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The Consolidated Financial Statements include the Group's share of the total comprehensive income and equity movements of equity accounted investees, from the date that joint control commences until the date that joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount is reduced to £nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an investee.

1.5 Adoption of new and revised standards

The following amendments to standards and interpretations are applicable to the Group and are mandatory for the first time for the financial year beginning 1 May 2024:

- Amendments to IAS 1 Presentation of Financial Statements, Classification of Liabilities as Current or Non-Current and Non-Current Liabilities with Covenants.

The Group did not have to change its accounting policies or make retrospective adjustments as a result of these amendments.

Notes to the Consolidated Financial Statements

continued

1 Basis of preparation continued

1.6 Impact of standards and interpretations in issue but not yet effective

The International Accounting Standards Board (IASB) has published the following amendments to IFRSs, which are not yet effective, and have not been applied to these Consolidated Financial Statements. These amendments are not expected to have a significant impact on the results of the Group:

- IFRS 18 Presentation and Disclosure in Financial Statements;
- Annual improvements to IFRS Accounting Standards – Volume 11; and
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures).

2 Results for the year

2.1 Revenue

The Group's revenue derives principally from the sale of residential homes and commercial properties across mixed use developments in the United Kingdom.

Revenue represents the amounts receivable from the sale of properties, comprising private and affordable residential homes and commercial properties, ground rent assets and other income directly associated with residential property development.

For the significant majority of residential and commercial property sales, properties are treated as sold and profits and revenues are recognised when all performance obligations under the contract have been satisfied, following which control of the unit is passed to the customer. This is determined as the point of legal completion.

Where revenue arises on contracts where the customer controls the property during construction and for which the Group has a right to payment for work performed, the Group recognises revenue over time. Revenue and costs are recognised with reference to the stage of completion of the contract, measured by construction progress.

Ground rent and land assets are treated as sold when contracts are exchanged, all material conditions precedent to the sale have been satisfied and control of the assets has passed to the customer.

An analysis of the Group's continuing revenue is as follows:

	2025 £m	2024 £m
Residential revenue	2,432.2	2,395.7
Commercial revenue	14.8	47.2
Land sale	39.5	21.4
	2,486.5	2,464.3

Included within revenue is £403.3 million (2024: £343.2 million) of customer deposits, received in prior years, for units that legally completed in the year. Included within commercial revenue is £3.7 million (2024: £14.0 million) of revenue recognised in relation to the stage of completion of the contract. Included within residential revenue is £27.2 million (2024: £17.0 million) of revenue recognised in relation to the stage of completion of the contract.

2.2 Segmental disclosure

Operating segments are identified in a manner consistent with the internal reporting provided to the chief operating decision maker. The Group determines its reportable segments having regard to permitted aggregation criteria with the principal condition being that the operating segments should have similar economic characteristics.

The Group is engaged in residential-led, mixed use property development, comprising for-sale private and affordable residential revenue and commercial revenue, alongside a Build to Rent platform that is operated and managed internally.

For the purposes of determining its operating segments, the chief operating decision maker has been identified as the Executive Committee of the Board. This Committee approves investment decisions, allocates the Group's resources and reviews the internal reporting in order to assess performance.

The Group has determined that its operating segments are the management teams that report into the Executive Committee of the Board, having regard to the types of services provided and the manner in which returns are earned by the Group. Operating segments with similar economic characteristics have been aggregated, having regard to the aggregation criteria in IFRS 8.

For the purpose of monitoring segment performance and allocating resources between segments, assets are considered to be attributable to for-sale private, affordable and commercial revenue and the Group's Build to Rent platform.

In line with IFRS 8, an entity shall report separately information about an operating segment that meets any of the quantitative thresholds. As at 30 April 2025, the assets allocated to the Build to Rent platform are not considered to meet any of the quantitative thresholds and is therefore not considered reportable.

2.3 Net finance income

	2025 £m	2024 £m
Finance income	55.8	53.9
Finance costs		
Interest payable on borrowings and non-utilisation fees	(29.0)	(29.2)
Amortisation of facility fees	(2.2)	(2.0)
Other finance costs	(10.4)	(10.7)
Net finance income	14.2	12.0

Finance income predominantly represents interest earned on cash deposits. Other finance costs represent imputed interest on land purchased on deferred settlement terms and lease interest.

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.4 Profit before taxation

Expenditure recorded in inventory is expensed through cost of sales at the time of the related property sale. The amount of cost related to each property includes its share of the overall site costs including, where relevant, its share of forecast costs to complete. See inventories Note 2.13 for further disclosures on the key estimates and judgements around cost recognition.

Net operating expenditure is recognised in respect of goods and services received when supplied in accordance with contractual terms. Provision is made when an obligation exists for a future liability in respect of a past event and where the amount of the obligation can be reliably estimated.

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received. Grants related to assets are deducted from the carrying value of the asset, and are recognised in the Income Statement so as to match with the related costs they are intended to compensate for.

Profit before taxation is stated after charging the following amounts:

	2025 £m	2024 £m
Staff costs (note 2.5)	263.8	280.5
Depreciation on property, plant and equipment (note 2.10)	1.6	2.3
Depreciation on right-of-use assets (note 2.11)	2.2	2.5
Loss on sale of property, plant and equipment	0.1	5.2
Fees paid and payable to the Company's auditor for the audit of the Group and Parent Company	1.5	1.4
Fees paid and payable to the Company's auditor for other services:		
Audit of the Company's subsidiaries and joint ventures	0.1	0.1
Audit related assurance services	0.1	0.1
Non-audit related assurance services	0.1	0.1

Profit before taxation in the 2025 financial year includes an accrual for the anticipated settlement of the CMA's investigation into possible anti-competitive sharing of information in the housebuilding industry.

The value of inventories expensed and included in the cost of sales is £1,756.5 million (2024: £1,757.7 million).

Government grants of £38.9 million (2024: £44.7 million) were received in the year relating to the provision of highway and other site infrastructure, for which all performance conditions were satisfied. This amount is netted against inventory and no amount has been recorded in the Income Statement during the year (2024: £nil).

Fees incurred in the year to the Group's current auditor for audit and non-audit related assurance services relate to the interim review and assurance services related to carbon emissions and compliance with the Green Financing Framework.

2.5 Directors and employees

Profit before taxation is stated after charging the following amounts:

	2025 £m	2024 £m
Staff costs:		
Wages and salaries	217.8	233.1
Social security costs	27.3	30.0
Share based payments - equity settled	4.8	7.1
Pension costs	13.9	10.3
	263.8	280.5

The average monthly number of persons employed by the Group during the year was 2,532 (2024: 2,717).

Key management compensation

Key management comprises the Executive Members of the Board, as they are considered to have the authority and responsibility for planning, directing and controlling the activities of the Group. Details of Directors' emoluments included in the Income Statement are as follows:

	2025 £m	2024 £m
Directors' remuneration	1.0	1.4
Amount charged under long-term incentive schemes	2.1	3.1
	3.1	4.5

The Directors' Remuneration Report includes disclosure of the gains made by Directors on the exercise of share options during the year, which were £10.2 million (2024: £9.8 million) in aggregate.

K Whiteman, J Tibaldi and P Vallone stepped down from the Board on 8 September 2023 and remuneration amounts disclosed in the table, in the prior year, is to the date of stepping down from the Board.

Equity settled share based payments

Where the Company operates equity settled share based compensation plans, the fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, taking into account only service and non-market conditions.

At each Balance Sheet date, the Group revises its estimate of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the Income Statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.5 Directors and employees continued

The Group operates three (2024: three) equity settled share based payment schemes. The charge/(credit) to the Income Statement in respect of share based payments in the year relating to grants of share options awarded are:

- 2011 Long-Term Incentive Plan (2011 LTIP) credit of £0.4 million (2024: charge of £1.8 million)
- 2022 Long-Term Option Plan (2022 LTOP) of £3.2 million (2024: £3.7 million)
- Restricted Share Plan (RSP) of £2.0 million (2024: £1.6 million)

The charge to the Income Statement attributable to key management was £2.1 million (2024: £3.1 million).

The charge to the reserves during the year in respect of employee share schemes was £2.6 million (2024: £0.8 million), resulting from the non-cash IFRS 2 charge for the year.

There were nil exercisable share options at the end of the year (2024: nil). During the year:

- 377,612 options vested under the 2011 LTIP (2024: 481,857) and nil options lapsed (2024: nil)
- Nil options vested under the 2022 LTOP (2024: nil) and 200,000 options lapsed (2024: 90,000)

2011 Long-Term Incentive Plan

The 2011 LTIP was approved by shareholders at the 2011 AGM. The 2011 LTIP is designed to incentivise management to both deliver long-term shareholder returns and create value in the ongoing business. Under the plan eligible employees are granted options which will only vest if certain performance conditions are satisfied.

The current term of the plan runs for 14 years, with the final options due to vest in September 2025. The original scheme was due to run until September 2021, but at the 2019 AGM the scheme was extended, for eligible employees, by four years to September 2025.

The amount of options that vest is dependent on a shareholder return hurdle and, for certain employees, the remuneration caps in place. Each year options can vest up to the value of their remuneration cap. Any options prevented from vesting due to the caps are banked, and vest in equal tranches from September 2022 to 2025. Additional returns equivalent to £2 per annum (approximately £283 million) must be returned to shareholders from 2022 to 2025 in order for the banked options to vest.

Options granted under the plan are for nil consideration and carry no dividend or voting rights. The original option price was £16.34, which equated to £2.3 billion of shareholder return that needed to be returned to shareholders over the original term of the LTIP to 2021. The option price for each tranche was reduced by the value of dividend paid each year, but fixed at 30 September 2021 for subsequent tranches vesting in 2022 to 2025. The fixed option price for tranches vesting from September 2022 to 2025 is £5.30.

Sale restrictions are in place which provide a maximum of 10% of the cumulative balance of the shares earned to be sold each year.

The table below summarises the movement in options under the 2011 LTIP during the year:

	2025		2024	
	Option price per share £	Number of options No.	Option price per share £	Number of options No.
As at 1 May	-	2,428,990	-	2,910,847
Exercised during the year	5.30	(377,612)	5.30	(481,857)
As at 30 April	-	2,051,378	-	2,428,990

The historic options vested, options banked and the option price are shown in the table below:

Vesting date	2025	
	Option price £	Share options vested No.
30 September 2016	10.00	5,719,166
30 September 2017	8.63	892,487
30 September 2018	7.73	990,955
30 September 2019	7.46	926,265
30 September 2020	5.39	836,466
30 September 2021	5.30	815,903
30 September 2022	5.30	568,761
30 September 2023	5.30	481,857
30 September 2024	5.30	377,612
Banked options vested	-	-
Banked options lapsed	-	-
Total	-	-
		2,051,378

Fair value of 2011 LTIP options

The assessed fair value of the original options granted, determined using the current market pricing model, was £3.17. The inputs into the current market pricing model were as follows:

Inputs	
Grant date	5 September 2011
Final vesting date	30 September 2021
Share price at date of grant (p)	1,236
Exercise price	£nil
Discount rate (Group's cost of capital over original vesting period at the grant date)	6.3%

Modifications to the 2011 LTIP, approved at the 2019 AGM, were considered to be non-beneficial due to the extended service period and requirement for additional shareholder returns. Therefore, there was no impact on the fair value of the options or accounting treatment applied.

2022 Long-Term Option Plan (LTOP)

The LTOP was approved by shareholders at the 2022 AGM. The LTOP is designed to ensure the remuneration policy is as closely aligned to the Company's strategy as possible and rewards management for enhancing value for shareholders over the long-term. Under the plan, eligible employees are awarded a one-off grant of options with an initial exercise price of £48.50. Participation in the plan is at the discretion of the Remuneration Committee.

Vesting will occur in five equal tranches between September 2026 and September 2030, with a holding restriction of at least five years from grant.

The initial exercise price of the options increases by £2.50 per year for vesting dates from September 2027 onwards. As such, the exercise price for the options granted (prior to deductions for dividends as referenced below) is as follows, which is the only performance condition applied to the plan in addition to continued employment:

Tranche	Percentage of LTOP Award	Vesting date	Minimum exercise price (prior to reductions for shareholder distribution)
1	20%	30 September 2026	£48.50
2	20%	30 September 2027	£51.00
3	20%	30 September 2028	£53.50
4	20%	30 September 2029	£56.00
5	20%	30 September 2030	£58.50

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.5 Directors and employees continued

Dividends or other distributions to shareholders (other than share buy-backs) are deducted from the exercise price.

There are caps in place in relation to all options granted. Any options prevented from vesting due to the caps are lapsed.

