



## Annual General Meeting 2023 – Shareholder Questions

**1. What is your approach to the living wage, and do you have any plans towards achieving Living Wage Foundation accreditation?**

Our directly employed colleagues are paid at or above the voluntary Real Living Wage. In respect of our subcontractors we are targeting to achieve Living Wage Foundation accreditation in FY23.

Apprentices are subject to a different pay scale in line with regulatory requirements.

**2. What key changes are you proposing in the Directors' Remuneration Policy?**

Crest Nicholson Holdings plc (Company) is required, pursuant to the Companies Act 2006, to put its Directors' Remuneration Policy to shareholders for approval at the 2023 AGM, having been three years since the Company's current Directors' Remuneration Policy was last approved by shareholders (at the 2020 AGM). The proposed Directors' Remuneration Policy (Policy) is outlined in the Directors' Remuneration Report enclosed in the [FY22 Annual Integrated Report](#) on pages 104 to 110.

The Policy has been updated to consider current market practice and to align further the Directors' remuneration with the long-term future of the Company and the interests of our shareholders.

A full summary of the changes to the Policy can be found on page 105 of the [FY22 Annual Integrated Report](#) and in the document on our [website](#) providing further detail on the changes to the Policy.

**3. Why are you proposing the renewal of your Long-Term Incentive Plan and Sharesave schemes?**

The Company's Long-Term Incentive Plan and Sharesave scheme were originally adopted in 2013 when the Company listed on the London Stock Exchange (Existing Schemes).

Under the Existing Schemes, options cannot be granted ten years after the date of adoption. Therefore, shareholder approval is being sought to renew both Existing Schemes so that they can operate for a further ten years.

In respect of Executive Directors, the renewed Existing Schemes will be operated in line with the prevailing Directors' Remuneration Policy. A summary of the rules of the Existing Schemes is appended to the [Notice of Meeting](#) on pages 10 to 12.

**4. What is Crest Nicholson doing to become compliant with the new Future Homes Standard?**

A technical consultation on the Future Homes Standard (FHS) is expected to be published during spring 2023. The consultation will provide proposals on the technical detail and associated guidance for the introduction of the FHS from 2025.

Our house types are designed to comply with the new interim Part L requirements, and we continue to engage with our supply chain, consultants and the wider industry to prepare for the FHS. The Group will pilot electric heating solutions, such as air source heat pumps, on certain developments in 2023.

**5. The Company's FY22 net cash was £276.5m, what does the Company intend to do with this?**

The Company has successfully strengthened its balance sheet in recent years and now enjoys a very robust financial position. We will ensure this remains the case by:

1. Maintaining sufficient liquidity at all times to operate our business effectively including during times of macroeconomic uncertainty or downturns in the construction cycle
2. Continuing to invest in land in a disciplined and selective manner in line with our growth ambitions as this remains the most effective way to create value for all stakeholders
3. Maintaining our dividend policy at 2.5x cover, and
4. Delivering on our obligations to remediate legacy buildings that are outlined in the Government's Developer Remediation Contract.

**6. What is Crest Nicholson doing to reduce greenhouse gas emissions?**

We are committed to reducing greenhouse gas (GHG) emissions throughout our value chain and were proud to become the first UK housebuilder to set a science-based net zero target approved by the Science Based Targets initiative (SBTi).

Our overarching goal to reach net zero GHG emissions across our value chain by 2045 is supported by a series of targets that cover our scope 1, 2 and 3 GHG emissions.

Further information on our targets and the action we are taking to reduce our GHG emissions is available on pages 28 and 29 of our [FY22 Annual Integrated Report](#).

**7. How has the uncertainty of the UK economy over the last couple of years impacted the business?**

Crest Nicholson has operated well throughout the uncertainty of recent years. In FY22 all key financial metrics improved on prior year and this performance was built on our robust financial position. Given the significant political and economic uncertainty experienced in the UK in the autumn of 2022, the Company took the decision to adjust the pace of its growth ambitions outlined in the October 2021 Capital Markets Day.

**8. Is there a formal presentation on the business by the Chief Executive?**

There will not be a formal business update or presentation.

We will issue a brief trading update on the morning of the AGM.

**9. Is there an opportunity to meet the Directors either after or before the formal proceedings?**

There will be an informal opportunity to speak to the Directors after the AGM.

**10. What refreshments do you serve to visiting shareholders?**

Typically, our AGM proceedings last for 30 minutes, and we will provide light refreshments which will include tea and coffee.