



Chairman's Letter and Notice of Annual General Meeting 2020

The Annual General Meeting ("AGM") of Foxtons Group plc (the "Company") will be held on Wednesday, 13 May 2020 at 10.00 am at the Company's head office at Building One, Chiswick Park, 566 Chiswick High Road, London W4 5BE.

This document is important and requires your immediate attention.

If you are in any doubt as to any of the content of this document or as to the action you should take, you should immediately seek your own advice from a stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or another appropriately authorised independent adviser if you are in a territory outside the United Kingdom.

If you have sold or otherwise transferred all of your shares in Foxtons Group plc you should forward this document to the purchaser or transferee, or the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



20 April 2020

To Foxtons Group plc shareholders

Dear Shareholder

Notice of Annual General Meeting 2020

The AGM will be held at 10.00am local time on Wednesday, 13 May 2020 at the Company's head office at Building One, Chiswick Park, 566 Chiswick High Road, London, W4 5BE.

The continuing Coronavirus (COVID-19) pandemic has led to the imposition of severe restrictions on public gatherings. As a result the AGM venue is expected to remain closed until after the date of the AGM. The Company therefore wishes to notify its shareholders that physical attendance in person at the AGM will not be possible. The meeting will take place with the minimum necessary quorum of two shareholders, which will be facilitated by the Company in line with the Government's strict social distancing advice.

The Board encourages shareholders to vote electronically and to appoint the Chair of the meeting as their proxy with their voting instructions. All valid proxy votes, whether submitted electronically or in hard copy form, will be included in the polls to be taken at the meeting.

We are disappointed that we are having to adopt these measures and appreciate our shareholders' understanding in these unprecedented circumstances.

The formal Notice convening the AGM is set out on pages 4 to 8 of this document. An explanation of each of the resolutions to be proposed at the AGM is set out on pages 9 to 12.

Voting arrangements - Action to be taken

If you would like to vote on the resolutions, you may appoint a proxy via www.foxtonsshare.co.uk by following the instructions on that website or, if you hold your shares in CREST, via the CREST system. Notice of your appointment of a proxy should reach the Company's registrar, Link Market Services, by no later than 10.00 am on 11 May 2020. **The Board encourages shareholders to vote electronically and to appoint the Chair of the meeting as their proxy with their voting instructions.**

You may request a hard copy form of proxy directly from the Company's registrar, Link Market Services by calling 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am - 5.30 pm, Monday to Friday, excluding public holidays in England and Wales. During this challenging time, extra pressure is being put on telephone services and it may take longer to get through than normal. We strongly recommend voting electronically as your vote will automatically be counted. Given the

Foxtons Group plc

Registered Office: Building One, Chiswick Park, 566 Chiswick High Road, London, W4 5BE
Incorporated in England and Wales with company number 07108742

current escalating situation, sending a paper proxy is no guarantee of having your vote counted.

If you hold your shares through a nominee service, please contact the nominee service provider regarding the process for appointing a proxy.

Poll voting

Each of the resolutions to be considered at the AGM will be voted on by way of a poll. This ensures that shareholders who have appointed proxies, have their votes fully taken into account. The results of the polls will be announced to the London Stock Exchange and published on the Company's website as soon as possible after the conclusion of the AGM.

Recommendation

The Board considers that resolutions 1 to 19 are in the best interests of the Company and its shareholders as a whole and recommends that you vote in favour of such resolutions, as the Directors intend to do in respect of their own beneficial holdings amounting to 520,704 ordinary shares (representing approximately 0.19% of the issued share capital of the Company) as at 14 April 2020, being the latest practicable date prior to the date of this document.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Ian Barlow', with a small horizontal line underneath the name.

Ian Barlow
Chairman

Notice of Annual General Meeting 2020

Notice is hereby given that the Annual General Meeting (“AGM”) of Foxtons Group plc (the “Company”) will be held at Building One, Chiswick Park, 566 Chiswick High Road, London W4 5BE on Wednesday, 13 May 2020 at 10.00 am to consider and, if thought fit, pass the following resolutions 1 to 16 (inclusive) as ordinary resolutions and resolutions 17 to 19 (inclusive) as special resolutions:

Ordinary resolutions

1. To receive and adopt the Company’s annual accounts for the financial year ended 31 December 2019 and the associated reports of the Directors and Auditors.
2. To approve the Directors’ Remuneration Policy set out in the Directors’ Remuneration Report on pages 82 to 91 (inclusive) of the Company’s annual report and accounts for the financial year ended 31 December 2019.
3. To approve the Annual Statement from the Remuneration Committee Chairman and the Annual Report on Remuneration for the financial year ended 31 December 2019 set out on pages 70 to 81 and pages 92 to 101 (inclusive) of the Company’s annual report and accounts for the financial year ended 31 December 2019.
4. To elect Patrick Franco as a Director.
5. To elect Alan Giles as a Director.
6. To elect Richard Harris as a Director.
7. To elect Rosie Shapland as a Director.
8. To re-elect Ian Barlow as a Director.
9. To re-elect Nicholas Budden as a Director.
10. To re-elect Sheena Mackay as a Director.
11. To appoint BDO LLP as auditors of the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the Annual General Meeting of the Company to be held in 2021.
12. To authorise the Audit Committee to determine the remuneration of the Company’s auditors.
13. THAT, in accordance with Part 14 of the Companies Act 2006 (the “Act”), the Company and all companies that are subsidiaries of the Company at the date on which this resolution is passed or at any time when this resolution has effect are generally and unconditionally authorised to:

- (a) make political donations to political parties and/or independent election candidates not exceeding £10,000 in total;
- (b) make political donations to political organisations other than political parties not exceeding £20,000 in total; and
- (c) incur political expenditure not exceeding £20,000 in total,

(as such terms are defined in the Act) during the period beginning on the date of the passing of this resolution and ending on the earlier of 30 June 2021 and the conclusion of the Company's Annual General Meeting to be held in 2021, provided that the authorised sums referred to in paragraphs (a), (b) and (c) above may be comprised of one or more amounts in different currencies which, for the purposes of calculating the said sum, shall be converted into pounds sterling at the exchange rate published in the London edition of the Financial Times on the date on which the relevant donation is made or expenditure incurred (or the first business day thereafter) or, if earlier, on the day on which the Company or its subsidiary (as appropriate) enters into any contract or undertaking in relation to the same and provided that, in any event, the aggregate amount of political donations and political expenditure so made and incurred by the Company and its subsidiaries pursuant to this resolution shall not exceed £50,000. All existing authorisations and approvals relating to political donations or expenditure under Part 14 of the Act are hereby revoked without prejudice to any donation made or expenditure incurred prior to the passing of this resolution pursuant to such authorisation or approval. For the purpose of this resolution the terms "political donation", "political parties", "independent election candidates", "political organisation" and "political expenditure" shall have the meanings given by sections 363 to 365 of the Act.

14. THAT:

- (a) the Foxtons Group plc 2020 Bonus Banking Plan (the "Plan"), the principal terms of which are summarised in Schedule 1 attached to the Notice of Annual General Meeting 2020 and the rules of which are produced at the Meeting and for the purposes of identification initialled by the Chair, be and is hereby approved and that the Directors be authorised to do all acts and things which they may consider necessary or expedient to carry the Plan into effect; and
- (b) the Directors be and are hereby authorised to establish such further plans based on the Plan or schedules to the Plan as they consider necessary or desirable but which have been modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares of the Company made available under such further plans or schedules are treated as counting against any limits on individual or overall participation in the Plan.