The table below summarises the movement in options under the 2022 LTOP during the year:

	2025	2024
	Number of options No.	Number of options No.
As at 1 May	4,270,000	4,360,000
Granted during the year	-	-
Lapsed during the year	(200,000)	(90,000)
As at 30 April	4,070,000	4,270,000

Fair value of 2022 LTOP options

The assessed fair value of the options granted, determined using a Monte Carlo simulation model, was £19.35 million. The inputs into the model for the three grant dates were as follows:

Grant date	9 Feb 2023	10 Mar 2023	21 Mar 2023
Number of options	2,400,000	350,000	1,610,000
Share price at grant date (p)	4,308	4,039	4,070
Exercise price	Initial exercise prices from £48.50 for Tranche 1, increasing by £2.50 for each Tranche to £58.50 for Tranche 5		
Dividend yield	0%		
Risk free interest rate	3.26%	3.47%	3.22%
Share price volatility	30%		
Expected life	Between circa 3.5 years (Tranche 1) and 7.5 years (Tranche 5) from grant		

Restrictive Share Plan (RSP)

The RSP was approved by shareholders at the 2022 AGM. The RSP is designed to incentivise management to deliver long-term performance. The RSP is an annual restrictive share award with the first awards granted in September 2022, vesting in 2026 with a further one-year holding period. Participation in the plan is at the discretion of the Remuneration Committee.

Annual awards are determined by the Remuneration Committee, however the maximum number of shares under the RSP awards granted to participants will not exceed 175% of the salary of the CEO and 150% of the salary of all other participating employees.

The vesting of awards is subject to remaining in service and the following two underpin conditions:

- The average Return on Equity over the four prior financial years must be at least 15%, commencing with the financial year in which the RSP Awards are granted; and
- Up to 20% of the award will be forfeited in the event of unsatisfactory progress against strategic and ESG priorities over the relevant vesting period.

The vesting of awards is restricted to the level of each employee's remuneration cap. The remuneration cap is first applied to the 2022 LTOP to the extent that total remuneration would exceed the cap, followed by the RSP if required. Any RSP awards in excess of the total remuneration cap will lapse immediately.

The table below summarises the movement in options under the RSPs:

	2025	2024
	Number of options No.	Number of options No.
As at 1 May	189,949	93,123
Granted during the year	-	96,826
Lapsed during the year	-	-
As at 30 April	189,949	189,949

Fair value of RSPs

The fair values of RSP awards are equal to the share price at grant as these awards are not subject to market-based performance conditions and they attract dividend equivalents. The values are fixed at grant.

The total fair value of the RSP awards granted during the year was £nil (2024: £4.06 million).

Cash settled share based payments

The cost of cash settled transactions is recognised as an expense over the vesting period measured by reference to the fair value of the corresponding liability which is recognised on the Statement of Financial Position. The liability is remeasured at fair value at each Balance Sheet date until settlement with changes in fair value recognised in the Income Statement.

Pensions

The Group accounts for pensions under IAS 19 'Employee Benefits'. The Group has both defined benefit and defined contribution plans. The defined benefit plan was closed to future accrual with effect from 1 April 2007.

For the defined benefit scheme, the obligations are measured using the projected unit credit method. The calculation of the net obligation is performed by a qualified actuary. The operating and financing costs of these plans are recognised separately in the Income Statement; service costs are set annually on the basis of actuarial valuations of the scheme and financing costs are recognised in the period in which they arise. Actuarial gains and losses are recognised immediately in the Statement of Comprehensive Income.

Pension contributions under defined contribution schemes are charged to the Income Statement as they fall due.

Defined contribution plan

Contributions amounting to £14.2 million (2024: £9.1 million) were paid into the defined contribution schemes during the year. There were £2.7 million of contributions outstanding to the scheme at 30 April 2025 (2024: £1.0 million).

Defined benefit plan

As at 30 April 2025, the Group operated one defined benefit pension scheme which was closed to future accrual with effect from 1 April 2007. This is a separate Trustee administered fund holding the pension plan assets to meet long-term pension liabilities for some 154 past employees. The level of retirement benefit is principally based on salary earned in the last three years of employment prior to leaving active service and is linked to changes in inflation up to retirement.

The Berkeley Final Salary Plan is subject to an independent actuarial valuation at least every three years. The most recent valuation was carried out as at 30 April 2022 and finalised on 30 June 2023. The method adopted in the 2022 valuation was the projected unit credit method, which assumed no allowance for over performance on investments both prior to and after retirement and inflation linked pension increases derived at each term using Black Scholes Methodology with a volatility assumption of 1.40% per annum. The market value of the Berkeley Final Salary Plan assets as at 1 May 2022 was £22.9 million and covered 117% of the scheme's liabilities. The Group made additional voluntary contributions of £0.4 million during the year (2024: £0.6 million).

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.5 Directors and employees continued

Following the High Court ruling on 26 October 2018, regarding the equalisation of Guaranteed Minimum Pension (GMP) benefit, the plan was required to adjust benefits to remove the inequalities between the GMP benefits awarded to males and females. On 20 November 2020, the High Court issued a supplementary ruling in respect of GMP equalisation with regard to members who transferred out of the scheme prior to the ruling. The plan has not yet completed a full review of the impact of GMP equalisation and no additional costs have been recognised during the year (2024: £nil). In prior years an amount of £0.7 million has been allowed as a past service cost.

For the purpose of IAS 19, the 2022 valuation was updated for 30 April 2025.

The most significant risks to which the plan exposes the Group are as follows:

- **Inflation risk:** A rise in inflation rates will lead to higher plan liabilities as a large proportion of the defined benefit obligation is indexed in line with price inflation. This effect will be limited due to caps on inflationary increases to protect the plan against extreme inflation.
- **Investment risk:** There is a risk that future investment performance fails to generate expected returns.
- **Employer covenant risk:** There is a risk that the strength of the employer covenant materially weakens which may impact the ability to support the fund.
- **Mortality risk:** An increase in life expectancy would result in an increase to plan liabilities as a significant proportion of the pension schemes' obligations are to provide benefits for the life of the member.

The amounts recognised in the Statement of Financial Position are determined as follows:

	2025 £m	2024 £m				
Present value of defined benefit obligations	(13.3)	(14.3)				
Fair value of plan assets	15.6	15.9				
Net surplus recognised in the Statement of Financial Position	2.3	1.6				
	Defined benefit obligations	Fair value plan assets	Net defined benefit asset			
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
Balance at 1 May	(14.3)	(14.5)	15.9	16.2	1.6	1.7
Included in Income Statement:						
Net interest	(0.7)	(0.7)	0.8	0.8	0.1	0.1
Included in Other Comprehensive Income:						
Remeasurements:						
Actuarial gain/(loss) arising from:						
Demographic assumptions	0.2	0.2	-	-	0.2	0.2
Scheme experience	0.1	(0.3)	-	-	0.1	(0.3)
Financial assumptions	0.8	0.5	-	-	0.8	0.5
Return on plan assets	-	-	(0.9)	(1.2)	(0.9)	(1.2)
Other:						
Contributions by the employer	-	-	0.4	0.6	0.4	0.6
Benefits paid out	0.6	0.5	(0.6)	(0.5)	-	-
Balance at 30 April	(13.3)	(14.3)	15.6	15.9	2.3	1.6

Cumulative actuarial gains and losses recognised in equity:

	2025 £m	2024 £m
Cumulative amounts of losses recognised in the Statement of Comprehensive Income at 1 May	(8.4)	(7.7)
Net actuarial gain/(loss) recognised in the year	0.2	(0.7)
Cumulative amounts of losses recognised in the Statement of Comprehensive Income at 30 April	(8.2)	(8.4)

The fair value of the assets was as follows:

	30 April 2025 Long-term value £m	30 April 2024 Long-term value £m
Diversified growth fund	-	3.3
Absolute return bonds	4.8	4.3
Liquidity driven investment	4.5	4.4
Asset backed securities	4.8	1.8
Cash	1.5	2.1
Fair value of plan assets	15.6	15.9

All equity securities and government bonds have quoted prices in active markets. All Government bonds are issued by European Governments and are AAA- or AA- rated. All other plan assets are not quoted in an active market.

History of asset values

	30 April 2025 £m	30 April 2024 £m	30 April 2023 £m	30 April 2022 £m	30 April 2021 £m
Fair value of plan assets	15.6	15.9	16.2	21.4	26.4
Present value of defined benefit obligations	(13.3)	(14.3)	(14.5)	(19.1)	(23.2)
Net surplus in the plan	2.3	1.6	1.7	2.3	3.2

Actuarial assumptions

The major assumptions used by the actuary for the 30 April 2025 valuation were as follows:

	30 April 2025	30 April 2024
Discount rate	5.55%	5.20%
Inflation assumption (RPI)	3.30%	3.60%
Inflation assumption (CPI)	2.85%	3.15%
Rate of increase in pensions in payment post 97 (pre-97 receive 3% p.a. increases)	3.75%	3.90%

The mortality assumptions are the standard S3PMA/S3PFA_M CMI_2023_X (1.25%) (2024: S3PMA/S3PFA_M CMI_2022_X (1.25%)) base table for males and females, both adjusted for each individual's year of birth to allow for future improvements in mortality rates. The life expectancy of male and female pensioners (now aged 65) retiring at age 65 on the Balance Sheet date is 20.8 years and 22.8 years respectively (2024: 20.9 and 22.9 years respectively). The life expectancy of male and female deferred pensioners (now aged 45) retiring at age 65 after the Balance Sheet date is 21.7 years and 24.0 years respectively (2024: 22.2 and 24.4 years respectively).

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.5 Directors and employees continued

Sensitivity analysis

The calculation of the defined benefit obligation is sensitive to the assumptions set out above. The following table summarises how the impact on the defined benefit obligation at the end of the reporting period would have increased/(decreased) as a result of a change in the respective assumptions.

	Change in assumption	Change in defined benefit obligation
Discount rate	+0.5% p.a.	£(0.7)m
Rate of inflation	+0.25% p.a.	£0.2m
Rate of mortality	+1 year	£0.4m

These calculations provide an approximate guide to the sensitivity of results and may not be as accurate as a full valuation carried out on these assumptions. In practice, changes in some of the assumptions are correlated and so each assumption change is unlikely to occur in isolation, as shown above.

Funding

The Group has no obligation to pay contributions to its defined benefit plan and expects to pay £nil in the year ending 30 April 2026 (2025: £0.4 million).

2.6 Taxation

The Group applies IAS 12 'Income Taxes' in accounting for taxes on income. Income tax payable on taxable profits (current tax) is recognised as an expense in the periods in which the profits arise.

The taxation expense represents the sum of current tax payable, including Residential Property Developer Tax ('RPDT'), and deferred tax. Current tax and deferred tax are provided at the amounts expected to be paid (or received) using the tax rules and laws that have been enacted, or substantially enacted, by the reporting date.

The tax charge for the year is as follows:

	2025 £m	2024 £m
Current tax (including RPDT)		
UK current tax payable	(123.5)	(166.0)
Adjustments in respect of previous years	7.4	6.4
	(116.1)	(159.6)
Deferred tax (including RPDT)		
Deferred tax movements	(28.3)	2.8
Adjustments in respect of previous years	(2.5)	(2.9)
	(30.8)	(0.1)
	(146.9)	(159.7)

Tax on items recognised directly in equity is as follows:

	2025 £m	2024 £m
Deferred tax in respect of employee share schemes (note 2.18)	1.2	2.5

Corporation tax is calculated at 25% (2024: 25%) of the estimated assessable profit for the year. Taking into account RPDT at a rate of 4%, the weighted statutory rate of corporate income tax is 29% for the year (2024: 29%).

The tax charge assessed for the year differs from the weighted statutory rate of corporate income tax of 29% (2024: 29%). The differences are explained below:

	2025 £m	2024 £m
Profit before tax	528.9	557.3
Tax on profit at standard UK corporation tax rate (including RPDT)	153.4	161.6
Effects of:		
• Expenses not deductible for tax purposes	1.7	1.0
• Tax effect of share of results of joint ventures	0.6	0.6
• Adjustments in respect of previous years	(4.9)	(3.5)
• Other rate impacting adjustments	(2.0)	-
• Other	(1.9)	-
Tax charge	146.9	159.7

The Group has an overall tax charge for the year of £146.9 million (2024: £159.7 million) including UK current tax payable of £123.5 million (2024: £166.0 million). The effective tax rate for the year is 27.8% (2024: 28.7%) and includes a £2.5 million credit (2024: £2.9 million credit) arising from the remeasurement, in part, of the Group's UK deferred tax assets.

In December 2021, the OECD published its proposals in relation to Global Anti-Base Erosion Rules, which provide for an internationally coordinated system of taxation to ensure that large multinational groups pay a minimum level of corporate income tax in countries in which they operate. The UK Finance (No. 2) Act 2023, which implements Pillar Two, was enacted by the UK Government on 11 July 2023. Owing to its size and multinational operations, the Berkeley Group is within the scope of the OECD Pillar Two model rules for the accounting period 30 April 2025 onwards. The Group has undertaken a review and expects to meet the transitional safe harbour provisions meaning the top up tax will not be payable. There is no impact on the Group's results for the year ended 30 April 2025. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12.

2.7 Earnings per ordinary share

Basic earnings per share (EPS) are calculated as the profit for the financial year attributable to shareholders of the Group divided by the weighted average number of shares in issue during the year.

	2025	2024
For the year ended 30 April		
Profit attributable to shareholders (£m)	382.0	397.6
Weighted average no. of shares (million)	102.7	106.3
Basic EPS (pence)	371.8	373.9

For diluted earnings per ordinary share, the weighted average number of shares in issue is adjusted to assume the conversion of all potentially dilutive ordinary shares.

At 30 April 2025, the Group had two (2024: two) categories of potentially dilutive ordinary shares: 0.4 million (2024: 0.7 million) share options under the 2011 LTIP and 0.1 million share option (2024: 0.1 million) under the Restrictive Share Plan.

