ANNUAL GENERAL MEETING – MONDAY 17TH MAY 2021

INFORMATION FOR SHAREHOLDERS

Vistry Group has prepared the information below to aide shareholders in advance of the Annual General Meeting on 17 May 2021.

REMUNERATION

How was the remuneration policy applied during 2020?

Prior to the vote on the 2019 Remuneration Report at the 2020 AGM, we consulted extensively and very positively with our major shareholders. Many were uncomfortable with the increase to the CFO's base salary with effect from 1 January 2020 although they acknowledged that this was a one-off adjustment which brought him in line with the current market. It should be noted that no increase was given to any executive (or non-executive) director on 1 January 2021 (as would have been the normal practice) and that, whilst the Report and Accounts allowed for the possibility of reviewing that position in April 2021, the Remuneration Committee has since concluded that no increase is appropriate at this time.

How has Covid-19 impacted remuneration policy decisions?

Whilst the Group generally performed strongly through the Covid-19 pandemic, both sales and build were effectively shut down for a number of weeks during March and April 2020. This inevitably had a material effect on financial performance in the year with the result that none of financial metrics within either the Annual Incentive Scheme nor the 2018 LTIP achieved target levels. The Remuneration Committee considered whether any adjustment should be made to the financial targets but concluded that, in all the circumstances, it did not consider it appropriate to do so.

Despite the initial impacts of Covid-19 on the Group's activities, the Group:

- repaid all furlough monies and other publicly funded support;
- repaid all salary reductions initially applied to employees (including executive directors and Executive Committee members);
- did not raise capital from shareholders or from public resources and re-established a final dividend in respect of 2020.

Annual incentive arrangements

20% of the potential amounts payable under the Annual Incentive arrangements were based on the achievement of synergy savings in excess of those targeted in the investment case for the Galliford Try ('**GT**') Businesses, a fundamental strategic requirement for the Group during 2020. In the event, the executive team exceeded the stretch target by approximately 56%, placing the Group in a strong position to maximise the value of the acquisition. The Remuneration Committee concluded that there was no reason not to allow this element of the Annual Incentive to paid in full. It should be noted that this level of bonus was paid all employees who participate in the Group's various Annual Incentive plans.

Long-term incentive arrangements

The 2018 LTIP was subject to the usual financial metrics of TSR, EPS and ROCE which were not met, as noted above, plus a Customer Satisfaction measure, which was achieved, resulting in a formulaic vesting of 25% of maximum. This outcome was not adjusted as it was considered a fair reflection of both corporate performance and stakeholder experience.

Vistry Group's share price reduced materially in 2020 after the start of the pandemic and, whilst it has now substantially recovered, the share price at the date the 2021 LTIPs were granted was approximately 38% below the equivalent period the previous year. As a result, the Remuneration Committee decided to reduce the 2021 grant by 10% (i.e. from 200% to 180%) for the executive directors and other ELT members. (At the request of the executive team, an amount equivalent to this 10% reduction will be paid as a bonus at the end of 2021 to the lowest paid employees in the Group).

Pensions

During 2020, the Remuneration Committee agreed a phased reduction of executive directors' pension contributions to bring them in line with the workforce contribution level of 7% by January 2023.

You have disclosed performance targets for the 2020 bonus scheme. Why have you not disclosed performance targets for the 2021 bonus scheme?

Performance targets have not been disclosed for the 2021 annual bonus as they are considered commercially sensitive. They will be reported in the 2021 Annual Report. The Remuneration Committee will keep reporting best practice under review.

What is the ratio of CEO pay compared to average employee pay?

Our CEO pay ratio has been calculated using "option A", which uses total full-time equivalent total remuneration for all UK employees for the relevant financial year to rank the data and identify employees whose remuneration places them at median, 25th and 75th percentile. This option has been selected in place of "option B" used for the prior year as gender pay data had not been processed in time to complete the calculation and because "option A" reflects the purest approach. The Committee has reviewed the results of the calculations and is satisfied that they are representative of the respective quartiles and that there would be little difference if calculated on any other basis. The ratio of CEO pay to median employee pay as at the end of December 2020 was 30.9:1.

What is your gender pay gap?

Our 2020 gender pay gap report will be published later in the year in accordance with Government reporting requirements. Our 2019 gender pay gap report showed a mean gender pay gap of 22.7% and median gender pay gap of 22.4% as at 5th April 2019, which is above the UK median of 17.3% (Source: Office for National Statistics October 2019). As a housebuilder, we have an employee base that is predominantly male and this is more pronounced at senior levels. We have taken a number of actions which have contributed to a reduction in our Gender Pay Gap, including engagement with our People Forum (made up of a cross section of our employees) to understand how we can make Vistry Group the best place to work.

BOARD COMPOSITION

What changes were made to the Board composition during 2020?

Other than bringing Graham Prothero, the former CEO of Galliford Try who transferred across to Vistry with the acquisition, on to the Board, we took a clear and conscious decision not to change the composition of the Board during 2020. This enabled the Board both to fully support the executive team and hold them to account for the delivery of the GT Businesses' acquisition investment case (within the constraints of the Covid-19 pandemic). However, it also meant that, inevitably, we had to pause the process of further diversification of the Board. Consequently, as at 31 December 2020, whilst we remain unequivocally committed to it, we did not meet the minimum target for female representation as set out in the Hampton-Alexander Review.

We are now in a strong position to continue the development of the Board so that it can effectively support the enlarged Group. We are currently well advanced with a search process through Russell Reynold Associates to bring a further non-executive director onto the Board. At the current date, we are at the short list stage and we can confirm that the short list comprises exclusively a small number of high calibre female candidates from which we expect to appoint in the near future.