15. THAT:

- (a) the Foxtons Group plc 2020 Restricted Share Plan (the "Plan"), the principal terms of which are summarised in Schedule 1 attached to the Notice of Annual General Meeting 2020 and the rules of which are produced at the Meeting and for the purposes of identification initialled by the Chair, be and is hereby approved and that the Directors be authorised to do all acts and things which they may consider necessary or expedient to carry the Plan into effect; and
- (b) the Directors be and are hereby authorised to establish such further plans based on the Plan or schedules to the Plan as they consider necessary or desirable but which have been modified to take account of local tax, exchange control or securities laws in overseas territories, provided that any shares of the Company made available under such further plans or schedules are treated as counting against any limits on individual or overall participation in the Plan.

16. THAT, in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the date of the passing of this resolution, the Board of Directors of the Company (the "Board") be and it is hereby generally and unconditionally authorised pursuant to and in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £916,922.93 provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021 or on 30 June 2021, whichever is the earlier, save that the Company may before such expiry make an offer or enter into an agreement which would or might require shares to be allotted, or rights to subscribe for or to convert securities into shares to be granted, after such expiry and the Board may allot shares or grant such rights in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Special resolutions

17. THAT, subject to the passing of Resolution 16 proposed at the Annual General Meeting of the Company convened for 13 May 2020 and in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the date of the passing of this resolution, the Board of Directors of the Company (the "Board") be and it is hereby generally empowered pursuant to sections 570 and 573 of the Companies Act 2006 (the "Act") to allot equity securities (within the meaning of section 560 of the Act) (including the grant of rights to subscribe for, or to convert any securities into, ordinary shares of £0.01 each in the capital of the Company ("Ordinary Shares")) for cash either pursuant to the authority conferred on it by such Resolution 16 or by way of a sale of treasury shares (within the meaning of section 560(3) of the Act) as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to:

- (a) the allotment of equity securities for cash in connection with a rights issue, open

offer or other pre-emptive offer in favour of the holders of Ordinary Shares on the register of members on a date fixed by the Board where the equity securities respectively attributable to the interests of all such holders of Ordinary Shares are proportionate (as nearly as may be practicable) to the respective numbers of Ordinary Shares held by them on that date (subject to such exclusions or other arrangements in connection with the rights issue, open offer or other pre-emptive offer as the Board deems necessary or expedient to deal with shares held in treasury, fractional entitlements to equity securities and to deal with any legal or practical problems or issues arising in any overseas territory or under the requirements of any regulatory body or stock exchange); and

- (b) the allotment (otherwise than pursuant to sub-paragraph (a) of this resolution) of equity securities up to an aggregate nominal amount of £137,552.19;

and provided that this power shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021 or on 30 June 2021, whichever is the earlier, save that the Company may before such expiry make an offer or enter into an agreement which would or might require equity securities to be allotted after such expiry and the Board may allot equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

18. THAT the Company be and it is hereby generally authorised pursuant to section 701 of the Companies Act 2006 (the "Act") to make market purchases (within the meaning of section 693(4) of the Act) of ordinary shares of £0.01 each in the capital of the Company ("Ordinary Shares") on such terms and in such manner as the Board of Directors may from time to time determine, provided that:

- (a) the number of such Ordinary Shares hereby authorised to be purchased by the Company shall not exceed 27,510,439;
- (b) the minimum price (exclusive of expenses) which may be paid for any Ordinary Share shall be £0.01, being the nominal value of each Ordinary Share;
- (c) the maximum price (exclusive of expenses) which may be paid for each Ordinary Share shall be the higher of:
 - (i) an amount equal to 105% of the middle market quotations for an Ordinary Share as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which the Ordinary Share is purchased; and
 - (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out.

Unless previously revoked, renewed, extended or varied, the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2021 or on 30 June 2021, whichever is the earlier, provided that the

Company may effect purchases following the expiry of such authority if such purchases are made pursuant to contracts for purchases of Ordinary Shares which are entered into by the Company on or prior to the expiry of such authority.

19. THAT the Company be and it is hereby generally and unconditionally authorised to hold general meetings (other than annual general meetings) on not less than 14 clear days' notice, such authority to expire at the conclusion of the Annual General Meeting of the Company to be held in 2021 or on 30 June 2021, whichever is the earlier.

By order of the Board

A handwritten signature in black ink that reads "Christopher Hough". The signature is written in a cursive style with a prominent flourish at the end of the word "Hough".

Christopher Hough
Company Secretary

20 April 2020

Registered Office:
Building One,
Chiswick Park,
566 Chiswick High Road,
London W4 5BE

Registered in England and Wales
with registered number 07108742

Explanatory Notes to the Notice of Annual General Meeting

Resolutions 1 to 16 are being proposed as ordinary resolutions. For an ordinary resolution to be passed, a simple majority of the votes cast must vote in favour of the resolution.

Resolutions 17 to 19 are being proposed as special resolutions. For a special resolution to be passed, at least 75% of the votes cast must vote in favour of the resolution.

Resolution 1 deals with the receipt and adoption of the annual accounts for the financial year ended 31 December 2019 and the associated reports of the Directors and Auditors. The annual report and accounts were published and made available to shareholders on 17 April 2020.

Resolution 2 invites shareholders to approve the Directors' Remuneration Policy. The Company's current remuneration policy, which was approved by shareholders at the 2017 Annual General Meeting, is due for renewal at the 2020 Annual General Meeting. In conjunction with the Chairman of the Company, the Remuneration Committee has undertaken a detailed review of the remuneration policy to ensure that it supports the Company's business strategy. The proposed new Remuneration Policy is set out in the Company's annual report and accounts for the financial year ended 31 December 2019 on pages 82 to 91. A full explanation of the Policy and the Committee's rationale are set out there.

This is a binding policy and, after it takes effect, the Directors will not be entitled to remuneration unless such remuneration is consistent with the approved policy or shareholders otherwise approve the remuneration.

If Resolution 2 is approved, the Remuneration Policy will take effect from the date of the Annual General Meeting and will replace the policy adopted in 2017. Shareholders are given a binding vote on the Remuneration Policy at least every three years.

Resolutions 3 invites shareholders to approve the Annual Statement from the Remuneration Committee Chairman and the Annual Report on Remuneration for the financial year ended 31 December 2019 set out on pages 70 to 81 and pages 92 to 101 (inclusive) of the Company's annual report and accounts for the financial year ended 31 December 2019. Resolution 3 is an advisory vote and will not affect the way in which the Company's remuneration policy has been implemented. Each year, shareholders will be given an advisory vote on the implementation of the Company's remuneration policy in relation to the payments and share awards made to Directors during the year under review.

Resolutions 4 to 10 deal with the election or re-election of Directors. Under the Company's articles of association, each Director must retire from office at the first AGM following their appointment and stand for election. He/she must then stand for re-election at the third annual general meeting after the annual general meeting at which he/she was last elected should they wish to serve for a further term. The UK Corporate Governance Code recommends that all Directors should be subject to annual re-election by shareholders. All Directors will therefore seek election or re-election at the AGM. A separate resolution is proposed for each Director.

Biographical details of each of the Directors, which outline their background and experience, appear on pages 52 and 53 of the annual report and accounts for the financial year ended 31 December 2019 and are also available for viewing on the Company's website at

www.foxtonsgroup.co.uk. It is the Board's view that the Directors' biographies illustrate why each Director's contribution is, and continues to be, important to the Company's long-term sustainable success.