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.7 Earnings per ordinary share continued

A calculation is undertaken to determine the number of shares that could have been acquired at fair value based on the aggregate of the exercise price of each share option and the fair value of future services to be supplied to the Group which is the unamortised share based payments charge. The difference between the number of shares that could have been acquired at fair value and the total number of options is used in the diluted EPS calculation.

For the year ended 30 April	2025	2024
Profit used to determine diluted EPS (£m)	382.0	397.6
Weighted average number of shares (million)	102.7	106.3
Adjustments for:		
• Share options - 2011 LTIP	0.4	0.7
• Share options - Restrictive Share Plan	0.1	0.1
Shares used to determine diluted EPS (million)	103.2	107.1
Diluted EPS (pence)	370.0	371.1

2.8 Intangible assets

Where the cost of acquiring new and additional interests in subsidiaries, joint ventures and businesses exceeds the fair value of the net assets acquired, the resulting premium on acquisition (goodwill) is capitalised and its subsequent measurement is based on annual impairment reviews and impairment reviews performed where an impairment indicator exists, with any impairment losses recognised immediately in the Income Statement. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Goodwill £m	
Cost:	
At 1 May 2024 and 30 April 2025	17.2
Accumulated impairment:	
At 1 May 2024 and 30 April 2025	-
Net book value:	
At 1 May 2024 and 30 April 2025	17.2
Cost:	
At 1 May 2023 and 30 April 2024	17.2
Accumulated impairment:	
At 1 May 2023 and 30 April 2024	-
Net book value:	
At 1 May 2023 and 30 April 2024	17.2

The goodwill balance relates solely to the acquisition of the 50% of the ordinary share capital of St James Group Limited, completed on 7 November 2006, that was not already owned by the Group. The goodwill balance is tested annually for impairment. The recoverable amount has been determined on the basis of the value in use of the business using the current five year pre-tax forecasts. Key assumptions are as follows:

- (i) cash flows beyond a five year period are not extrapolated; and
- (ii) pre-tax discount rate of 11.0% (2024: 13.1%) based on the Group's weighted average cost of capital.

The Directors have identified no reasonably possible change in a key assumption which would give rise to an impairment charge.

2.9 Investment property

Land and buildings being developed or held to generate capital appreciation and to earn rental income are recognised as investment properties. Investment property is measured at cost less accumulated depreciation and impairment losses. Once the asset is ready for use, depreciation is provided to write off the cost of the assets to the residual values over the useful life. Any gain or loss on the disposal of investment property is recognised in profit or loss.

Under development £m
-
143.7
2.0
145.7
Carrying amount:
At 1 May 2024
At 30 April 2025

During the year, £143.7 million of cost was transferred from inventory to investment property in relation to assets under development given management's decision to hold these assets in the Group's BTR platform to earn rental income and for capital appreciation. Management use criteria to ensure that judgement is exercised consistently on the appropriate point of cost transfer, the main criteria being the formal decision to contract for the transfer of ownership of the building under development to asset specific entities which form part of the BTR platform.

As at 30 April 2025, the Directors have internally assessed the fair value of investment property under development, which approximates cost.

2.10 Property, plant and equipment

Property, plant and equipment is carried at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided to write off the cost of the assets on a straight line basis to their residual value over their estimated useful lives at the following annual rates:

Freehold buildings	25 – 50 years
Fixtures, fittings and equipment	3 – 12 years
Motor vehicles	4 years

Freehold property disclosed in the notes to the Consolidated Financial Statements consists of both freehold land and freehold buildings. No depreciation is provided on freehold land. Computer equipment is included within fixtures and fittings. The assets' residual values, carrying values and useful lives are reviewed on an annual basis and adjusted if appropriate at each Balance Sheet date. Where an impairment is identified, the recoverable amount of the asset is identified and an impairment loss, where appropriate, is recognised in the Income Statement.

Subsequent costs are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within net operating expenses in the Income Statement.

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.10 Property, plant and equipment continued

	Freehold property £m	Fixtures, fittings & equipment £m	Motor vehicles £m	Total £m
Cost:				
At 1 May 2024	30.9	5.8	2.3	39.0
Additions	-	0.8	0.2	1.0
Disposals	-	(0.3)	(0.4)	(0.7)
At 30 April 2025	30.9	6.3	2.1	39.3
Accumulated depreciation:				
At 1 May 2024	5.1	5.0	0.9	11.0
Charge for the year	0.7	0.6	0.3	1.6
Disposals	-	(0.2)	(0.3)	(0.5)
At 30 April 2025	5.8	5.4	0.9	12.1
Net book value:				
At 1 May 2024	25.8	0.8	1.4	28.0
At 30 April 2025	25.1	0.9	1.2	27.2

	Freehold property £m	Fixtures, fittings & equipment £m	Motor vehicles £m	Total £m
Cost:				
At 1 May 2023	30.9	15.2	2.1	48.2
Additions	-	0.6	0.8	1.4
Disposals	-	(10.0)	(0.6)	(10.6)
At 30 April 2024	30.9	5.8	2.3	39.0
Accumulated depreciation:				
At 1 May 2023	4.4	8.2	1.0	13.6
Charge for the year	0.7	1.4	0.2	2.3
Disposals	-	(4.6)	(0.3)	(4.9)
At 30 April 2024	5.1	5.0	0.9	11.0
Net book value:				
At 1 May 2023	26.5	7.0	1.1	34.6
At 30 April 2024	25.8	0.8	1.4	28.0

2.11 Right-of-use assets and lease liabilities

The lease liability is initially measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate. The Group determines the borrowing rate from external financing sources and adjusts this to reflect the term of the lease and the type of assets subject to the lease. The lease term comprises the non-cancellable period of the contract, together with periods covered by an option to extend the lease where the Group is reasonably certain to exercise that option. Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability, and reducing it by the lease payments made. The lease liability is remeasured when the Group changes its assessment of whether it will exercise an extension or termination option.

Right-of-use assets are initially measured at cost, comprising the initial measurement of the lease liability, plus any initial direct costs and an estimate of asset retirement obligations, less any lease incentives. Subsequently, right-of-use assets are measured at cost, less any accumulated depreciation and any accumulated impairment losses, and are adjusted for certain remeasurements of the lease liability. Depreciation is calculated on a straight line basis over the length of the lease.

The Group has elected to apply exemptions for short-term leases and leases for which the underlying asset is of low value. For these leases, payments are charged to the Income Statement on a straight line basis over the term of the relevant lease.

Right-of-use assets are presented separately in non-current assets on the face of the Consolidated Statement of Financial Position and lease liabilities are shown separately on the Consolidated Statement of Financial Position in current liabilities and non-current liabilities depending on the length of the lease term.

	Leasehold property £m	Motor vehicles £m	Total £m
Cost:			
At 1 May 2024	13.6	0.9	14.5
Additions	2.0	0.1	2.1
Disposals	-	-	-
At 30 April 2025	15.6	1.0	16.6
Accumulated depreciation:			
At 1 May 2024	9.5	0.7	10.2
Charge for the year	2.1	0.1	2.2
Disposals	-	-	-
At 30 April 2025	11.6	0.8	12.4
Net book value:			
At 1 May 2024	4.1	0.2	4.3
At 30 April 2025	4.0	0.2	4.2

Lease liabilities included in the Consolidated Statement of Financial Position:

	2025 £m	2024 £m
Current	2.0	2.1
Non-current	2.3	2.3
Total	4.3	4.4

Amounts recognised in the Consolidated Income Statement:

	2025 £m	2024 £m
Depreciation charged on right-of-use assets - Office buildings	2.1	2.4
Depreciation charged on right-of-use assets - Motor vehicles	0.1	0.1
Interest on lease liabilities	0.2	0.1
Total	2.4	2.6

The total cash outflow for leases in 2025 was £2.3 million (2024: £2.3 million).

2.12 Investments in joint ventures

Joint ventures are accounted for using the equity method (equity accounted investees) and are initially recognised at cost. The Consolidated Financial Statements include the Group's share of the total comprehensive income and equity movements of equity accounted investees, from the date that joint control commences until the date that joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the Group's carrying amount is reduced to £nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an investee. For loans to joint ventures, the Group assesses at each reporting date, the value of the loans against future cash flows. For any credit losses, the carrying value of the asset is reduced through the write off of the loan amounts recognised in the Income Statement within share of profit or loss in joint ventures. Management fees received and other recharges to joint ventures are recorded in the Income Statement.

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.12 Investments in joint ventures continued

	2025 £m	2024 £m
Loans	55.5	53.8
Share of post acquisition reserves	187.9	173.2
	243.4	227.0

Details of the joint ventures are provided in Notes 2.26 and 2.27.

	2025 £m	2024 £m
At 1 May	227.0	223.4
Group's share of profit after taxation for the year	14.7	65.6
Increase in loans to joint ventures	1.7	12.9
Dividends from joint ventures (St Edward)	-	(74.9)
At 30 April	243.4	227.0

The Group's share of joint ventures' net assets, income and expenses is comprised as follows:

	St Edward £m	Other £m	Total £m
2025			
Cash and cash equivalents	278.1	1.5	279.6
Other current assets	262.6	63.5	326.1
Current assets	540.7	65.0	605.7
Current liabilities	(89.0)	(2.3)	(91.3)
Non-current financial liabilities*	(72.9)	(65.7)	(138.6)
Net assets/(liabilities) (at 100%)	378.8	(3.0)	375.8
Group share of net assets/(liabilities) (50%)	189.4	(1.5)	187.9
Loans to joint ventures	22.6	32.9	55.5
Total interest in joint ventures	212.0	31.4	243.4
Revenue	144.6	0.2	144.8
Costs	(122.9)	(1.5)	(124.4)
Operating profit/(loss)	21.7	(1.3)	20.4
Net finance income/(costs)	10.2	(0.6)	9.6
Profit/(loss) before taxation for the year	31.9	(1.9)	30.0
Tax charge	(0.6)	-	(0.6)
Profit/(loss) after taxation and total comprehensive income/(expense) (100%)	31.3	(1.9)	29.4
Group share of post tax profit/(loss) of joint ventures (50%)	15.7	(1.0)	14.7

* Non-current financial liabilities include amounts owed to joint venture partners

The Other joint ventures in the table comprise asset specific 50/50 joint ventures – Latimer Developments Limited and SEGRO Properties Limited.

	St Edward £m	Other £m	Total £m
2024			
Cash and cash equivalents	229.8	0.4	230.2
Other current assets	287.0	61.3	348.3
Current assets	516.8	61.7	578.5
Current liabilities	(109.2)	(0.6)	(109.8)
Non-current financial liabilities*	(59.8)	(62.5)	(122.3)
Net assets/(liabilities) (at 100%)	347.8	(1.4)	346.4
Group share of net assets/(liabilities) (50%)	173.9	(0.7)	173.2
Loans to joint ventures	22.6	31.2	53.8
Total interest in joint ventures	196.5	30.5	227.0
Revenue	326.8	-	326.8
Costs	(204.4)	(0.3)	(204.7)
Operating profit/(loss)	122.4	(0.3)	122.1
Net finance income/(costs)	10.4	(0.5)	9.9
Profit/(loss) before taxation for the year	132.8	(0.8)	132.0
Tax charge	(0.8)	-	(0.8)
Profit/(loss) after taxation and total comprehensive income/(expense) (100%)	132.0	(0.8)	131.2
Group share of post tax profit/(loss) of joint ventures (50%)	66.0	(0.4)	65.6

* Non-current financial liabilities include amounts owed to joint venture partners.

2.13 Inventories

Property in the course of development and completed units are valued at the lower of cost and net realisable value. Direct cost comprises the cost of land, material and development costs but excludes indirect overheads. Provision is made, where appropriate, to reduce the value of inventories and work in progress to their net realisable value.

Land purchased for development, including land in the course of development, is initially recorded at cost. Where such land is purchased on deferred settlement terms, and the cost differs from the amount that will subsequently be paid in settling the liability, this difference is charged as a finance cost in the Income Statement over the period to settlement.

As residential development is largely speculative by nature, not all inventories are covered by forward sales contracts. Furthermore, due to the nature of the Group's activity and in particular, the scale of its developments and the length of the development cycle, the Group has to allocate site-wide development costs between units being built and/or completed in the current year and those for future years. It also has to forecast the costs to complete on such developments.

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.13 Inventories continued

In making such assessments and allocations in determining each development's site margin which is used to estimate cost of sales when revenue is recognised for each unit, there is a degree of inherent estimation uncertainty. In particular due to the need to take account of future direct input costs, sales prices and the need to allocate all site-wide costs on an appropriate basis to reflect the overall level of development risk, including planning risk. The Group has established internal controls designed to effectively assess and centrally review inventory carrying values and ensure the appropriateness of the estimates made. These assessments and allocations evolve over the life of the development in line with the risk profile, and accordingly the margin recognised reflects these evolving estimates. Similarly, these estimates impact the carrying value of inventory at each reporting date as this is a function of costs incurred in the year and the allocation of inventory to costs of sales on each property sold.

An increase or decrease to estimated costs recognised in the year, by virtue of a 1% change to forecast development margin, would lead to a change in cost of sales and inventory of £17.6 million in the current financial year (2024: £17.6 million). This sensitivity is based on a reasonably possible scenario and is provided in the absence of a change to any other factor affecting future gross margins on the Group's developments, such as a change in future sales prices.

