



## Independent Limited Assurance Report of KPMG LLP to The Berkeley Group Holdings plc

KPMG LLP ('KPMG' or 'we') were engaged by The Berkeley Group Holdings plc ('Berkeley' or 'the Company') to provide limited assurance over the Selected Information described below for the year ended 30 April 2022.

### Our conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of the remainder of this report, in particular the inherent limitations explained below and this report's intended use.

### Selected Information

The scope of our work includes only the information included within the Berkeley Group Holdings plc Green Finance Framework Allocation and Impact Report ('the Report') for the year ended 30 April 2022 marked with the symbol Δ ('the Selected Information') and also is listed in Appendix 1. Berkeley's Green Finance Framework requires Berkeley to prepare an annual allocation report setting out the allocation of the net proceeds from the £400m green bond with a maturity in August 2031 and the £260m green term loan with a maturity in February 2027 (together 'the Green Finance Instruments (GFIs)') to Eligible Green Assets ('EGAs'). The Report has been prepared to meet these requirements.

We have not performed any work, and do not express any conclusion, over any other information that may be included in the Report or displayed on Berkeley's website for the current period or for previous periods unless otherwise indicated.

### Reporting Criteria

The Reporting Criteria we used to form our judgements are Berkeley's Green Finance Framework as set out at [https://www.berkeleygroup.co.uk/-/media/migration/berkeley-group/about-us/investors/debt-investors/berkeley-group-green-finance-framework\\_2022.ashx?rev=464bf0b02b1f401cb60037f06e5c3a7f&hash=F7EEB1858382617A2FB23E52222B3E69](https://www.berkeleygroup.co.uk/-/media/migration/berkeley-group/about-us/investors/debt-investors/berkeley-group-green-finance-framework_2022.ashx?rev=464bf0b02b1f401cb60037f06e5c3a7f&hash=F7EEB1858382617A2FB23E52222B3E69).

The Selected Information needs to be read together with the Reporting Criteria. The Reporting Criteria has been developed to assist Berkeley determining the allocation of the net proceeds from the GFIs. As a result, the Selected Information may not be suitable for another purpose.

### Inherent limitations

Our work does not provide any assurance that the EGAs to which the GFIs proceeds were allocated were only undertaken as a consequence of issuing the GFIs, nor that Berkeley did not, in the same period, also use other cash flows to invest in activities that they would not be permitted to use the GFIs proceeds for. Berkeley have set out the basis for determining whether assets qualify as EGAs (as set out in section 2.1 of the Reporting Criteria), our work does not provide any assurance over this basis for determination. Our work does not provide any assurance over the correlation between use of the net proceeds of the GFIs and the environmental impacts of the EGAs.

### Directors' responsibilities

The Directors of Berkeley are responsible for:

- designing, operating and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or developing objective Reporting Criteria;
- measuring and reporting the Selected Information in accordance with the Reporting Criteria;
- the contents and statements contained within the Report and the Reporting Criteria;
- prevention and detection of fraud and for identifying and ensuring that Berkeley complies with laws and regulations applicable to its activities; and
- implementing procedures designed to ensure that personnel involved with the preparation and presentation of the Report are properly trained, systems are properly updated and that any changes in reporting relevant to the use of proceeds from the GFIs encompass all significant business units.

### Our responsibilities

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been properly prepared, in all material respects, in accordance with the Reporting Criteria and to report to Berkeley in the form of an independent limited assurance conclusion based on the work performed and the evidence obtained.

### Assurance standards applied

We conducted our work in accordance with International Standard on Assurance Engagements (UK) 3000 Assurance Engagements other than Audits or Reviews of Historical Financial Information ('ISAE (UK) 3000') issued by the Financial Reporting Council. That Standard requires that we obtain sufficient, appropriate evidence on which to base our conclusion.

### Independence, professional standards and quality control

We comply with the Institute of Chartered Accountants in England and Wales ('ICAEW') Code of Ethics which includes independence, and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour that are at least as demanding as the applicable provisions of the International Ethics Standards Board for Accountants ('IESBA') Code of Ethics. We apply International Standard on Quality Control (UK) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements and accordingly, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Summary of work performed

A limited assurance engagement involves planning and performing procedures to obtain sufficient appropriate evidence to obtain a meaningful level of assurance over the Selected Information as a basis for our limited assurance conclusion. Planning the engagement involves assessing whether the Reporting Criteria are suitable for the purposes of our limited assurance engagement. The procedures selected depend on our judgement, on our understanding of the Selected Information and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

The procedures performed included:

- conducting interviews with management and key staff responsible for the use of proceeds of the GFIs to obtain an understanding of the key processes, systems and controls in place for the use of net proceeds of the GFIs and over the preparation of the Selected Information;
- checking documentation which supports the processes, systems and controls in place for the use of proceeds of the GFIs;
- inspecting the minutes of Berkeley's Green Finance Committee to confirm that the allocated EGAs had been considered and approved;
- examining the processes, systems and controls in place to manage the use of proceeds from the GFIs including:
  - comparing the net proceeds received by Berkeley with those allocated to the EGAs;
  - understanding the information sources used by Berkeley to determine the amount of proceeds allocated, in GBP, to EGAs;
  - performing limited substantive testing to source documentation (i.e. planning permission documentation and Energy Performance Certificates) to support the allocation to EGAs in accordance with the Reporting Criteria;
  - checking that the Report only refers to GFIs financing;
- reading the narrative within the Report with regard to the Reporting Criteria, and for consistency with our findings.

The work performed in a limited assurance engagement varies in nature and timing from, and is less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



#### **This report's intended use**

This assurance report is made solely to Berkeley in accordance with the terms of the engagement contract between us. Those terms permit disclosure to other parties, solely for the purpose of Berkeley showing that it has obtained an independent assurance report in connection with the Selected Information. We have not considered the interest of any other party in the Selected Information. To the fullest extent permitted by law, we accept no responsibility and deny any liability to any party other than Berkeley for our work, for this assurance report or for the conclusions we have reached.

*KPMG LLP*

KPMG LLP  
*Chartered Accountants*  
London,  
27 July 2022

The maintenance and integrity of Berkeley website is the responsibility of the Directors of Berkeley; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Information, Reporting Criteria or the Report presented on Berkeley's website since the date of our report.



**Appendix 1 – Selected information**

The Underlying Selected Information that constitutes the Selected Information is also listed below. The information in this Appendix needs to be read together with the attached limited assurance report and the Reporting Criteria.

<b>Underlying Selected Information</b>	<b>Selected Information</b>
Allocation of proceeds from Berkeley's Green Finance Instruments	£660,000,000