With the exception of Rosie Shapland who has only recently joined the Board, each of the Directors standing for election or re-election has undergone a performance evaluation and has demonstrated that he or she remains committed to the role, has the necessary skills and experience, and continues to be an effective and valuable member of the Board. The Board is content that each Non-Executive Director offering themselves for election or re-election is independent and there are no relationships or circumstances likely to affect their character or judgment. Accordingly, the Board unanimously recommends the election and re-election of the Directors set out in resolutions 4 to 10.

Resolutions 11 and 12 deal with the appointment of BDO LLP as auditors of the Company and the authorisation of the Audit Committee to determine their remuneration.

Resolution 13 is to authorise the Company to make political donations and incur political expenditure. Under the Companies Act 2006 (the "Act"), political donations to any political parties, independent election candidates or political organisations other than political parties, or the incurring of political expenditure are prohibited unless authorised by shareholders in advance. What constitutes a political donation, a political party, a political organisation or political expenditure is not easy to decide, as the legislation is capable of wide interpretation. Sponsorship, subscriptions, payment of expenses, paid leave for employees fulfilling public duties, and support for bodies representing the business community in policy review or reform, may fall within the scope of these matters.

Therefore, notwithstanding that the Company has not made a political donation in the past, and has no intention, either now or in the future, of making any political donation or incurring any political expenditure in respect of any political party, political organisation or independent election candidate, the Board has decided to propose resolution 13 in order to allow the Company to continue to support the community and put forward its views to wider business and government interests without running the risk of being in breach of the law. As permitted under the Act, resolution 13 also covers any political donations made, or political expenditure incurred, by any subsidiaries of the Company. Resolution 13 caps the amount of all forms of political donations and expenditure that the Company and its subsidiaries would be permitted to make at an aggregate of £50,000.

Resolutions 14 and 15 seek approval of two new incentive schemes included in the new Directors' Remuneration Policy (see the explanatory note to Resolution 2 on page 9) – the Bonus Banking Plan and the Restricted Share Plan. Full details of both schemes are set out in Schedule 1 to this Notice of Annual General Meeting on pages 19 to 37.

Resolution 16 invites shareholders to give authority to the Directors to allot shares. Resolution 16 will, if approved, give the Directors authority to allot shares until the conclusion of the Annual General Meeting to be held in 2021 or 30 June 2021, whichever is the earlier. This authority is restricted to the allotment of shares having an aggregate nominal value of up to £916,922.93, representing approximately 33.33% of the Company's issued ordinary share capital on 14 April 2020 (being the latest practicable date before the date of this document). The Company does not currently hold any shares in treasury. The extent of the authority

follows the guidelines issued by institutional investors. There are no present plans to allot shares, other than in respect of employee share schemes.

Resolution 17 is to dis-apply statutory pre-emption rights. Section 561 of the Act gives all shareholders the right to participate on a pro rata basis in all issues of equity securities for cash, unless they agree that this right should be dis-applied.

The effect of this resolution is to empower the Directors, until the conclusion of the Annual General Meeting to be held in 2021 or 30 June 2021, whichever is the earlier, to allot equity securities for cash, without first offering them on a pro rata basis to existing shareholders, but only up to a maximum nominal amount of £137,552.19, representing approximately 5% of the Company's issued ordinary share capital on 14 April 2020 (being the latest practicable date before the date of this document). In addition, the resolution empowers the Directors to deal with fractional entitlements and any practical problems arising in any overseas territory on any offer made on a pro rata basis. The Directors consider that it is appropriate for this authority and these powers to be granted to preserve maximum flexibility for the future.

Resolution 18 is seeking shareholder approval to allow the Company to make market purchases of the Company's ordinary shares on such terms and in such manner as the Directors may determine from time to time, subject to the limitations set out in this resolution. If this resolution is passed, the Company will be authorised to purchase up to a maximum of 27,510,439 ordinary shares, being approximately 10% of the Company's issued ordinary share capital on 14 April 2020 (being the latest practicable date before the date of this document). This resolution sets out the minimum and maximum price that the Company may pay for purchases of its ordinary shares. If this resolution is passed, the authority for the Company to purchase its ordinary shares will remain effective until the conclusion of the Annual General Meeting to be held in 2021 or 30 June 2021, whichever is the earlier. Under the authority sought by this resolution, the Company may purchase its ordinary shares following the date on which the authority expires if such purchases are made pursuant to contracts entered into by the Company on or prior to the date on which the authority expires.

Your Directors are of the opinion that it is desirable for the Company to have the flexibility to undertake share buybacks in the future. The authority, if granted, will only be exercised if the Directors consider that the buyback would result in an increase in earnings per share and would be in the best interests of shareholders generally. In the event that shares are purchased they would either be cancelled (and the number of shares in the Company would be reduced accordingly) or, subject to the provisions of the Act, retained as shares held in treasury. Treasury shares may be held by the Company with a view to possible re-sale at a future date rather than being cancelled. The Company may decide to hold as treasury shares any shares purchased pursuant to the authority conferred by this resolution. This would give the Company the ability to re-issue treasury shares quickly and cost effectively and would provide the Company with additional flexibility in the management of its share capital.

The Company operates long term incentive plans and share option plans under which awards may be satisfied by the allotment or transfer of ordinary shares to award holders. As at 14 April 2020 (being the latest practicable date before the date of this document), awards were subsisting over 11,712,474 ordinary shares (the "Award Shares"), representing approximately 4.3% of the Company's issued share capital. As at that date, the Company did not hold any treasury shares and there were no warrants over the Company's ordinary shares.

If the authority to purchase the Company's ordinary shares under resolution 18 were exercised in full, the Award Shares would represent approximately 4.7% of the Company's issued ordinary share capital as at 14 April 2020.

Resolution 19 is seeking shareholder approval to allow the Company to hold general meetings (other than annual general meetings) on 14 clear days' notice. Under the Act, the notice period for the holding of general meetings of the Company is 21 clear days unless shareholders agree to a shorter notice period and certain other conditions are met.

The Company currently has the power to call general meetings (other than annual general meetings) on 14 clear days' notice. The Board believes it is in the best interests of shareholders to preserve the shorter notice period and, accordingly, proposes that resolution 19 is passed as a special resolution. It is currently intended that this flexibility to call general meetings on shorter notice will only be used for non-routine business and where merited in the interests of shareholders as a whole. If this resolution is passed, the authority to convene general meetings on 14 clear days' notice will remain effective until the conclusion of the Annual General Meeting to be held in 2021 or 30 June 2021, whichever is the earlier.

Administrative Notes in connection with the Annual General Meeting

1. Attending the Annual General Meeting in person

The continuing Coronavirus (COVID-19) pandemic has led to the imposition of severe restrictions on public gatherings. As a result the AGM venue is expected to remain closed until after the date of the AGM. The Company therefore wishes to notify its shareholders that physical attendance in person at the AGM will not be possible. The meeting will take place with the minimum necessary quorum of two shareholders, which will be facilitated by the Company in line with the Government's strict social distancing advice.

The Board encourages shareholders to vote electronically and to appoint the Chair of the meeting as their proxy with their voting instructions. All valid proxy votes, whether submitted electronically or in hard copy form, will be included in the polls to be taken at the meeting.