In addition, the Group has consistently applied its approach to margin recognition in relation to the Group's particularly complex, long-term regeneration developments where whole-site costs are accelerated to the early stages of the development to reflect the greater uncertainty and the evolution of risk over the life of such developments. These developments, where the development life cycle is typically greater than 10 years, are considered to be particularly susceptible to potential downward shifts in profitability due to the cyclical nature of the property market and its impact on both revenue and costs. As such, the inherent estimation uncertainty is increased.

A fundamental principle of the Group's accounting policy is to reduce the possibility of recognising margin in the early stages of a development that could subsequently reverse. As such, for these long-term sites with greatest estimation uncertainty, a greater proportion of whole-site costs is recognised during the earlier stages of the development up to a point of inflection when such developments are deemed to be sufficiently de-risked. Subsequent to this inflection point, and should the uncertainties have not materialised, margin would increase as the visibility over projected revenue and costs across the development improves.

As at 30 April 2025, the greater proportion of whole-site costs recognised in either the current or previous financial years during the earlier stages of the development for the Group's particularly complex, long-term sites amounted to 4% (2024: 4%) of the future estimated revenue for the specific sites. As with all judgements involving estimation over a long-term horizon, the outcome of future events may affect the eventual accounting outcome.

	2025 £m	2024 £m
Land not under development	554.3	725.8
Work in progress: Land cost	1,692.9	1,715.3
Total land	2,247.2	2,441.1
Work in progress: Build cost	2,467.2	2,632.4
Completed units	337.8	210.4
Total inventories	5,052.2	5,283.9

The key areas of estimation uncertainty described above are relevant to the work in progress and completed stock balances as at 30 April 2025.

During the year, an amount of £143.7 million was transferred from inventory to investment property. Further disclosure is set out in Note 2.9.

2.14 Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Expected credit losses are based on the difference between the contracted cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted on an approximation of the original effective interest rate. For trade receivables the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Income Statement within net operating expenses. When a trade receivable is not collectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against net operating expense in the Income Statement.

	2025 £m	2024 £m
Trade receivables	47.2	72.5
Other receivables	18.6	23.6
Prepayments and accrued income	23.0	23.7
	88.8	119.8

Further disclosures relating to trade receivables are set out in Note 2.24.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash balances in hand and at the bank, including bank overdrafts repayable on demand which form part of the Group's cash management, for which offset arrangements across Group businesses have been applied where appropriate.

	2025 £m	2024 £m
Cash and cash equivalents	1,015.2	1,192.0

Cash and cash equivalents are held at floating interest rates linked to the UK base rate and money market rates, as applicable.

Cash equivalents comprise amounts placed in fixed term deposit and notice accounts which are all held in order to meet short-term cash requirements and are subject to an insignificant risk of changes in value. Cash equivalents include an amount of £150.8 million (2024: £210.2 million) that is accessible between 90 and 120 days.

2.16 Trade and other payables

New property deposits and on account contract receipts are held within current trade and other payables. Deposits and on account contract receipts are non-refundable and are recorded as a liability on receipt. They are released to the Income Statement, as revenue, upon legal completion.

Trade and other payables on normal terms are not interest bearing and are stated at their nominal value which is considered to be their fair value. Trade payables on extended terms are recorded at their fair value at the date of acquisition of the asset to which they relate. The discount to nominal value is amortised over the period of the credit term and charged to finance costs.

Deferred revenue relates to consideration received in advance of units being delivered. Revenue is recognised in the Income Statement as control is passed to the customer, which has either been determined as the point of legal completion or, on contracts where the customer controls the property during construction, over time with reference to the stage of completion.

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.16 Trade and other payables continued

	2025 £m	2024 £m
Current		
Trade payables	(838.1)	(736.6)
Deposits and on account contract receipts	(711.5)	(907.7)
Other taxes and social security	(5.5)	(9.5)
Deferred income	(37.2)	(52.9)
Accruals	(166.1)	(171.3)
	(1,758.4)	(1,878.0)
Non-current		
Trade payables	(462.8)	(683.6)
Total trade and other payables	(2,221.2)	(2,561.6)

The reduction in deferred income of £30.9 million (2024: £35.5 million) in the year has been recorded as revenue in the Income Statement.

All amounts included above are unsecured. The total of £5.5 million (2024: £9.5 million) for other taxes and social security includes £2.7 million (2024: £4.6 million) for Employer's National Insurance provision in respect of share based payments.

Further disclosures relating to current trade and non-current trade payables are set out in Note 2.24.

2.17 Provisions for liabilities and charges

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle that obligation, and the amount has been reliably estimated.

The Group makes assumptions to determine the timing and its best estimate of the quantum of its construction and other liabilities for which provisions are held.

Provisions include a best estimate of the expected value of its post completion development obligations in respect of the construction of the Group's portfolio of complex mixed use property developments which are expected to be incurred in the ordinary course of business, based on historical experience of the Group's sites and current site-specific risks, including matters relating to building fire-safety, but which are uncertain in terms of timing and quantum. Provisions are discounted to present value where the effect is material.

The Group continually reviews the identified risks that it is aware of for the Group's portfolio of developments to ensure that the amount of the provision remains appropriate. The increase in the year relates to post completion items on a number of sites including matters relating to building fire-safety. The Group continually reviews its utilisation of this provision and in recognition that the risk of post completion development obligations reduces over time, releases any unutilised provision to the Income Statement on a systematic basis across the 10 years following completion.

If costs estimated in the provisions are overstated or understated by 10%, this would lead to a change in cost of sales and provision of £23.0 million in the current financial year (2024: £21.0 million).

	Post completion development provisions £m	Other provisions £m	Total £m
At 1 May 2024	(200.6)	(9.2)	(209.8)
Utilised	12.1	0.1	12.2
Released	7.0	1.4	8.4
Charged to the Income Statement	(36.0)	(4.4)	(40.4)
At 30 April 2025	(217.5)	(12.1)	(229.6)

	Post completion development provisions £m	Other provisions £m	Total £m
At 1 May 2023	(189.0)	(4.6)	(193.6)
Utilised	19.1	0.2	19.3
Released	7.8	-	7.8
Charged to the Income Statement	(38.5)	(4.8)	(43.3)
At 30 April 2024	(200.6)	(9.2)	(209.8)

	2025 £m	2024 £m
Non-current	(153.6)	(140.7)
Current	(76.0)	(69.1)
Total	(229.6)	(209.8)

2.18 Deferred tax

Deferred taxation is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and corresponding tax bases used in the computation of taxable profit, and is accounted for using the Balance Sheet liability method. Deferred tax liabilities are generally recognised on all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill, or from the initial recognition (except in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit, or from differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred taxation is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the Balance Sheet date. The carrying value of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which taxable temporary differences can be utilised. Deferred taxation is charged or credited to the Income Statement, except when it relates to items charged or credited directly to reserves, in which case the deferred taxation is also dealt with in reserves.

Deferred taxation assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxation assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.18 Deferred tax continued

The movement on the deferred tax account is as follows:

	Accelerated capital allowances £m	Unrealised inventory profit £m	Other timing differences £m	Total £m
At 1 May 2024	(2.5)	79.7	39.7	116.9
Adjustments in respect of previous years	-	(0.9)	(1.6)	(2.5)
Charged to the Income Statement in the year	-	(10.6)	(17.7)	(28.3)
Adjustment in respect of change of tax rate for future periods (note 2.6)	-	-	-	-
Charged to Income Statement in the year	-	(10.6)	(17.7)	(28.3)
Charged to equity in year (note 2.6)	-	-	1.2	1.2
At 30 April 2025	(2.5)	68.2	21.6	87.3
	Accelerated capital allowances £m	Unrealised inventory profit £m	Other timing differences £m	Total £m
At 1 May 2023	(4.2)	77.7	41.0	114.5
Adjustments in respect of previous years	(0.1)	(1.0)	(1.8)	(2.9)
Credited/(charged) to the Income Statement in the year	1.8	3.0	(2.0)	2.8
Adjustment in respect of change of tax rate for future periods (note 2.6)	-	-	-	-
Credited to Income Statement in the year	1.8	3.0	(2.0)	2.8
Charged to equity in year (note 2.6)	-	-	2.5	2.5
At 30 April 2024	(2.5)	79.7	39.7	116.9

Other timing differences primarily relates to deferred tax assets held in relation to long-term incentive schemes, bonuses and provisions.

Deferred tax is calculated in full on temporary differences at the tax rates that are expected to apply for the period when the asset is realised and the liability is settled.

All deferred tax assets are available for offset against deferred tax liabilities and hence the net deferred tax asset at 30 April 2025 is £87.3 million (2024: £116.9 million).

Deferred tax assets of £39.9 million (2024: £74.6 million) are expected to be recovered after more than one year.

The carrying value of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that there will be sufficient available profits to offset all or part of the asset. There are no unrecognised deferred tax assets as at 30 April 2025.

The deferred tax credited to equity during the year was as follows:

	2025 £m	2024 £m
Deferred tax movement in the year in respect of employee share schemes (note 2.6)	1.2	2.5
Cumulative deferred tax credited to equity at 1 May	18.8	16.3
Cumulative deferred tax credited to equity at 30 April	20.0	18.8

2.19 Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled, sold or reissued. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

The movements on allotted and fully paid share capital for the Company in the year were as follows:

	Ordinary shares		Share capital		Share premium	
	2025 No '000	2024 No '000	2025 £m	2024 £m	2025 £m	2024 £m
Issued						
At start of year	114,712	116,537	6.2	6.3	49.8	49.8
Shares cancelled	(3,321)	(1,825)	(0.2)	(0.1)	-	-
Share consolidation	(4,019)	-	-	-	-	-
At end of year	107,372	114,712	6.0	6.2	49.8	49.8

On 9 September 2024, a share consolidation was undertaken which reduced the Company's ordinary share capital, net of treasury and EBT shares, by 3.51%. The share consolidation replaced the total number of existing ordinary shares of 114.5 million, with a nominal value of 5.4141 pence each, into a reduced number of new ordinary shares of 110.5 million, each at a nominal value of 5.6110 pence at the time of the consolidation.

Each ordinary share of 5.6110 pence is a voting share in the capital of the Company, is entitled to participate in the profits of the Company and on the winding up is entitled to participate in the assets of the Company.

During the 2025 financial year, 3,321 thousand shares were repurchased (2024: 1,825 thousand) for a total consideration of £129.7 million, excluding transaction costs (2024: £72.3 million). These shares were subsequently cancelled.

On 19 September 2024, 170 thousand ordinary shares (2024: 175 thousand) were allotted and issued to the Employee Benefit Trust.

On 30 September 2024, 178 thousand ordinary shares (2024: 222 thousand) were transferred from the Employee Benefit Trust to Executive Directors to satisfy the exercise of options under the 2011 LTIP.

At 30 April 2025, there were 46 thousand shares held in trust (2024: 56 thousand) by the Employee Benefit Trust. The market value of these shares at 30 April 2025 was £1.9 million (2024: £2.6 million).

At 30 April 2025, there were 8,306 thousand (2024: 8,784 thousand) treasury shares held by the Group. The market value of the shares at 30 April 2025 was £346.4 million (2024: £414.1 million).

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.20 Reserves

The movement in reserves is set out in the Consolidated Statement of Changes in Equity on page 188.

Capital redemption reserve

The capital redemption reserve was created to maintain the capital of the Company following the redemption of the B-Shares associated with the Scheme of Arrangement created in 2004 which completed on 10 September 2009 with the re-designation of the unissued B-Shares as ordinary shares.

During the year, 3,321 thousand (2024: 1,825 thousand) shares were repurchased to the value of £129.7 million (2024: £72.3 million). These shares were subsequently cancelled (2024: 1,825 thousand) as shown in Note 2.19. On cancellation of the share capital, the capital redemption reserve was credited with the nominal value of shares.

Other reserve

The other reserve of negative £961.3 million (2024: negative £961.3 million) arose from the application of merger accounting principles to the financial statements on implementation of the capital reorganisation of the Group, incorporating a Scheme of Arrangement, in the year ended 30 April 2005.

Retained earnings

On 19 September 2024, the Company issued to the Employee Benefit Trust 170 thousand ordinary shares (2024: 175 thousand ordinary shares). On 30 September 2024, 178 thousand ordinary shares were transferred from the Employee Benefit Trust to Executive Directors to satisfy the exercise of options under the 2011 LTIP (2024: 222 thousand ordinary shares).

2.21 Dividends per share

Dividend distributions to shareholders are recognised as a liability in the period in which the dividends are appropriately authorised and approved for payout and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

	2025		2024	
	Dividend per share pence	£m	Dividend per share pence	£m
Amounts recognised as distributions to equity shareholders during the year:				
September 2023	-	-	59.30	63.1
March 2024	-	-	33.00	35.0
June 2024	33.00	35.0	-	-
September 2024 (special dividend)	174.00	183.8	-	-
March 2025	33.00	33.0	-	-
Total dividends	251.8		98.1	

2.22 Contingent liabilities

The Group makes provisions for management's best estimate of post-completion development obligations, including the cost of remediation associated with building fire-safety matters, and all known material legal and other claims, and investigations in the ordinary course of business. It is possible that the eventual costs may differ from management's current best estimates.