We expect further strengthening of the Board and development of its composition during 2021 and we are absolutely committed to being fully compliant with the Hampton-Alexander recommendations by the end of 2021 and to the Parker recommendations in due course.

Do you consider the diversity of the Board (and the Group more widely) to be appropriate?

As mentioned, we are committed to the recommendations of the Hampton-Alexander Review and to the Parker Review, and this is not just in terms of their application to Board composition but, perhaps more importantly, in terms of their relevance to diversity and inclusion throughout the Group's culture and management structure.

A positive aspect of the post-acquisition restructure was that almost all new senior management roles were able to be filled from our own ranks, and that these promotions have improved the diversity of our leadership. This included the first female appointment to our Executive Leadership team (ELT), which will be followed by the appointment of our new Group Company Secretary and General Counsel, also female, who joined the Group on 4 May 2021. Our divisional director teams include four females (in a total of fifteen roles), and two of our six core Group functions will be led by females. Our 23 business unit Managing Directors now include two females and two people of colour.

Whilst significant and encouraging, we must recognise that we operate in an industry which has not traditionally been either diverse or inclusive and that these are only initial steps. To maintain momentum towards this end, we have established and facilitated a working group from across our employee base supported by a committee of the Executive Leadership Team from across the Group to identify, prioritise and implement our improvement agenda. We will, of course, keep you up to date with progress in future reports.

SUSTAINABILITY

What steps have been taken during 2020 to drive forward the Group's sustainability strategy?

The acquisition of the GT Businesses, particularly with the addition of the Partnerships business, has provided a firm base to reassess our wider societal and environmental ambitions.

Since completion of the acquisition we have invested significant effort in researching our risks and opportunities around the environmental and social aspects of our operations. We conducted research with employees, investors, private customers, and housing association and local authority clients, as well as reviewing our peers, to define a strategy and targets appropriate to our purpose of developing sustainable new homes and communities across all sectors of the UK housing market. We have also considered our structure, resourcing, data collection and reporting, to ensure that we have the capability to deliver against these targets and measure our progress. A core objective is to ensure that our targets are owned by the operating businesses, and not simply directed from the Group centre.

The results of our research are set out on page 67 of our recent Annual Report, and based upon these, we have established a framework and targets for 2021. We have grouped our targets into three broad areas of Our People, Our Operations and Our Homes and Communities, each of which is aligned with relevant UN Sustainable Development Goals (UNSDGs). The strategy includes a range of sustainability issues including health and well-being, waste reduction, biodiversity, carbon reduction and social value.

How will Vistry Group aim to achieve its Net Zero carbon commitment across its operations?

There are several key areas which have been added to the predecessor Groups' targets. However, the main environmental objective for 2021 is to establish a science-based emissions reduction target and a commitment to Net Zero carbon across the Group's operations. This is a complex commitment, requiring that we define and quantify clear objectives, consider the means of attaining those objectives, and set a timescale that is both challenging and realistic, recognising both our long term ambitions and the inevitable shorter term competitive constraints. Although inevitably some aspects will initially be more loosely defined, we intend to break down the target into stages, setting a timetable against which we can measure our progress in both the short and medium term. As soon as we are able to, we will update shareholders on our plans and our specific targets.

Will the Group's sustainability performance be included in future remuneration targets?

We intend to continue to refine our approach to all our sustainability ambitions and targets during 2021, building on the foundations we have now put in place. As we do so, we will look to define how these can be included within our remuneration targets which we intend to do from 2022 onwards.

Do you support the Living Wage?

We comply with the principles of the Construction Industry Joint Council Handbook, despite not formally recognising them, which ensures payment of National Minimum Wage and, in some cases, above National Minimum Wage.

VIABILITY STATEMENT

Why have you chosen a five-year period for your viability statement?

The Board considers the period for the viability statement in light of the Group's strategy, current performance and principal risks and has decided that five years is appropriate. The average life cycle of our housing developments falls within this period and this timeframe aligns with that used for our annual strategic review exercise. It is also in line with the Group's financing arrangements.

SHARE CAPITAL

Your authority to allot allows you to issue up to 66% of the issued share capital?

The standard allotment authority provides the directors with the ability to allot up to one third of the issued share capital. The additional one third can only be used for a pre-emptive rights issue. This resolution is in accordance with IA guidelines. The Board has no present intention to exercise the authority, other than in connection with employee share schemes, but would like the flexibility to do so should it be desirable.

Why are you seeking authority to disapply pre-emption rights?

The disapplication of pre-emptions rights provides flexibility to the Board should a suitable opportunity arise. The authority is limited to 5% of the issued share capital and to providing the flexibility required in the event of a rights issue. The Board has no present intention to exercise this authority.

Why are you seeking authority to purchase your own shares?

The market purchase authority provides flexibility to the Board should a suitable opportunity arise. The authority is limited to 10% of the issued share capital. No purchases would be made unless the Board believe that the effect would be to increase the earnings per share of the remaining shareholders and the directors consider the purchases to promote the success of the Company for the benefit of shareholders as a whole. Any shares purchased would be cancelled. The directors have no present intention of exercising the authority but would like to have the flexibility of considering purchases in the future.

Why do you want authority to call general meetings (other than AGMs) on not less than 14 days' clear notice?

The regulation that implemented 2009 Shareholder Rights Directive increased the notice period for general meetings under the Companies Act 2006 to 21 days. Companies were previously allowed to call general meetings (other than AGMs) on 14 days' notice and this resolution allows that position to continue. It is confirmed that the ability to call a general meeting on 14 days' notice would only be utilised in limited circumstances and where the shorter notice period would be to the advantage of shareholders as a whole.