We are disappointed that we are having to adopt these measures and appreciate our shareholders' understanding in these unprecedented circumstances.

2. Appointment of proxies

Members are entitled to appoint one or more proxies to exercise all or any of their rights to attend, speak and vote at the Annual General Meeting. A proxy need not be a member of the Company but must attend the Annual General Meeting to represent a member. To be validly appointed, a proxy must be appointed using the procedures set out in these notes. If members wish their proxy to speak on their behalf at the meeting, members will need to appoint their own choice of proxy (not the Chairman of the Annual General Meeting) and give their instructions directly to them.

Members can only appoint more than one proxy where each proxy is appointed to exercise rights attached to different shares. Members cannot appoint more than one proxy to exercise

the rights attached to the same share(s). If a member wishes to appoint more than one proxy, they should log on to www.foxtonsshare.co.uk or contact the Registrar by telephone on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am – 5.30 pm, Monday to Friday, excluding public holidays in England and Wales. During this challenging time, extra pressure is being put on telephone services and it may take longer to get through than normal.

A member may instruct their proxy to abstain from voting on any resolution to be considered at the Annual General Meeting by marking the 'Vote Withheld' option when appointing their proxy. It should be noted that a vote withheld is not a vote in law and will not be counted in the calculation of the proportion of votes 'For' or 'Against' the resolution.

The appointment of a proxy will not prevent a member from attending the Annual General Meeting and voting in person if they wish.

A person who is not a member of the Company but who has been nominated by a member to enjoy information rights does not have a right to appoint any proxies under the procedures set out in these notes and should read note 10 below.

3. Appointment of a proxy online

Members can appoint a proxy online at: www.foxtonsshare.co.uk. In order to appoint a proxy using this website, members will need their Investor Code, which they can find on their share certificate. If for any reason a member does not have this information, they will need to contact the Registrar by telephone on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am – 5.30 pm, Monday to Friday, excluding public holidays in England and Wales. During this challenging time, extra pressure is being put on telephone services and it may take longer to get through than normal.

Members must appoint a proxy using the website no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting.

4. Appointment of a proxy using a Form of Proxy

You may request a hard copy form of proxy directly from the Registrar by telephone on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am – 5.30 pm, Monday to Friday, excluding public holidays in England and Wales. During this challenging time, extra pressure is being put on telephone services and it may take longer to get through than normal. We strongly recommend voting electronically as your vote will automatically be counted. Given the current escalating situation sending a paper proxy is no guarantee of having your vote counted.

5. Appointment of a proxy through CREST

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual and

by logging on to the following website: www.euroclear.com/CREST. CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Registrar (ID RA10) no later than 48 hours (excluding non-working days) before the time of the Annual General Meeting or any adjournment of that meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy instructions.

It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed (a) voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

6. Appointment of proxy by joint holders

In the case of joint holders, where more than one of the joint holders purports to appoint one or more proxies, only the purported appointment submitted by the most senior holder will be accepted. Seniority shall be determined by the order in which the names of the joint holders stand in the Company's register of members in respect of the joint holding.

7. Corporate representatives

Any corporation which is a member can appoint one or more corporate representatives. Members can only appoint more than one corporate representative where each corporate representative is appointed to exercise rights attached to different shares. Members cannot appoint more than one corporate representative to exercise the rights attached to the same share(s).

8. Entitlement to attend and vote

To be entitled to attend and vote at the Annual General Meeting (and for the purpose of determining the votes they may cast), members must be registered in the Company's register of members at close of business on 11 May 2020 (or, if the Annual General Meeting is adjourned, at close of business on the day two days (excluding non-working days) prior to the adjourned meeting). Changes to the register of members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

9. Votes to be taken by a poll

At the Annual General Meeting, all votes will be taken by a poll rather than on a show of hands.

It is intended that the results of the poll votes will be announced to the London Stock Exchange and published on the Company's website by 6.00 pm on 13 May 2020. Poll cards will be issued on registration to those attending the Annual General Meeting.

10. Nominated persons

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 (the "Act") to enjoy information rights (a "Nominated Person") may, under an agreement between them and the member by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

11. Website giving information regarding the Annual General Meeting

Information regarding the Annual General Meeting, including information required by section 311A of the Act, and a copy of this Notice of Annual General Meeting is available from the Investor Relations section at www.foxtonsgroup.co.uk.

12. Audit concerns

Members should note that it is possible that, pursuant to requests made by members of the Company under section 527 of the Act, the Company may be required to publish on a website a statement setting out any matter relating to: (a) the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (b) any circumstance connected with the auditors of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditors not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.

13. Voting rights

As at 14 April 2020 (being the latest practicable date prior to the publication of this Notice) the Company's issued share capital consisted of 275,104,391 ordinary shares, carrying one vote each. No shares are held by the Company in treasury. Therefore, the total voting rights in the Company as at 14 April 2020 were 275,104,391 votes.

14. Notification of shareholdings

Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairman of the Annual General Meeting as their proxy will need to ensure that both they, and their proxy, comply with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.

15. Members' right to require circulation of resolution to be proposed at the Annual General Meeting

Members meeting the threshold requirements set out in the Act have the right to: (a) require the Company to give notice of any resolution which can properly be, and is to be, moved at the Annual General Meeting pursuant to section 338 of the Act; and/or (b) include a matter in the business to be dealt with at the Annual General Meeting, pursuant to section 338A of the Act.

16. Further questions and communication

Under section 319A of the Act, the Company must cause to be answered any question relating to the business being dealt with at the Annual General Meeting put by a member attending the meeting unless answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, or the answer has already been given on a website in the form of an answer to a question, or it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Members who have any queries about the Annual General Meeting should contact the Company's investor relations team by email on investor@foxtons.co.uk.

Members may not use any electronic address or fax number provided in this Notice or in any related documents to communicate with the Company for any purpose other than those expressly stated.

17. Documents available for inspection

The following documents will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and English public holidays excepted) from the date of this Notice until the conclusion of the Annual General Meeting and on the date of the Annual General Meeting at the location of the meeting from 9:45am until the conclusion of the Annual General Meeting:

- 17.1 copies of all contracts of service under which Directors are employed by the Company or any of its subsidiary undertakings;

- 17.2 copies of the Letters of Appointment of the Non-Executive Directors of the Company;
and
- 17.3 a copy of the rules of the proposed Bonus Banking Plan and Restricted Share Plan.

18. Statement of Directors' shareholdings and share interests

Pursuant to Listing Rule 9.8.6(1) the table below sets out the interests (in respect of which transactions are notifiable to the Company under Article 19 of the Market Abuse Regulation) of each current Director as at 14 April 2020, being the latest practicable date prior to the date of this document.

Outstanding share interests

	Shares owned outright	Unvested shares not subject to performance	Unvested shares subject to performance	Unvested share options subject to performance	Total scheme interests
Nic Budden	304,660	–	–	6,500,000 ⁴	6,500,000
Richard Harris ¹	–	–	–	300,000 ⁴	300,000
Patrick Franco ²	–	–	–	1,000,000 ⁴	1,000,000
Ian Barlow	180,487	–	–	–	–
Sheena Mackay	–	–	–	–	–
Alan Giles ³	35,557	–	–	–	–
Rosie Shapland ⁵	–	–	–	–	–

1 Richard Harris joined the Board as an Executive Director on 24 June 2019.

2 Patrick Franco joined the Board as an Executive Director on 1 October 2019.

3 Alan Giles joined the Board as a Non-Executive Director on 1 June 2019.

4 Market value options include awards under the 2017 Share Option Plan.

5 Rosie Shapland joined the Board as a Non-Executive Director on 5 February 2020.

19. Major interests in shares

Pursuant to Listing Rule 9.8.6(2) the table on page 18 shows the interests disclosed to the Company in accordance with Disclosure Guidance and Transparency Rule (DTR) 5 as at 31 December 2019 together with an update in respect of those interests as at 14 April 2020, being the latest practicable date prior to the date of this document.