Certain companies within the Group have given performance and other trade guarantees on behalf of other members of the Group in the ordinary course of business. The Group has performance agreements in the ordinary course of business of £23.9 million which are guaranteed by third parties (2024: £24.5 million). The Group considers that the likelihood of an outflow of cash under these agreements is low and that no provision is required.

2.23 Notes to the Consolidated Cash Flow Statement

Reconciliation of profit after taxation for the year to cash generated from operations:

	2025 £m	2024 £m
Profit for the financial year	382.0	397.6
Adjustments for:		
• Taxation	146.9	159.7
• Depreciation	3.8	4.8
• Loss on sale of property, plant and equipment	0.1	5.2
• Finance income	(55.8)	(53.9)
• Finance costs	41.6	41.9
• Share of results of joint ventures after tax	(14.7)	(65.6)
• Non-cash charge in respect of share awards	(2.6)	(0.8)
Changes in working capital:		
Decrease in inventories	87.9	18.2
Decrease/(Increase) in trade and other receivables	29.4	(24.4)
Decrease in trade and other payables	(332.8)	(99.7)
Cash generated from operations	285.8	383.0

Reconciliation of net cash flow to net cash:

Net (decrease)/increase in cash and cash equivalents, including bank overdraft	(176.8)	121.6
Movement in borrowings	(17.9)	-
Movement in net cash in the financial year	(194.7)	121.6
Opening net cash	532.0	410.4
Closing net cash	337.3	532.0
Net cash as at 30 April:		
Cash and cash equivalents	1,015.2	1,192.0
Non-current borrowings	(677.9)	(660.0)
Total borrowings	(677.9)	(660.0)
Net cash*	337.3	532.0

* IFRS 16 lease liabilities are detailed in Note 2.11.

2.24 Capital management, financial instruments and financial risk management

The Group finances its operations by a combination of shareholders' funds, working capital and, where appropriate, borrowings. The Group's objective when managing capital is to maintain an appropriate capital structure in the business to allow management to focus on creating sustainable long-term value for its shareholders.

The Group monitors capital levels principally by monitoring net cash/debt levels, cash flow forecasts and return on average capital employed. The Group considers capital employed to be net assets adjusted for net cash/debt. Capital employed at 30 April 2025 was £3,222.5 million (2024: £3,028.5 million). The increase in capital employed in the year of £194.0 million reflects a reduction in net cash during the year (2024: £106.6 million).

The Group's financial instruments comprise financial assets being trade receivables, loans to joint ventures and cash and cash equivalents; and financial liabilities being borrowings, trade payables excluding other taxes and social security, lease liabilities and accruals other than those accounted for under IAS 19 'Employee Benefits'. Cash and cash equivalents and borrowings are the principal financial instruments used to finance the business. The other financial instruments arise in the ordinary course of business.

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.24 Capital management, financial instruments and financial risk management continued

As the Group's activities are predominantly conducted in sterling there is negligible direct currency risk. Therefore, the Group's key financial risks are primarily:

- liquidity risk – the risk that suitable funding for the Group's activities may not be available;
- market interest rate risk – the risk that Group financing activities represented by floating borrowings are adversely affected by fluctuation in market interest rates; and
- credit risk – the risk that a counterparty will default on its contractual obligations resulting in a loss to the Group.

Financial instruments: financial assets

The Group's financial assets can be summarised as follows:

	2025 £m	2024 £m
Current:		
Trade receivables	47.2	72.5
Loans to joint ventures	55.5	53.8
Cash and cash equivalents	1,015.2	1,192.0
Total financial assets	1,117.9	1,318.3

Trade receivables are non-interest bearing. Of the current trade receivables balance of £47.2 million (2024: £72.5 million) none of the balance was overdue by more than 30 days (2024: £nil).

Cash and cash equivalents are short-term deposits held at either floating rates linked to the Bank of England base rate or fixed money market rates. There are currently no Group assets that are measured at fair value.

Financial instruments: financial liabilities

The Group's financial liabilities can be summarised as follows:

	2025 £m	2024 £m
Current		
Trade payables	(838.1)	(736.6)
Lease liabilities	(2.0)	(2.1)
Accruals	(105.7)	(107.1)
	(945.8)	(845.8)
Non-current		
Trade payables	(462.8)	(683.6)
Lease liabilities	(2.3)	(2.3)
Borrowings	(677.9)	(660.0)
	(1,143.0)	(1,345.9)
Total trade and other payables	(2,088.8)	(2,191.7)

All amounts included above are unsecured, except for borrowings under the Group's bank facilities as set out later in this note.

Trade payables and other current liabilities are non-interest bearing.

The maturity profile of the Group's non-current financial liabilities, all of which are held at amortised cost, is as follows:

	2025 £m	2024 £m
Amounts due:		
In more than one year but not more than two years	(97.5)	(229.2)
In more than two years but not more than five years	(525.8)	(504.2)
In more than five years	(519.7)	(612.5)
	(1,143.0)	(1,345.9)

Current trade receivables and current trade and other payables approximate to their fair value as the transactions which give rise to these balances arise in the normal course of trade and, where relevant, with industry standard payment terms and have a short period to maturity (less than one year).

Non-current trade payables comprise long-term land payables, which are held at their discounted present value (calculated by discounting expected future cash flows at prevailing interest rates and yields as appropriate), and borrowings. The discount rate applied reflects the Group's credit risk, which is considered to be aligned to a nominal, low risk pre-tax rate, on initial recognition of the financial liability, applied to the maturity profile of the individual land creditors within the total. Non-current bank loans approximate to fair value as they are held at variable market interest rates. The fair value of the £400 million unsecured 10-year Green Bonds at 30 April 2025 was determined by the ask price of £81.80 per £100 (2024: £75.86 per £100).

Liquidity risk

This is the risk that suitable funding for the Group's activities may not be available. Group management addresses this risk through review of rolling cash flow forecasts throughout the year to assess and monitor the current and forecast availability of funding, and to ensure sufficient headroom against facility limits and compliance with banking covenants. The committed borrowing facilities are set out below.

The contractual undiscounted maturity profile of the Group's financial liabilities, which are included at their carrying value in the preceding tables, is as follows:

	2025 £m	2024 £m
Amounts due:		
In less than one year	(947.8)	(846.9)
In more than one year but not more than two years	(99.3)	(234.4)
In more than two years but not more than five years	(543.2)	(517.2)
In more than five years	(526.7)	(631.6)
	(2,117.0)	(2,230.1)

Deposits and on account contract receipts are not included in the table above as they represent deferred income and therefore do not have a payment maturity date.

Market interest rate risk

The Group's cash and cash equivalents, bank and Homes England loans expose the Group to cash flow interest rate risk.

The Group's rolling cash flow forecasts incorporate appropriate interest assumptions, and management carefully assesses expected activity levels and associated funding requirements in the prevailing and forecast interest rate environment to ensure that this risk is managed.

If interest rates on the Group's cash and cash equivalents and bank loans had been 50 basis points higher throughout the year ended 30 April 2025, profit after tax for the year would have been £1.6 million higher (2024: £1.7 million). This calculation is based on the monthly closing net cash/debt balance throughout the year. A 50 basis point increase in interest rate represents management's assessment of a reasonably possible change for the year ended 30 April 2025.

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.24 Capital management, financial instruments and financial risk management continued

Credit risk

The Group's exposure to credit risk encompasses these financial assets: trade receivables, loans to joint ventures and cash and cash equivalents. The Group has assessed expected credit losses and the loss allowance for trade and other receivables and loans to joint ventures as immaterial.

There has been no impairment of trade receivables during the year (2024: £nil), nor are there any material provisions held against trade receivables (2024: £nil), and £nil trade receivables are past their due date (2024: £nil).

The credit risk on cash and cash equivalents is limited because counterparties are leading international banks with long-term A credit ratings assigned by international credit agencies.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Income Statement over the period of the borrowings using the effective interest method.

The Group has committed corporate borrowing facilities as follows:

	2025				2024			
	Available £m	Drawn/issued £m	Undrawn £m	Available £m	Available £m	Drawn/issued £m	Undrawn £m	Available £m
Bank facilities								
Green Term Loan	260	(260)	-	Feb-29	260	(260)	-	Feb-29
Revolving Credit Facility	540	-	540	Feb-29	540	-	540	Feb-29
Listed debt								
Green Bonds	400	(400)	-	Aug-31	400	(400)	-	Aug-31
	1,200	(660)	540		1,200	(660)	540	

The £400 million unsecured 10-year Green Bonds mature in August 2031 at a fixed coupon of 2.5% per annum and are listed on the International Securities Market of the London Stock Exchange plc. The Group is in compliance with all of the financial covenants associated with the bonds.

The £800 million banking facilities comprise a £260 million Green Term Loan, which was initially drawn in March 2022 and bears interest at a rate linked to SONIA, and a £540 million Revolving Credit Facility (RCF) which remains undrawn. The bank facilities are secured by debentures provided by certain Group holding companies over their assets. The Group's £800 million banking facilities are in place to February 2029.

The Group's bank facilities contain the usual financial covenants, including minimum interest cover, asset cover and maximum gearing, which are reported on bi-annually in line with the Group's accounting dates. The Group is in compliance with all the financial covenants associated with the bank facilities and expects to continue to do so.

At 30 April 2025, the total drawn balance of these combined borrowing facilities was £660.0 million (2024: £660.0 million). At 30 April 2025 there were £nil bank bonds in issue (2024: £nil) which are capable of being issued under ancillary facilities available as part of the Group's RCF.

The Group has a borrowing facility with Homes England whereby it may apply amounts borrowed towards financing or re-financing certain infrastructure type development costs incurred by the Group on three of its development sites. The facility totals £125.6 million, is unsecured, has floating interest rates linked to the UK base rate and requires 33.33% of any outstanding loans to be repaid by 31 December 2031, 50% by 31 December 2032 and 100% by 31 December 2033.

On 10 January 2025, £17.9 million was drawn down from the borrowing facility with Homes England. As at 30 April 2025 £17.9 million was an outstanding loan (2024: £nil). There were no non-cash changes to borrowings.

2.25 Alternative performance measures

Berkeley uses a number of alternative performance measures (APMs) which are not defined by IFRS. The Directors consider these measures useful to assess the underlying performance of the Group alongside the relevant IFRS financial information. They are referred to as Financial KPIs throughout the year end results. The information below provides a definition of APMs and reconciliation to the relevant IFRS information, where required:

Net cash

Net cash is defined as cash and cash equivalents, less total borrowings. This is reconciled in Note 2.23.

Net assets value per share attributable to shareholders (NAVPS)

This is defined as net assets attributable to shareholders divided by the number of shares in issue, excluding shares held in treasury and shares held by the Employee Benefit Trust.

	2025	2024
Net assets (£m)	3,559.8	3,560.5
Total shares in issue (million)	107.4	114.7
Less:		
Treasury shares held (million)	(8.3)	(8.7)
Employee Benefit Trust shares held (million)	(0.1)	(0.1)
Net shares used to determine NAVPS (million)	99.0	105.9
Net asset value per share attributable to shareholders (pence)	3,595	3,363
Return on capital employed (ROCE)		
This measures the profitability and efficiency of capital being used by the Group and is calculated as profit before interest and taxation (including joint venture profit before tax) divided by the average net assets adjusted for debt/(cash).		
	2025 £m	2024 £m
Operating profit	500.0	479.7
Share of joint ventures using equity method	14.7	65.6
Profit used to determine ROCE	514.7	545.3
Opening capital employed:		
Net assets	3,560.5	3,332.3
Net cash	(532.0)	(410.4)
Opening capital employed	3,028.5	2,921.9
Closing capital employed:		
Net assets	3,559.8	3,560.5
Net cash	(337.3)	(532.0)
Closing capital employed	3,222.5	3,028.5
Average capital employed	3,125.5	2,975.2
Return on capital employed (%)	16.5%	18.3%

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.25 Alternative performance measures continued

Return on equity (ROE) before tax

This measures the efficiency of returns generated from shareholder equity before taxation and is calculated as profit before taxation attributable to shareholders as a percentage of the average of opening and closing shareholders' funds.

	2025 £m	2024 £m
Opening shareholders' equity	3,560.5	3,332.3
Closing shareholders' equity	3,559.8	3,560.5
Average shareholders' equity	3,560.2	3,446.4
Profit before tax	528.9	557.3
Return on equity before tax (%)	14.9%	16.2%

Cash due on forward sales

This measures cash still due from customers, allowing for a risk adjustment, at the relevant Balance Sheet date under unconditional contracts for sale. It excludes forward sales of affordable housing, commercial properties and institutional sales as well as forward sales within the Group's joint ventures.

Future gross margin in land holdings

This represents management's risk-adjusted assessment of the potential gross profit for each of the Group's sites, including the proportionate share of its joint ventures, taking account of a wide range of factors, including: current sales and input prices; the economic and political backdrop; the planning and regulatory regime; and other market factors; all of which could have a significant effect on the eventual outcome.

