

THE BERKELEY GROUP HOLDINGS PLC

(“Berkeley” or the “Company”)

The Company has further considered the results of the Company’s Annual General Meeting of 6 September 2022, reflected in the voting outcomes for the resolutions regarding the new Remuneration Policy (resolution 3), the Restricted Share Plan (resolution 4) and the Long-Term Option Plan (resolution 5).

Following extensive pre-AGM shareholder discussions, it was evident that some shareholders expressed reservations about certain areas of the policy, including the Change of Control provisions. In light of this, the Remuneration Committee determined post publication of the 2022 Directors’ Remuneration Policy that the Change of Control provisions would be amended to reflect this shareholder feedback. A number of shareholders have expressed their support for this change, including some who had already registered their vote on the resolutions.

In the period following the AGM, the Company has continued to hold active dialogue with shareholders. In early 2023, Andy Kemp, Chair of the Remuneration Committee, wrote to a number of the Company’s largest shareholders who did not support the remuneration related resolutions at the 2022 AGM, to continue a dialogue and listen to their views as significant investors in Berkeley.

This has resulted in various correspondence and a number of conversations with shareholders. Overall, the Company’s investor base understands how the bespoke remuneration arrangements support Berkeley’s unique long-term operating model. Shareholders have been further appreciative of the introduction of ESG underpins into the incentive framework to align with the Company’s Our Vision 2030 strategy, the normalisation of pension contributions and increased shareholding requirements. However, while some shareholders and proxy advisers prefer an approach incorporating a more market familiar performance share plan, the Board is confident that a remuneration policy linked to long-term shareholder returns with no short-term cash incentive element is the most appropriate for the Group’s long-term operating strategy.

The Remuneration Committee continues to be grateful for the feedback received and the two-way engagement with shareholders, which was extensive prior to the AGM. Given overall majority support was obtained for the remuneration resolutions, it is not currently proposed to implement any further changes to the Remuneration Policy beyond the adjustments made in respect of change of control provisions noted above. The Company will, however, continue to keep the Remuneration Policy under review over its life and welcomes ongoing dialogue with shareholders and proxy advisers.

6 March 2023