Information on major interests in shares provided to the Company under the DTRs of the UK Listing Authority is published via a Regulatory Information Service and on the Company's website www.foxtonsgroup.co.uk.

The table on page 18 shows notifications received by the Company in accordance with DTR 5. This information was correct at the date of notification. It should be noted that these holdings may have changed since being notified to the Company. However, notification of any change is not required until the next applicable threshold is crossed.

Institution	Voting rights at 31 December 2019	% of capital at 31 December 2019	Nature of holding
Caledonia (Private) Investments Pty Ltd	61,381,354	22.31%	Direct
Platinum Investment Management Limited	29,953,820	10.89%	Direct – 10.80% Indirect – 0.09%
UBS Investment Bank – UBS AG	18,643,725*	6.78%	Indirect – 6.78%
The Capital Group of Companies, Inc.	17,881,785	6.50%	Indirect
Russell Investments Group Ltd	17,723,934	6.44%	Indirect
Michael Brown	16,282,935	5.92%	Direct
Invesco Ltd	14,699,146	5.34%	Indirect
Franklin Templeton Institutional, LLC	14,149,800	5.14%	Indirect
Highclere International Investors	13,906,308	5.05%	Indirect
Hosking Partners LLP	13,732,806	4.99%	Indirect

* 86,515 shares (0.03%) are held as a right to recall lent shares at any time and 18,289,625 shares (6.65%) are held in equity swaps.

As at 14 April 2020, the Company had received the following notifications since 31 December 2019:

- (i) that Caledonia (Private) Investments Pty Ltd now holds 58,189,623 ordinary shares, being 21.15% of the issued shares.
- (ii) that Hosking Partners LLP now holds 14,529,571 ordinary shares, being 5.28% of the issued shares.
- (iii) that 3G Capital Management LLC now holds 8,341,000 ordinary shares, being 3.03% of the issued shares.
- (iv) that UBS Investment Bank (UBS AG) now holds 25,476,036 ordinary shares, being 9.26% of the issued shares (54,947 of these shares (0.02%) are held as a right to recall lent shares at any time and 25,173,523 (9.15%) are held in equity swaps).

Schedule 1

Letter from the Chair of the Remuneration Committee of Foxtons Group plc

Dear Shareholder,

NEW DIRECTORS' REMUNERATION POLICY AND INTRODUCTION OF THE NEW BONUS BANKING PLAN AND RESTRICTED SHARE PLAN

The Foxtons Group plc 2020 Bonus Banking Plan (the "Bonus Banking Plan")
The Foxtons Group plc 2020 Restricted Share Plan (the "Restricted Share Plan")

The Company's current remuneration policy ("Policy"), which was approved by shareholders at the 2017 AGM is due for renewal at the 2020 AGM. In conjunction with the Chairman of the Company, the Remuneration Committee has undertaken a detailed review of the Policy to ensure that it supports the Company's business strategy. The proposed new Remuneration Policy is set out in the Company's annual report and accounts on pages 82 to 91. A full explanation of the Policy and the Committee's rationale are set out there. In this letter I am focusing on the new incentive plans which form part of the Policy and require separate shareholder approval.

The proposed new Remuneration Policy is designed to be appropriate for the period through to the end of 2022. However in light of the exceptional circumstances arising from Covid-19, in line with the wider workforce, all Executive Directors have volunteered to take a 20% reduction in base salary and all Non-Executive Directors a 20% reduction in fees for at least the two months of April and May 2020. Given recent volatility in the Company's share price the Remuneration Committee intends to consider carefully the appropriateness of the share price used to calculate the quantum of the awards arising from the Restricted Share Plan in 2020, and to closely monitor the impact of Covid-19 on the new incentive plans and use its discretion to adjust vesting outcomes if it considers that "windfall" gains have occurred.

Key points addressed by the new incentive plans in the proposed Policy

1. Overall Reduction in Quantum

- The maximum under the Bonus Banking Plan remains at 150% of salary. However, under the new Bonus Banking Plan 30% is deferred into shares on a rolling basis in contrast with the current Bonus Plan under which the bonus is paid entirely in cash.
- Under the previous option plan the CEO was granted an option worth 404% of salary face value and 121% of salary fair value (annualised). This compares to the new Restricted Share Plan that has a maximum award of 100% of salary p.a. face value for the CEO.

2. Share Based Deferral

- The current Bonus Plan is cash only and the CEO option granted is underwater. Therefore, there is insufficient alignment with shareholders or lock-in and retention of the Executive Directors. The combination of the new Bonus Banking Plan and

Restricted Share Plan provide a significant ongoing locked in shareholding by the Executive Directors ensuring a focus on the long-term sustainable performance of the business which is essential in the highly cyclical market in which Foxtons operates.

3. *Approach to incentives that matches the Business Environment*

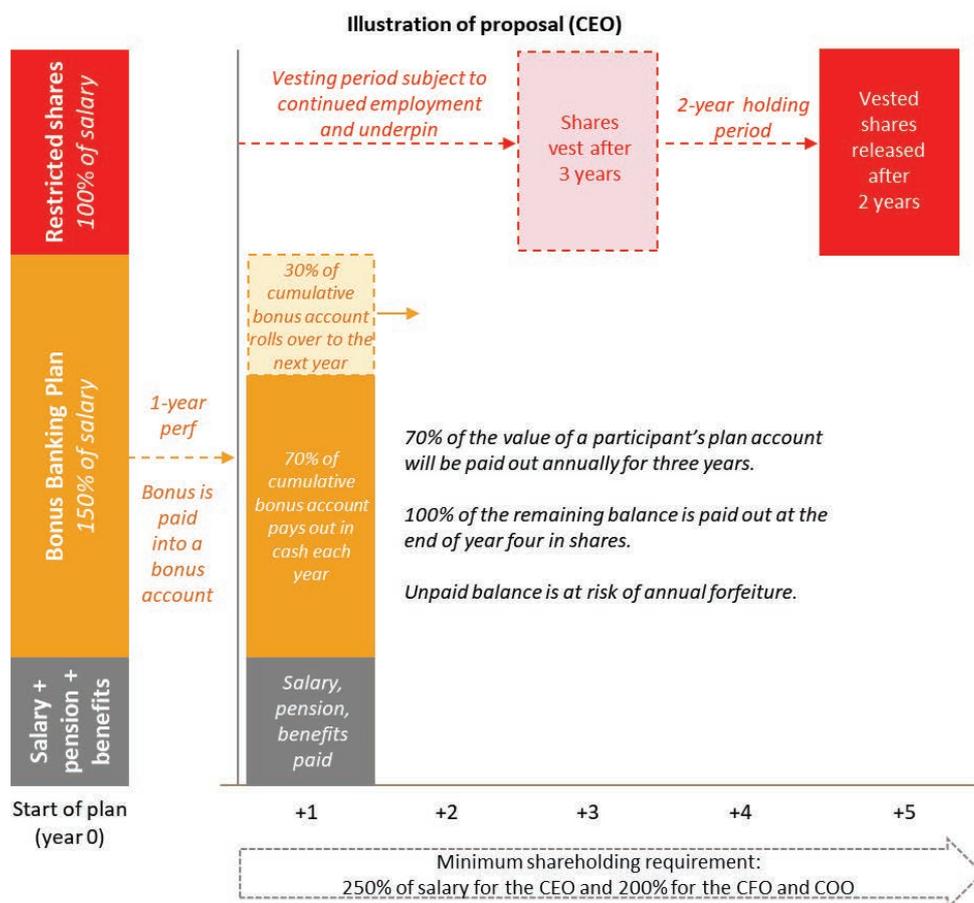
- The cyclical nature of the market in which the Company operates makes the timing of traditional long term incentive awards more relevant than the actual performance of the Company; in practice they do not encourage a longer term focus for the Executive Directors because of the challenge of setting realistic targets three years in advance.
- The Bonus Banking Plan only requires the Remuneration Committee to set annual targets which are more likely to be relevant to the market facing the Company at that time. The Restricted Share Plan awards are genuinely long-term and incentivise a focus on sustainable performance throughout the business cycle.