2.26 Related party transactions

The Group has entered into the following related party transactions:

Transactions with Directors

There were no transactions with Directors in the year. In the comparative 2024 year, Mr R C Perrins paid £99,683 and P M Vallone paid £5,831 to the Group in connection with works carried out at their respective homes at commercial rates in accordance with the relevant policies of the Group. There were no balances outstanding at either year end.

Transactions with joint ventures

During the financial year, the joint ventures paid management fees and other recharges to the Group of £10.4 million (2024: £14.2 million). Other transactions in the year include the movements in loans of £1.7 million (2024: £12.9 million) and there were no receipt of dividends (2024: £74.9 million).

The outstanding loan balances with joint ventures at 30 April 2025 total £55.5 million (30 April 2024: £53.8 million).

2.27 Subsidiaries and joint ventures

(a) Subsidiaries

In accordance with Section 409 of the Companies Act 2006, a full list of subsidiaries, partnerships, associates, joint ventures and joint arrangements, the country of incorporation, the registered address and the effective percentage of equity owned, as at 30 April 2025 is disclosed below. The Berkeley Group plc is the only direct subsidiary of The Berkeley Group Holdings plc and is an intermediate holding company. All wholly owned and partly owned subsidiaries are included in the consolidation and all associated undertakings are included in the Group's financial statements.

All of the companies listed below are incorporated in England and Wales and have their registered office address at Berkeley House, 19 Portsmouth Road, Cobham, Surrey, KT11 1JG, unless otherwise stated, and the principal activity is residential-led mixed use development and ancillary activities. All of the companies are wholly owned by the Group and unless otherwise indicated, all of the companies have ordinary share capital.

Agents of Berkeley Commercial Developments Limited

Ely Business Park Limited

Agents of Berkeley Homes (Central London) Limited

Chelsea Bridge Wharf (Block A) Limited

Chelsea Bridge Wharf (C North) Limited

Chelsea Bridge Wharf (Block B) Limited

Chelsea Bridge Wharf (C South) Limited

Chelsea Bridge Wharf (Block P) Limited

Agents of Berkeley Homes (Hampshire) Limited

Berkeley Homes (South Western House No. 1) Limited

Agents of Berkeley Homes public limited company

Berkeley (Canalside) Limited

Berkeley Homes (Surrey) Limited

Berkeley Build Limited

Berkeley Homes (Thames Gateway) Limited

Berkeley Fifty-Five Limited

Berkeley Homes (Thames Valley) Limited

Berkeley Forty-Five Limited⁽ⁱ⁾

Berkeley Homes (Three Valleys) Limited

Berkeley Forty-Four plc

Berkeley Homes (Urban Developments) Limited

Berkeley Gateway Limited

Berkeley Homes (Urban Living) Limited

Berkeley Homes (Barn Elms) Limited

Berkeley Homes (Urban Renaissance) Limited

Berkeley Homes (Capital) plc

Berkeley Homes (Western) Limited

Berkeley Homes (Central & West London)

Berkeley Homes (West London) Limited

Public Limited Company

Berkeley Homes (West Thames) Limited

Berkeley Homes (Chiltern) Limited

Berkeley Modular Limited

Berkeley Homes (East Anglia) Limited

Berkeley Ninety-One Limited

Berkeley Homes (East Kent) Limited

Berkeley Partnership Homes Limited

Berkeley Homes (East Thames) Limited

Berkeley Seven Limited

Berkeley Homes (Eastern Counties) Limited

Berkeley STE Limited

Berkeley Homes (Eastern) Limited

Berkeley SW Management Limited

Berkeley Homes (Festival Waterfront Company) Limited

Berkeley Urban Renaissance Limited

Berkeley Homes (Hampshire) Limited

Clare Homes Limited

Berkeley Homes (Home Counties) plc

Lisa Estates (St Albans) Limited

Berkeley Homes (North East London) Limited

PEL Investments Limited

Berkeley Homes (Oxford & Chiltern) Limited

St John Homes Limited^(viii)

Berkeley Homes (South East London) Limited

St Joseph Homes Limited

Berkeley Homes (South London) Limited

Stanmore Relocations Limited

Berkeley Homes (Southern) Limited

Tabard Square (Building C) Limited

Agents of Berkeley Twenty Limited

Thirlstone Homes (Western) Limited

Thirlstone Homes Limited

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.27 Subsidiaries and joint ventures continued

Agents of St George Central London Limited	
Castle Court Putney Wharf Limited	Imperial Wharf (Block J) Ltd
Imperial Wharf (Block C) Limited	Imperial Wharf (Riverside Tower) Residential Limited
Agents of St George plc	
St George Central London Limited	St George North London Limited
St George City Limited	St George South and Central London Limited
St George Developments Limited	St George South London Ltd ^(vii)
St George Kings Cross Limited	St George West London Ltd ^(vi)
Agents of St George South London Ltd	
Battersea Reach Estate Company Limited	Riverside West (Block D) Residential Limited
Kensington Westside No. 2 Limited	Riverside West Car Park Limited
Putney Wharf Estate Limited	St George Wharf (Block B) Limited
Riverside West (Block C) Commercial Limited	St George Wharf (Block C) Limited
Riverside West (Block C) Residential Limited	St. George Wharf (Block D) Commercial Limited
Riverside West (Block D) Commercial Limited	St George Wharf Car Park Limited
Agents of St John Homes Limited	
Berkeley Sixty-Six Limited	
Non-Agency Companies ^(v)	
Ancestral Homes Limited	Berkeley Fifty-Two Limited
Berkeley (Inner-City Partnerships) Limited	Berkeley First Limited
Berkeley (SQP) Limited	Berkeley Five Limited
Berkeley (Virginia Water) Limited ⁽ⁱ⁾	Berkeley Forty Limited
Berkeley Affordable Homes Limited	Berkeley Forty-Nine Limited
Berkeley Asset MSA Limited	Berkeley Forty-Seven Limited
Berkeley College Homes Limited	Berkeley Forty-Six Limited
Berkeley Commercial Developments Limited	Berkeley Forty-Three Limited
Berkeley Commercial Investments Limited	Berkeley Forty-Two Limited
Berkeley Commercial Limited	Berkeley Fourteen Limited
Berkeley Community Villages Limited	Berkeley Group Pension Trustees Limited
Berkeley Construction Limited	Berkeley Group Services Limited
Berkeley Developments Limited ⁽ⁱ⁾	Berkeley Group SIP Trustee Limited
Berkeley Eighteen Limited	Berkeley Guarantee One Limited ^d
Berkeley Eighty Limited	Berkeley Homes (Carmelite) Limited
Berkeley Eighty-One Limited	Berkeley Homes (Chertsey) Limited
Berkeley Eighty-Three Limited	Berkeley Homes (City & East London) Limited
Berkeley Eighty-Two Limited	Berkeley Homes (City) Limited
Berkeley Enterprises Limited	Berkeley Homes (Dorset) Limited
Berkeley Festival Development Limited	Berkeley Homes (East London) Limited
Berkeley Festival Hotels Limited	Berkeley Homes (Essex) Limited
Berkeley Festival Investments Limited	Berkeley Homes (Fleet) Limited ⁽ⁱ⁾
Berkeley Festival Limited	Berkeley Homes (Greater London) Limited
Berkeley Fifty Limited	Berkeley Homes (Hertfordshire & Cambridgeshire) Limited
Berkeley Fifty-Eight Limited	Berkeley Homes (Kent) Limited

Non-Agency Companies^(v)

Berkeley Fifty-Four Limited	Berkeley Homes (North Western) Limited ⁽ⁱ⁾
Berkeley Fifty-Nine Limited	Berkeley Homes (PCL) Limited
Berkeley Fifty-One Limited	Berkeley Homes (South) Limited
Berkeley Fifty-Seven Limited	Berkeley Homes (Southall) Limited
Berkeley Homes (Southern Counties) Limited	Berkeley One Hundred and Fifty-One Limited
Berkeley Homes (Stanmore) Limited	Berkeley One Hundred and Fifty-Seven Limited
Berkeley Homes Group Limited	Berkeley One Hundred and Fifty-Six Limited
Berkeley Homes public limited company ^{(iii) (viii)}	Berkeley One Hundred and Fifty-Three Limited
Berkeley London Residential Limited	Berkeley One Hundred and Fifty-Two Limited
Berkeley Manhattan Limited	Berkeley One Hundred and Five Limited
Berkeley Ninety-Eight Limited	Berkeley One Hundred and Forty Limited
Berkeley Ninety-Five Limited	Berkeley One Hundred and Forty-Eight Limited
Berkeley Ninety-Nine Limited	Berkeley One Hundred and Forty-Five Limited
Berkeley Ninety-Seven Limited	Berkeley One Hundred and Forty-Four Limited
Berkeley Ninety-Six Limited	Berkeley One Hundred and Forty-Nine Limited
Berkeley Number Four Limited	Berkeley One Hundred and Forty-One Limited
Berkeley Number Seven Limited	Berkeley One Hundred and Forty-Seven Limited
Berkeley Number Six Limited	Berkeley One Hundred and Forty-Six Limited
Berkeley One Hundred and Eight Limited	Berkeley One Hundred and Four Limited
Berkeley One Hundred and Eighteen Limited	Berkeley One Hundred and Nine Limited
Berkeley One Hundred and Eighty Limited	Berkeley One Hundred and Ninety Limited
Berkeley One Hundred and Eighty-Eight Limited	Berkeley One Hundred and Ninety-Eight Limited
Berkeley One Hundred and Eighty-Five Limited	Berkeley One Hundred and Ninety-Five Limited
Berkeley One Hundred and Eighty-Nine Limited	Berkeley One Hundred and Ninety-Four Limited
Berkeley One Hundred and Eighty-One Limited	Berkeley One Hundred and Ninety-Nine Limited
Berkeley One Hundred and Eighty-Seven Limited	Berkeley One Hundred and Ninety-Seven Limited
Berkeley One Hundred and Eighty-Two Limited	Berkeley One Hundred and Ninety-Six Limited
Berkeley One Hundred and Fifteen Limited	Berkeley One Hundred and One Limited
Berkeley One Hundred and Fifty Limited	Berkeley One Hundred and Seven Limited
Berkeley One Hundred and Fifty-Eight Limited	Berkeley One Hundred and Seventeen Limited
Berkeley One Hundred and Fifty-Five Limited	Berkeley One Hundred and Seventy-Eight Limited
Berkeley One Hundred and Fifty-Four Limited	Berkeley One Hundred and Seventy-Five Limited
Berkeley One Hundred and Fifty-Nine Limited	Berkeley One Hundred and Seventy-Four Limited
Berkeley One Hundred and Seventy-Nine Limited	Berkeley One Hundred and Twenty-Nine Limited
Berkeley One Hundred and Seventy-One Limited	Berkeley One Hundred and Twenty-One Limited
Berkeley One Hundred and Seventy-Seven Limited	Berkeley One Hundred and Twenty-Seven Limited
Berkeley One Hundred and Seventy-Six Limited	Berkeley One Hundred and Twenty-Six Limited
Berkeley One Hundred and Seventy-Three Limited	Berkeley One Hundred and Twenty-Three Limited
Berkeley One Hundred and Seventy-Two Limited	Berkeley One Hundred and Twenty-Two Limited
Berkeley One Hundred and Six Limited	Berkeley One Hundred and Two Limited
Berkeley One Hundred and Sixteen Limited	Berkeley Portsmouth Harbour Limited
Berkeley One Hundred and Sixty-Five Limited	Berkeley Portsmouth Waterfront Limited
Berkeley One Hundred and Sixty-Four Limited	Berkeley Properties Limited ⁽ⁱ⁾
Berkeley One Hundred and Sixty-One Limited	Berkeley Residential Limited ⁽ⁱ⁾
Berkeley One Hundred and Sixty-Six Limited	Berkeley Ryewood Limited
Berkeley One Hundred and Sixty-Three Limited	Berkeley Seventy Limited
Berkeley One Hundred and Thirteen Limited	Berkeley Seventy-Four Limited
Berkeley One Hundred and Thirty Limited	Berkeley Seventy-One plc ^(vii)

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.27 Subsidiaries and joint ventures continued

Non-Agency Companies ^(v)	
Berkeley One Hundred and Thirty-Eight Limited	Berkeley Seventy-Seven Limited
Berkeley One Hundred and Thirty-Five Limited	Berkeley Seventy-Six Limited
Berkeley One Hundred and Thirty-Four Limited	Berkeley Seventy-Three Limited
Berkeley One Hundred and Thirty-Nine Limited	Berkeley Seventy-Two Limited
Berkeley One Hundred and Thirty-One Limited	Berkeley Sixty Limited
Berkeley One Hundred and Thirty-Seven Limited	Berkeley Sixty-Eight Limited
Berkeley One Hundred and Thirty-Six Limited	Berkeley Sixty-Five Limited
Berkeley One Hundred and Thirty-Three Limited	Berkeley Sixty-Four Limited
Berkeley One Hundred and Thirty-Two Limited	Berkeley Sixty-Nine Limited
Berkeley One Hundred and Three Limited	Berkeley Sixty-One Limited
Berkeley One Hundred and Twenty Limited	Berkeley Special Projects Limited
Berkeley One Hundred and Twenty-Eight Limited	Berkeley Strategic Land Limited ^(vii)
Berkeley One Hundred and Twenty-Five Limited	Berkeley Sustainable Communities Limited
Berkeley One Hundred and Twenty-Four Limited	Berkeley Thirty-Eight Limited
Berkeley Thirty-Nine Limited	Berkeley Two Hundred and Forty-Six Limited
Berkeley Thirty-Three Limited	Berkeley Two Hundred and Forty-Three Limited
Berkeley Three Limited	Berkeley Two Hundred and Forty-Two Limited
Berkeley Twenty Limited	Berkeley Two Hundred and Fourteen Limited
Berkeley Twenty-Eight Limited	Berkeley Two Hundred and Nine Limited
Berkeley Twenty-Four Limited	Berkeley Two Hundred and Nineteen Limited
Berkeley Twenty-Nine Limited	Berkeley Two Hundred and One Limited ⁽ⁱ⁾
Berkeley Twenty-Seven Limited	Berkeley Two Hundred and Seven Limited
Berkeley Twenty-Three Limited	Berkeley Two Hundred and Seventeen Limited
Berkeley Twenty-Two Limited	Berkeley Two Hundred and Seventy Limited
Berkeley Two Hundred and Eight Limited	Berkeley Two Hundred and Seventy-One Limited
Berkeley Two Hundred and Eighteen Limited	Berkeley Two Hundred and Sixty Limited
Berkeley Two Hundred and Eleven Limited	Berkeley Two Hundred and Sixty-Eight Limited
Berkeley Two Hundred and Fifty Limited	Berkeley Two Hundred and Sixty-Four Limited
Berkeley Two Hundred and Fifty-Eight Limited	Berkeley Two Hundred and Sixty-Nine Limited
Berkeley Two Hundred and Fifty-Five Limited	Berkeley Two Hundred and Sixty-Seven Limited
Berkeley Two Hundred and Fifty-Four Limited	Berkeley Two Hundred and Sixty-Six Limited
Berkeley Two Hundred and Fifty-Nine Limited	Berkeley Two Hundred and Sixty-Three Limited
Berkeley Two Hundred and Fifty-One Limited	Berkeley Two Hundred and Sixty-Two Limited
Berkeley Two Hundred and Fifty-Seven Limited	Berkeley Two Hundred and Thirteen Limited
Berkeley Two Hundred and Fifty-Six Limited	Berkeley Two Hundred and Thirty Limited
Berkeley Two Hundred and Fifty-Three Limited	Berkeley Two Hundred and Thirty-Four Limited
Berkeley Two Hundred and Fifty-Two Limited	Berkeley Two Hundred and Thirty-One Limited
Berkeley Two Hundred and Five Limited	Berkeley Two Hundred and Thirty-Six Limited
Berkeley Two Hundred and Forty-Eight Limited	Berkeley Two Hundred and Thirty-Three Limited
Berkeley Two Hundred and Forty-Five Limited	Berkeley Two Hundred and Thirty-Two Limited
Berkeley Two Hundred and Forty-Four Limited	Berkeley Two Hundred and Three Limited
Berkeley Two Hundred and Forty-Nine Limited	Berkeley Two Hundred and Twelve Limited
Berkeley Two Hundred and Forty-Seven Limited	Berkeley Two Hundred and Twenty Limited
Berkeley Two Hundred and Twenty-Eight Limited	Great Woodcote Park Management Limited
Berkeley Two Hundred and Twenty-Four Limited	Hertfordshire Homes Limited
Berkeley Two Hundred and Twenty-Nine Limited	Historic Homes Limited
Berkeley Two Hundred and Twenty-Seven Limited	Kentdean Limited

Non-Agency Companies^(v)

Berkeley Two Hundred and Twenty-Six Limited	One Tower Bridge Limited
Berkeley Two Hundred and Twenty-Three Limited	Oval Works Limited
Berkeley Two Hundred and Twenty-Two Limited	Paddington Green Propco Limited
Berkeley Two Hundred and Two Limited	Quod Erat Demonstrandum Properties Limited
Berkeley Two Hundred Limited	Retirement Homes Limited
Berkeley Ventures Limited	Royal Clarence Yard (Marina) Limited
BH (City Forum) Limited	Royal Clarence Yard (Phase A) Limited
Boardcable Limited ^(viii)	Royal Clarence Yard (Phase B) Limited
Bromyard House (Car Park) Limited	Royal Clarence Yard (Phase C) Limited
Bromyard House (Freehold) Limited	Royal Clarence Yard (Phase E) Limited
Bromyard House (North) Limited	Royal Clarence Yard (Phase G) Management Company Limited
Bromyard House Limited	Royal Clarence Yard (Phase H) Limited
BWW Management Limited ^(viii)	Royal Clarence Yard (Phase I) Limited
Charco 143 Limited ⁽ⁱ⁾	Royal Clarence Yard (Phase K) Management Company Limited
Chelsea Bridge Wharf (Management Company) Limited	Royal Clarence Yard Estate Limited
Chelsea Bridge Wharf Car Park Limited ^(viii)	Sandgates Developments Limited ⁽ⁱ⁾
Community Housing Action Limited	Sitesecure Limited
Community Villages Limited	SJC (Highgate) Limited ^(viii)
CPWGCO 1 Limited	South Quay Plaza Management Limited (62.5%) ^(vi)
Drummond Road (Number 1) Ltd	St Edward Limited
Drummond Road (Number 2) Ltd	St George (Crawford Street) Limited
Exchange Place No.2 Limited	St George (Queenstown Place) Limited
Fishguard Bridge Limited	St George Blackfriars Limited
Fishguard Tunnel Limited	St George Commercial Limited
St George Ealing Limited	St William Nine Limited
St. George Eastern Ltd	St William Nineteen Limited
St. George Inner Cities Ltd.	St William One Ltd
St. George Investments Ltd	St William Seven Limited
St. George London Ltd	St William Seventeen Limited
St George Northfields Limited	St William Six Limited
St. George Partnerships Ltd	St William Sixteen Limited
St George plc ^(v)	St William Ten Limited
St George Project Management Limited	St William Thirteen Limited
St. George Properties Ltd.	St William Three Ltd
St George Real Estate Limited	St William Twelve Limited
St George Regeneration Limited	St William Twenty Limited
St. George Southern Ltd	St William Twenty-Eight Limited
St. George Western Ltd	St William Twenty-Five Limited
St George Wharf Hotel Limited	St William Twenty-Four Limited
St. George's Hill Property Company Limited	St William Twenty-One Limited
St James Group Limited	St William Twenty-Seven Limited
St James Homes (Grosvenor Dock) Limited	St William Twenty-Six Limited
St James Homes Limited ^(viii)	St William Twenty-Three Limited
St Katharine Homes Limited ^(ix)	St William Twenty-Two Limited
St William Eight Limited	St William Two Ltd
St William Eighteen Limited	Tabard Square (Building A) Limited
St William Eleven Limited	Tabard Square (Building B) Limited
St William Fifteen Limited	Tabard Square (Car Park) Limited

Notes to the Consolidated Financial Statements

continued

2 Results for the year continued

2.27 Subsidiaries and joint ventures continued

Non-Agency Companies^(v)

St William Five Limited	TBG (3) 2009 Limited
St William Four Ltd	The Berkeley Festival Waterfront Company Limited
St William Fourteen Limited	The Berkeley Group plc
St William Holdings Limited	The Millennium Festival Leisure Company Limited
St William Homes LLP ⁽ⁱ⁾	The Oxford Gateway Development Company Limited
The Tower, One St George Wharf Limited ⁽ⁱ⁾	Thirlstone plc ⁽ⁱⁱ⁾
Thirlstone (JLP) Limited	Woodside Road Limited
Thirlstone Commercial Limited	

(i) A ordinary and B ordinary shares

(ii) Ordinary and preference shares

(iii) Ordinary and deferred shares

(iv) Ordinary, deferred and preference shares

(v) List contains companies that are a principal to agency agreements but are not agents themselves

(vi) Registered office is 83 The Avenue, Sunbury-On-Thames, Middlesex, TW16 5HZ

(vii) Ordinary and redeemable preference shares

(viii) Registered office is 19 Portsmouth Road, Cobham, Surrey, KT11 1JG

(ix) Formerly known as Berkeley Forty-Eight Limited

[†] Partnership with no share capital

The subsidiary companies listed below are incorporated outside of England and Wales. Their country of incorporation and registered offices are listed below. Their principal activities continue to be that of residential-led mixed use development and ancillary activities. All of the companies are wholly owned by the Group and unless otherwise indicated, all of the companies have ordinary share capital.

Country of incorporation	Registered office
Aragon Investments Limited ⁽ⁱⁱ⁾	Jersey 28 Esplanade, St. Helier, JE2 3QA, Jersey
Berkeley (Carnwath Road) Limited	Isle of Man First Floor, Jubilee Buildings, Victoria Street, Douglas, IM1 2SH, Isle of Man
Berkeley (Hong Kong) Limited	Hong Kong 3806 Central Plaza, 18 Harbour Road, Wanchai, Hong Kong
Berkeley Homes Special Contracts Public Limited ⁽ⁱⁱⁱ⁾	Scotland Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN
Berkeley Property Investments Limited	Jersey 28 Esplanade, St. Helier, JE2 3QA, Jersey
Berkeley Real Estate Consulting (Beijing) Co. Limited ⁽ⁱ⁾	China Unit 1902, floor 19, No.1, Guanghua Road, ChaoYang District, Beijing, China
Berkeley Residential (Singapore) Limited	Singapore 77 Robinson Road, #13-00 Robinson 77, Singapore 068896
Berkeley Whitehart Investments Limited	Jersey 28 Esplanade, St. Helier, JE2 3QA, Jersey
Real Star Investments Limited ⁽ⁱ⁾⁽ⁱⁱ⁾	Jersey 28 Esplanade, St. Helier, JE2 3QA, Jersey
Silverdale One Limited ⁽ⁱⁱ⁾	Jersey 28 Esplanade, St. Helier, JE2 3QA, Jersey
St George Battersea Reach Limited	Jersey 2 Hill Street, St. Helier, JE2 4UA, Jersey

(i) Agency company of St James Group Limited

(ii) Non-UK nominee company

(iii) Ordinary, A deferred and B deferred shares

* Accounting date of 31 December

(b) Joint ventures

At 30 April 2025, the Group had an interest in the following joint ventures which have been equity accounted to 30 April and have an accounting date of 30 April unless otherwise indicated. All of the companies listed below are incorporated in England and Wales and have their registered office address at Berkeley House, 19 Portsmouth Road, Cobham, Surrey, KT11 1JG, unless otherwise stated, and the principal activity is residential-led mixed use development and ancillary activities. All of the companies are 50% owned by the Group and unless otherwise indicated, all of the companies have ordinary share capital.

Berkeley Carlton Holdings Limited ⁽ⁱⁱ⁾	St Edward Homes Number Five Limited ^{**}
Berkeley Sutton Limited ⁽ⁱⁱ⁾	St Edward Homes Number Four Limited ^{**}
Diniwe One Limited	St Edward Homes Number One Limited ^{**}
Diniwe Two Limited	St Edward Homes Number Three Limited ^{**(v)}
Berkeley Latimer Estates Limited ^{(ii) (v)***}	St Edward Homes Number Two Limited ^{**}
Berkeley Two Hundred and Sixty-Five LLP ^{(i)(vi)}	St Edward Homes Partnership Freeholds Limited
Mayflower Residential Limited ^{(ii) (v)***}	St Edward Strand Partnership Freeholds Limited
Segro V-Park Grand Union LLP [†]	St George Little Britain (No. 1) Limited ⁽ⁱⁱ⁾
SEH Manager Limited	St George Little Britain (No.2) Limited ⁽ⁱⁱ⁾
SEH Nominee Limited	Strand Property Unit Trust (unregistered)
SES Manager Limited ⁽ⁱⁱ⁾	The St Edward Homes Partnership (unregistered partnership) ⁽ⁱ⁾
SES Nominee Limited	The St Edward (Strand) Partnership (unregistered partnership) ⁽ⁱ⁾
St Edward Homes Limited ⁽ⁱⁱ⁾	U B Developments Limited ^{(iv) (v)}

(i) Partnership with no share capital

(ii) A ordinary and B ordinary shares

(iii) A ordinary, B ordinary, C preference and D preference shares

(iv) B ordinary shares

(v) Registered office is 19 Portsmouth Road, Cobham, Surrey, KT11 1JG

(vi) Formerly known as St Katharine Homes LLP

* Accounting date of 31 December

** 100% owned by St Edward Homes Limited

*** Accounting date of 31 March

† Registered office address is 1 New Burlington Place, London, United Kingdom, W1S 2HR

Company Balance Sheet

As at 30 April	Notes	2025 £m	2024 £m
Fixed assets			
Investments	C2.4	1,445.8	1,443.1
		1,445.8	1,443.1
Current assets			
Debtors	C2.5	640.8	636.4
Cash at bank and in hand		0.9	0.9
		641.7	637.3
Current liabilities			
Creditors (amounts falling due within one year)	C2.6	(907.7)	(874.0)
Net current liabilities		(266.0)	(236.7)
Total assets less current liabilities and net assets		1,179.8	1,206.4
Capital and reserves			
Called-up share capital	C2.7	6.0	6.2
Share premium account	C2.7	49.8	49.8
Capital redemption reserve		25.5	25.3
Profit and loss account		1,098.5	1,125.1
Total shareholders' funds		1,179.8	1,206.4

As permitted by Section 408 of the Companies Act 2006, The Berkeley Group Holdings plc has not presented its own Income Statement. The profit after taxation of the Company for the financial year was £353.9 million (2024: £232.6 million).