Key changes from the incentive plans which form part of the 2017 Remuneration Policy

Bonus Banking Plan	Why should shareholders support the proposals?
<p>1. Removal of cash only bonus of 150% of salary.</p> <p>2. Introduction of a Bonus Banking Plan with ongoing deferral in shares.</p> <p>3. 70% payable in cash and 30% deferred in shares each year.</p> <p>4. Re-focus of performance conditions to align with the current Strategy: -</p> <ul style="list-style-type: none"> • 50% Profit; • 10% Cost reduction; • 10% Sales market share growth; • 10% Lettings market share growth; • 10% Maintain strong customer service levels; and • 10% Maintain strong employee engagement. <p>Also, forfeiture threshold on deferral.</p>	<p>1. The introduction of the Bonus Banking Plan introduces an element of deferral into the Company bonus: -</p> <ul style="list-style-type: none"> • it provides an element of lock-in and retention not currently present; • the rolling deferral in shares provides an alignment of interests with shareholders; • the smoothing effect on payments over time is a more effective retention tool than standard bonus deferral given the highly cyclical market in which Foxtons operates; and • the deferred balance is subject to an annual forfeiture underpin unlike standard deferred bonus shares which, once granted typically vest regardless of performance over the vesting period. <p>2. The performance conditions selected are in line with the strategy and capable of granular disclosure ensuring all stakeholders understand the basis on which bonus has been paid.</p>

Restricted Share Plan	Why should shareholders support the proposals?
<ol style="list-style-type: none"> 1. Removal of LTIP and replacement with a Restricted Share Plan. 2. Reduction in maximum award from option grant to the CEO of 404% of salary face value and 121% of salary fair value (annualised) to 100% of salary restricted share award. 3. Three-year vesting period and two-year holding period. 4. Underpin for the Committee to adjust vesting if business performance, individual performance or wider Company considerations mean in their view that an adjustment is required. 	<p>The introduction of the Restricted Share Plan provides:</p> <ol style="list-style-type: none"> 1. The build-up of a long-term locked in shareholding by the Executive Directors ensuring a focus on the long-term sustainable performance of the business which is essential in the highly cyclical market in which Foxtons operates; 2. A removal of the “boom” or “bust” effect of a traditional long term incentive plan where the point in the cycle can make a bigger difference on the pay-out than the performance of the Company; 3. Removes the inherent inaccuracy of the Committee trying to set performance conditions three years in advance which is extremely challenging given the external market factors acting on the Company and the cyclical market it operates in; 4. Allows flexibility in the implementation of the strategy without the requirement to continually review subsisting and new LTIP performance conditions; 5. Ensures management have the same ownership experience as shareholders; and 6. Lowers the value of award compared with the existing share option plan.

Summary illustration of the proposed Remuneration Policy



Proposed implementation of the new incentive plans for 2020

Bonus Banking Plan: Replaces cash bonus:

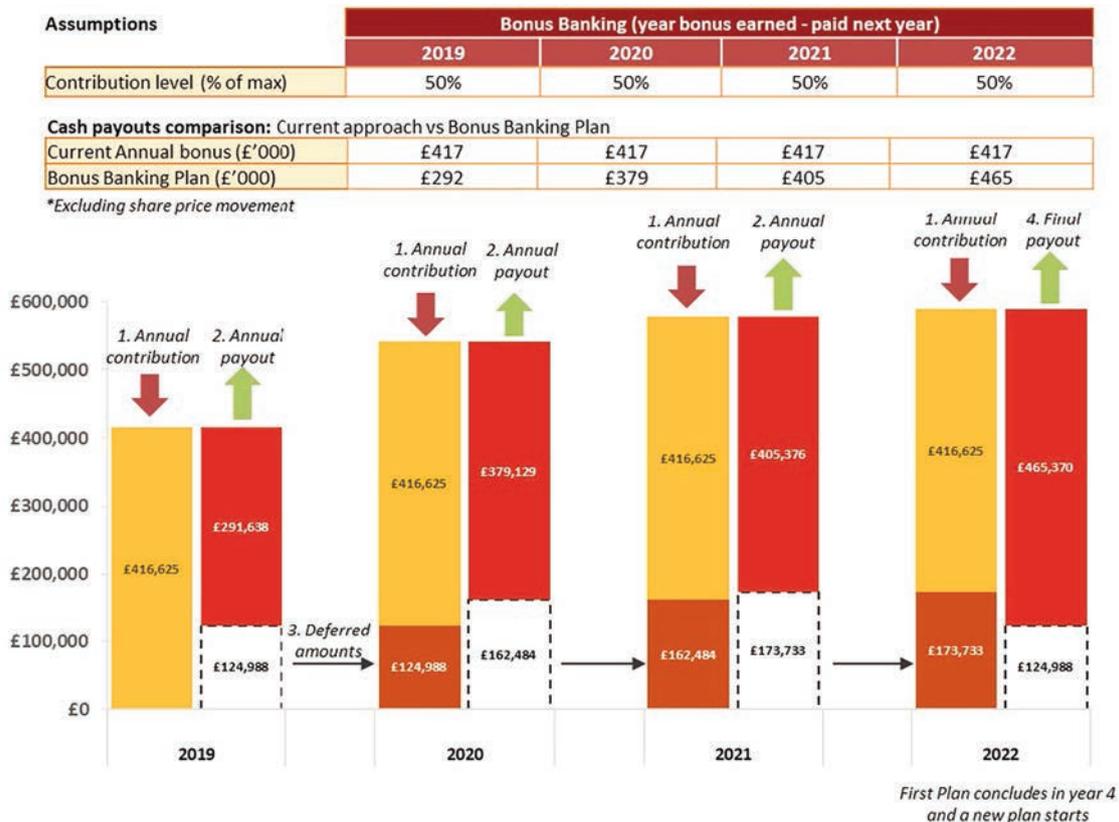
- Frequency: Annual contribution to bonus account based on 1-year targets.
- Maximum: 150% of salary per annum (CEO), 75% of salary (CFO and COO).
- Deferral: 70% of account balance pays out in cash each year until year 4, where full balance is paid in shares and the cycle starts again. Unpaid balance is deferred in shares.
- Performance conditions: 1-year targets on grant. The unpaid balance is subject to an annual forfeiture underpin.