The financial statements on pages 230 to 235 were approved by the Board of Directors on 20 June 2025 and were signed on its behalf by:

R J Stearn
Chief Financial Officer
Registered no: 5172586

Company Statement of Changes in Equity

	Called-up share capital £m	Share premium account £m	Capital redemption reserve £m	Profit and loss account £m	Total shareholders' funds £m
At 1 May 2024	6.2	49.8	25.3	1,125.1	1,206.4
Profit after taxation for the year	-	-	-	353.9	353.9
Purchase of ordinary shares	(0.2)	-	0.2	(129.7)	(129.7)
Credit in respect of employee share schemes	-	-	-	0.1	0.1
Deferred tax in respect of employee share schemes	-	-	-	0.9	0.9
Dividends to equity holders of the Company	-	-	-	(251.8)	(251.8)
At 30 April 2025	6.0	49.8	25.5	1,098.5	1,179.8
At 1 May 2023	6.3	49.8	25.2	1,058.7	1,140.0
Profit after taxation for the year	-	-	-	232.6	232.6
Purchase of ordinary shares	(0.1)	-	0.1	(72.3)	(72.3)
Credit in respect of employee share schemes	-	-	-	2.6	2.6
Deferred tax in respect of employee share schemes	-	-	-	1.6	1.6
Dividends to equity holders of the Company	-	-	-	(98.1)	(98.1)
At 30 April 2024	6.2	49.8	25.3	1,125.1	1,206.4

Notes to the Company Financial Statements

C1 Basis of preparation

C1.1 Introduction

The Company meets the definition of a qualifying entity under Financial Reporting Standard 101 (FRS 101) issued by the Financial Reporting Council. Accordingly, these financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. In preparing these financial statements, the Company applies the recognition measurement and disclosure requirements of UK-adopted international accounting standards, but makes amendments where necessary in order to comply with the Companies Act 2006.

The accounting policies adopted for the Parent Company, The Berkeley Group Holdings plc, are otherwise consistent with those used for the Group which are set out on pages 186 to 229.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- certain disclosures required by IFRS 13 'Fair Value Measurement' and the disclosures required by IFRS 7 'Financial Instrument Disclosures'; and
- disclosures in respect of the compensation of key management personnel.

The principal activity of The Berkeley Group Holdings plc (the Company) is to act as a holding company.

C1.2 Going concern

The Group's business activities together with the factors likely to affect its future development performance and position are set out in the Strategic Report. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are all described in the Trading and Financial Review on pages 30 and 31.

The Group has significant financial resources and the Directors have assessed the future funding requirements of the Group, including the return of £0.3 billion to shareholders set out to September 2025, and compared this with the level of committed loan facilities and cash resources over the medium term. In making this assessment, consideration has been given to the uncertainty inherent in future financial forecasts and, where applicable, reasonable sensitivities have been applied to the key factors affecting the financial performance of the Group.

Based on the financial performance of the Group, the Directors have a reasonable expectation that the Company has adequate resources to continue its operational existence for at least 12 months from the date of signing the accounts, notwithstanding its net current liability position of £266.0 million (2024: £236.7 million). For this reason they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

C2 Notes to the Company accounts

C2.1 Profit before taxation

Expenditure is recognised in respect of goods and services received when supplied in accordance with contractual terms. Provision is made when an obligation exists for a future liability in respect of a past event and where the amount of the obligation can be reliably estimated.

Profit before taxation is stated after charging the following amounts:

	2025 £m	2024 £m
Auditor's remuneration	0.1	0.1

There were no non-audit services provided by the Company's current auditor during the year (2024: £nil).

C2.2 Directors and employees

The Company operates three equity settled, share based compensation plans (2024: three). The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted.

At each Balance Sheet date, the Company revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the profit and loss account, with a corresponding adjustment to equity. Amounts recognised in respect of Executive Directors of the Company's subsidiaries are recognised as an addition to the cost of the investment.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Pension contributions under defined contribution schemes are charged to the Income Statement as they fall due.

	2025 £m	2024 £m
Staff costs:		
Wages and salaries	2.1	2.1
Social security costs	0.5	0.6
Share based payments – equity settled	2.1	2.0
	4.7	4.7

The average monthly number of persons employed by the Company during the year was nine, all of whom are Directors (2024: 10).

Directors

Details of Directors' emoluments are set out in the Remuneration Report on pages 126 to 159.

Pensions

During the year, the Company participated in one of the Group's pension schemes, The Berkeley Group plc Group Personal Pension Plan. Further details on this scheme are set out in Note 2.5 to the Consolidated Financial Statements. Contributions amounting to £nil (2024: £nil) were paid into the defined contribution scheme during the year.

Share based payments

The charge to the profit and loss account in respect of equity settled share based payments in the year are:

- 2011 LTIP of £0.1 million (2024: £0.2 million)
- 2022 LTOP of £1.2 million (2024: £1.3 million)
- RSP of £0.8 million (2024: £0.7 million)

The credit to the reserves during the year in respect of employee share schemes was £0.1 million (2024: £2.6 million credit) which includes the corresponding entry to the cost of investment of £2.7 million (2024: £5.0 million) detailed in Note C2.4. The offsetting entry within reserves results from the non-cash IFRS 2 charge for the year. Further information on the Company's share incentive schemes are included in the Remuneration Report on pages 126 to 159 as well as Note 2.5 to the Consolidated Financial Statements.

C2.3 The Berkeley Group Holdings plc profit and loss account

The profit for the year in the Company is £353.9 million (2024: £232.6 million).

C2.4 Investments

Investments in subsidiary undertakings are included in the Balance Sheet at cost less provision for any impairment.

	2025 £m	2024 £m
Investments at cost:		
Investments in shares of subsidiary undertaking at 1 May	1,443.1	1,438.1
Additions	2.7	5.0
Investments in shares of subsidiary undertaking at 30 April	1,445.8	1,443.1

Notes to the Company Financial Statements

continued

C2 Notes to the Company accounts continued

C2.4 Investments continued

Additions in the year relate to Company contributions to The Berkeley Group plc for employee services to be settled through the issue of shares on the vesting of the Berkeley Group Holdings plc 2011 LTIP awards, 2022 LTOP awards and RSP awards for the benefit of employees of its subsidiaries.

The Directors believe that the carrying value of the investments is supported by their underlying net assets. Details of subsidiaries are given within Note 2.27 to the Consolidated Financial Statements.

C2.5 Debtors

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the Balance Sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax is measured on an undiscounted basis.

	2025 £m	2024 £m
Current		
Amounts owed from subsidiary undertakings	636.6	630.8
Deferred tax	4.2	5.6
	640.8	636.4

All amounts owed from subsidiary undertakings are unsecured, bear no interest and are payable on demand. The Company has assessed expected credit losses as immaterial on amounts owed from subsidiary undertakings.

The movements on the deferred tax asset are as follows:

	2025 £m	2024 £m
At 1 May	5.6	6.0
Deferred tax in respect of employee share schemes	(1.4)	1.9
Realisation of deferred tax asset on vesting of employee share scheme	-	(2.3)
At 30 April	4.2	5.6

Deferred tax is calculated in full on temporary differences at the tax rates that are expected to apply for the period when the asset is realised and the liability is settled using a tax rate of 25% (2024: 25%). Accordingly, all temporary differences have been calculated. There is no unprovided deferred tax (2024: £nil) at the Balance Sheet date.

The deferred tax asset of £4.2 million relates to short-term timing differences (2024: £5.6 million).

C2.6 Creditors: Amounts falling due within one year

Creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

	2025 £m	2024 £m
Current		
Amounts owed to subsidiary undertakings	(906.1)	(871.3)
Other taxation and social security	(1.6)	(2.7)
	(907.7)	(874.0)

All amounts included above are unsecured. The interest rate on the whole amount (2024: the whole amount) owed to subsidiary undertakings is 4.0% (2024: 4.0%), with no fixed repayment date.

C2.7 Called-up share capital

The movements on allotted and fully paid share capital for the Company in the year were as follows:

	Ordinary shares	Share capital	Share premium	2025 £m	2024 £m
	2025 No '000	2024 No '000	2025 £m		
Issued					
At start of year	114,712	116,537	6.2	6.3	49.8
Shares cancelled	(3,321)	(1,825)	(0.2)	(0.1)	-
Share consolidation	(4,019)	-	-	-	-
At end of year	107,372	114,712	6.0	6.2	49.8

On 9 September 2024, a share consolidation was undertaken which reduced the Company's ordinary share capital, net of treasury and EBT shares, by 3.51%. The share consolidation replaced the total number of existing ordinary shares of 114.5 million, with a nominal value of 5.4141 pence each, into a reduced number of new ordinary shares of 110.5 million, each at a nominal value of 5.6110 pence at the time of the consolidation.

Each ordinary share of 5.6110 pence is a voting share in the capital of the Company, is entitled to participate in the profits of the Company, and on the winding up is entitled to participate in the assets of the Company.

During the 2025 financial year, 3,321 thousand shares were repurchased (2024: 1,825 thousand) for a total consideration of £129.7 million, excluding transaction costs (2024: £72.3 million). These shares were subsequently cancelled.

On 19 September 2024, 170 thousand ordinary shares (2024: 175 thousand) were allotted and issued to the Employee Benefit Trust.

On 30 September 2024, 178 thousand ordinary shares (2024: 222 thousand) were transferred from the Employee Benefit Trust to Executive Directors to satisfy the exercise of options under the 2011 LTIP.

At 30 April 2025, there were 46 thousand shares held in trust (2024: 56 thousand) by the Employee Benefit Trust. The market value of these shares at 30 April 2025 was £1.9 million (2024: £2.6 million).

At 30 April 2025, there were 8,306 thousand (2024: 8,784 thousand) treasury shares held by the Group. The market value of the shares at 30 April 2025 was £346.4 million (2024: £414.1 million).

The movements in the year are disclosed in Notes 2.19 and 2.20 to the Consolidated Financial Statements.

C2.8 Dividends per share

Dividend distributions to shareholders are recognised as a liability in the period in which the dividends are appropriately authorised and approved for payout and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

	2025	2024	Dividend per share pence	Dividend per share pence
	£m	£m		
Amounts recognised as distributions to equity shareholders during the year:				
September 2023	-	-	-	59.30
March 2024	-	-	-	33.00
June 2024	33.00	35.0	-	-
September 2024 (special dividend)	174.00	183.8	-	-
March 2025	33.00	33.0	-	-
Total dividends	251.8	98.1		

C2.9 Related party transactions

The Company has not undertaken related party transactions during the year with entities that are not wholly owned subsidiaries of The Berkeley Group Holdings plc. Transactions with wholly owned members of The Berkeley Group Holdings plc are exempt under FRS 101 with reduced disclosure.

Five Year Summary

As at 30 April	Notes	2025 £m	2024 £m
Fixed assets			
Investments	C2.4	1,445.8	1,443.1
		1,445.8	1,443.1
Current assets			
Debtors	C2.5	640.8	636.4
Cash at bank and in hand		0.9	0.9
		641.7	637.3
Current liabilities			
Creditors (amounts falling due within one year)	C2.6	(907.7)	(874.0)
		(266.0)	(236.7)
Total assets less current liabilities and net assets		1,179.8	1,206.4
Capital and reserves			
Called-up share capital	C2.7	6.0	6.2
Share premium account	C2.7	49.8	49.8
Capital redemption reserve		25.5	25.3
Profit and loss account		1,098.5	1,125.1
Total shareholders' funds		1,179.8	1,206.4

As permitted by Section 408 of the Companies Act 2006, The Berkeley Group Holdings plc has not presented its own Income Statement. The profit after taxation of the Company for the financial year was £353.9 million (2024: £232.6 million).

The financial statements on pages 230 to 235 were approved by the Board of Directors on 20 June 2025 and were signed on its behalf by:

R J Stearn
Chief Financial Officer
Registered no: 5172586

Financial diary

Annual General Meeting and Trading Update	5 September 2025
Half year end	31 October 2025
Interim Results Announcement for the six months ending 31 October 2025	10 December 2025
Trading Update	March 2026
Year end	30 April 2026
Announcement of Results for the year ending 30 April 2026	June 2026
Publication of 2026 Annual Report	August 2026

Registered office and advisors

Registered office and principal place of business

The Berkeley Group Holdings plc
Berkeley House
19 Portsmouth Road
Cobham
Surrey KT11 1JG

Registered number: 5172586

Registrars

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29 Wellington Street
Leeds LS1 4DL
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shareholderenquiries@cm.mpms.mufg.com

Corporate brokers and financial advisors

Barclays Bank plc
HSBC Bank plc

Share price information

The Company's share capital is listed on the London Stock Exchange. The latest share price is available via the Company's website at www.berkeleygroup.co.uk

Solicitor

Herbert Smith Freehills Kramer LLP

Bankers

Barclays Bank plc
HSBC Bank plc
Lloyds Bank plc
Banco Santander, S.A., London Branch
National Westminster Bank plc
Handelsbanken plc

Auditor

KPMG LLP



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