Restricted Share Plan: New restricted share plan replaces LTIP:

- Frequency: Annual, rolling awards.
- Award level: 100% of salary per annum (CEO), 75% of salary (CFO and COO).
- Performance conditions: Performance underpin on vesting.
- Vesting: Minimum 3 years with a 2-year holding period post-vesting.

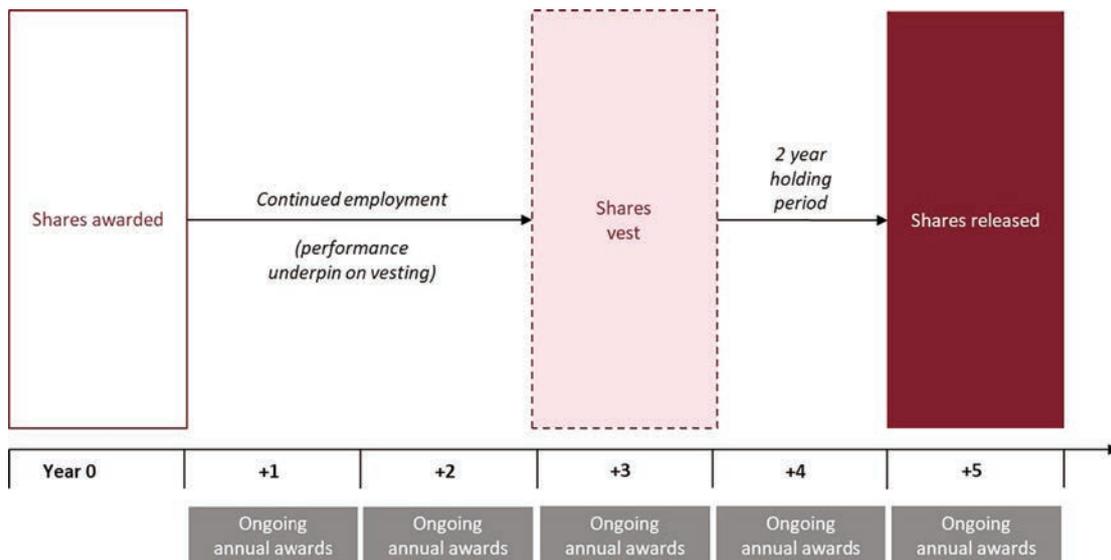
Illustration of operation of the new Bonus Banking Plan

The schematic below illustrates the pay-out profile of the Bonus Banking Plan for the CEO. We have used target performance to illustrate the operation of the Plan.



1. *Annual contribution:* Each year, an individual has the opportunity to earn a contribution to their bonus account based on the achievement of performance conditions.
2. *Annual payout:* In years one to three, following the annual contribution, 70% of the bonus account is paid out in cash to the individual.
3. *Deferred amounts:* In years one to three, the bonus account balance will roll over to the next year.
4. *Final payout:* In year four, the final year of the plan, any remaining amounts in the bonus account will pay out to the individual in shares.
5. *The bonus account:* Is subject to annual forfeiture if business performance, individual performance or wider Company considerations mean that in the Committee's view an adjustment is required.
6. *The illustration above assumes that a second bonus cycle starts in year 4 to ensure no incentive gaps.*

Illustration of operation of the new Restricted Share Plan



The Committee considered very carefully the nature of the underpin for the Restricted Share Plan. The Committee took the following approach:

- the inherent difficulty of setting accurate financial performance conditions for the Company as set out above which was one of the reasons for the Committee determining a traditional long-term incentive plan was not appropriate;
- the nature of the market with material upswings and downswings which could make any financial underpins completely irrelevant when viewed at the end of the three-year vesting period; and
- the greater protection provided by a general underpin which allowed the Committee to review holistically the overall performance of the Company, individual performance and wider Company considerations.

The Committee, therefore, felt that the introduction of a general underpin provided greater protection for the Company and shareholders because, whereas a specific financial underpin could be met but there still be a misalignment with overall performance, this approach allowed the Committee to take all factors into account on vesting.

The Committee considered the full range of alternative incentive structures, including a conventional Annual Bonus Plan, Bonus Banking Plan, Restricted Share Plan, Performance Share Plan, Performance on Grant Plan, Value Creation Plan and one-off block LTIP. The Committee decided that the best incentive designs to support the implementation of the strategy over the next period were the proposed Bonus Banking Plan and Restricted Share Plan for reasons set out above.

The following table sets out how the Committee's proposal aligns with Provision 40 of the UK Corporate Governance Code whose objective is to ensure the remuneration operated by the Company is aligned to all stakeholder interests including those of shareholders:

Provision 40 criteria	How this is met by the new Policy
<p>Clarity - Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.</p>	<ul style="list-style-type: none"> • The Bonus Banking Plan performance conditions are based on the core KPIs of the strategy and therefore there is a clear link to all stakeholders between their delivery and reward provided to management. • The Restricted Share Plan provides annual grants of shares which have to be retained for the longer-term to ensure a focus on sustainable performance in an inherently cyclical market. This provides complete clarity of the alignment of the interests of management and shareholders.
<p>Simplicity - Remuneration structures should avoid complexity and their rationale and operation should be easy to understand.</p>	<ul style="list-style-type: none"> • The performance conditions for the Bonus Banking Plan are based on the Company's KPIs. This alignment of reward with the delivery of key markers of the success of the implementation of the strategy ensures simplicity. • Restricted Shares are a simple mechanism and avoid the setting of long-term performance conditions which tend to inherently make remuneration more complex.
<p>Risk - Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.</p>	<p>The Remuneration Policy includes:</p> <ul style="list-style-type: none"> • requiring the deferral of a substantial proportion of the incentives in shares for a material period of time; • aligning the performance conditions with the strategy of the Company; • ensuring a focus on long-term sustainable performance through the Restricted Share Plan; • forfeiture thresholds; and • ensuring there is sufficient flexibility to adjust payments through malus and clawback and an overriding discretion to depart from formulaic outcomes. <p>These elements mitigate against the risk of target-based incentives by:</p> <ul style="list-style-type: none"> • deferring the value in shares for the long-term which helps ensure that the performance earning the award was sustainable and thereby discouraging short term behaviours; • aligning any reward to the agreed strategy of the Company;

Provision 40 criteria	How this is met by the new Policy
<p>Risk - continued</p>	<ul style="list-style-type: none"> the use of a Restricted Share Plan supports a focus on the sustainability of the performance over the longer term; reducing the awards or cancelling them if the behaviours giving rise to the awards are inappropriate; and reducing the awards or cancelling them, if it appears that the criteria on which the award was based do not reflect the underlying performance of the Company.
<p>Predictability - <i>The range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy.</i></p>	<ul style="list-style-type: none"> The Remuneration Policy sets out clearly the range of values and discretions in respect of the remuneration of management. The introduction of a Restricted Share Plan increases the predictability of the rewards received by Executive Directors, and the Bonus Banking Plan, being based on annual targets, operates over a more predictable time cycle compared with traditional LTIP schemes thereby allowing the Remuneration Committee to more effectively ensure desirable remuneration outcomes for all stakeholders.
<p>Proportionality - <i>The link between individual awards, the delivery of strategy and the long-term performance of the company should be clear. Outcomes should not reward poor performance.</i></p>	<ul style="list-style-type: none"> The Bonus Banking Plan provides a clear link between the reward provided to management and the delivery of the strategy through incentivising management to deliver the KPIs. The Restricted Share Plan provides a focus on long-term sustainable performance of Foxtons through the buildup of a long-term locked in shareholding. Both the Bonus Banking Plan and the Restricted Share Plan include performance underpins that allow the Remuneration Committee to exercise its discretion to override formulaic outcomes.
<p>Alignment to culture - <i>Incentive schemes should drive behaviours consistent with company purpose, values and strategy.</i></p>	<ul style="list-style-type: none"> The Bonus Banking Plan drives behaviours consistent with Foxtons' strategy. The Restricted Share Plan drives behaviours consistent with the Company's purpose and values which are focused on the long-term future of the business throughout the business cycle.

Shareholder consultation

As a part of the Policy design process, our 20 largest shareholders and key investor bodies were invited to provide feedback on the proposed Policy prior to its finalisation. I am pleased that there has been a high level of engagement from the Company's shareholders and the Committee is grateful for all the feedback received. We are pleased that the majority of shareholders consulted indicated that they are supportive of the proposals, however in response to feedback from a few shareholders the Committee has made the following changes to the Policy as originally proposed:

- We originally consulted on the basis that only 50% of the unpaid balance in the Bonus Banking Plan would be subject to the underpin, but after discussion with shareholders the underpin will apply to 100% of the unpaid balance;
- The CEO's minimum shareholding requirement has been increased from 200% to 250% of salary (the CFO and COO minimum shareholding requirement is unchanged at 200% of salary). The minimum shareholding requirement is now equal to the maximum variable compensation available for all Executive Directors; and
- The weightings on the Bonus Banking Plan bonus measures for 2020 have been slightly amended to reflect the shift in the strategic direction of the business to focus on revenues in addition to cost control, such that the weighting on cost reduction has been reduced from 20% to 10%, and the weighting on each of sales and lettings market share growth uplifted from 5% to 10%.

The CEO has agreed that his current pension contribution shall be reduced from 15% to 10% of base salary for 2020, with a view to achieving alignment with the wider workforce by the end of 2022. The pension contribution for the other Executive Directors, who were appointed in 2019, already aligns to the wider workforce.

Board recommendation

The Board considers the proposed new Policy, including the new Bonus Banking Plan and Restricted Share Plan, to be in the best interests of the Company and Shareholders. Accordingly, the Board unanimously recommends that shareholders vote in favour of the ordinary resolutions set out in this Notice of Annual General Meeting.

Yours faithfully,



Alan Giles

Chairman of the Remuneration Committee

Summary of the principal terms of the Foxtons Group plc 2020 Bonus Banking Plan (the “Bonus Banking Plan”) and the Foxtons Group plc 2020 Restricted Share Plan (the “Restricted Share Plan”)

1. The Bonus Banking Plan (the “BBP”)

Element	Key term
Eligibility	<p>Executive Directors and Senior Management.</p> <p>At the discretion of the Remuneration Committee, other employees may participate in the BBP. Non-Executive Directors are not eligible to participate in the BBP.</p>
Quantum	<p>The maximum bonus (including any deferred bonus) that can be earned under the BBP in any financial year will be up to 150% of the relevant individual’s annual base salary. It is intended that the CEO will have a maximum opportunity of 150% of salary, and the other Executive Directors a maximum opportunity of 125% of salary.</p>
Deferral mechanism	<p>The Board may determine that a proportion of a participant’s annual bonus will be deferred into a participant’s Plan Account each year, normally in shares.</p> <p>For Executive Directors, up to 70% of the value of a participant’s Plan Account will be paid out annually in cash for three years. The remaining balance of the Plan Account will normally be paid out in full in shares at the end of year 4.</p>
Performance conditions	<p>The primary performance conditions will be based on a set of key performance indicators for the relevant Plan year, as follows:</p> <ul style="list-style-type: none"> • 50% Profit; • 10% Cost reduction; • 10% Sales market share growth; • 10% lettings market share growth; • 10% Maintain strong customer service levels; and • 10% Maintain strong employee engagement. <p>The deferred balance is subject to annual forfeiture if business performance, individual performance or wider Company considerations mean that in the Committee’s view an adjustment is required.</p>

Element	Key term
Cessation of employment	<p data-bbox="395 248 762 282">For the Year of Cessation</p> <p data-bbox="395 293 1457 405"><i>Good leavers:</i> Performance conditions will be measured at the measurement date. The Company bonus contribution will normally be pro-rated for the period worked during the financial year.</p> <p data-bbox="395 423 1457 495"><i>Other leavers:</i> No Company bonus contribution payable for year of cessation.</p> <p data-bbox="395 512 1366 548"><i>Discretion:</i> the Committee has the following elements of discretion:-</p> <ul data-bbox="395 566 1457 927" style="list-style-type: none"> <li data-bbox="395 566 1457 719">• to determine that an Executive Director is a good leaver. It is the Committee’s intention to only use this discretion in circumstances where there is an appropriate business case which will be explained in full to shareholders; and <li data-bbox="395 736 1457 927">• to determine whether to pro-rate the Company bonus contribution to time. The Committee’s normal policy is that it will pro-rate for time. It is the Committee’s intention to use discretion to not pro-rate in circumstances where there is an appropriate business case which will be explained in full to shareholders. <p data-bbox="395 954 1086 990">Deferred Balance in Participant’s Plan Account</p> <p data-bbox="395 1001 1457 1072"><i>Good leavers:</i> The balance in the Participant’s Plan Account will be payable according to the original payout profile.</p> <p data-bbox="395 1090 1457 1162"><i>Other leavers:</i> The balance in the Participant’s Plan Account will be forfeited on cessation of employment.</p> <p data-bbox="395 1180 1366 1216"><i>Discretion:</i> the Committee has the following elements of discretion:</p> <ul data-bbox="395 1234 1457 1635" style="list-style-type: none"> <li data-bbox="395 1234 1457 1386">• to determine that an Executive Director is a good leaver. It is the Committee’s intention to only use this discretion in circumstances where there is an appropriate business case which will be explained in full to shareholders; and <li data-bbox="395 1404 1457 1635">• to determine whether to pro-rate the balance of the Participant’s Plan Account payable on cessation. As the plan account balance reflects prior year achievement, subject to any malus or clawback, the Committee’s normal policy is that it will not pro-rate. The Committee will determine whether to pro-rate based on the circumstances of the Executive Directors’ departure.

Element	Key term
Change of control	<p>For the Year of the Change of Control</p> <p>Performance conditions will be measured at the date of the change of control. The Company bonus contribution will normally be pro-rated to the date of the change of control.</p> <p><i>Discretion:</i> the Committee has the following element of discretion:</p> <ul style="list-style-type: none"> to determine whether to pro-rate the Company bonus contribution to time. The Committee’s normal policy is that it will pro-rate for time. It is the Committee’s intention to use discretion to not pro-rate in circumstances where there is an appropriate business case which will be explained in full to shareholders. <p>Deferred Balances in Participant’s Plan Account</p> <p>The balance in the Participant’s Plan Account will be payable on the change of control.</p> <p><i>Discretion:</i> the Committee has the following elements of discretion:</p> <ul style="list-style-type: none"> to determine whether the payment of the balance of the Participant’s Plan Account should be in cash or shares or a combination of both; to determine whether to pro-rate the balance of the Participant’s Plan Account payable on change of control. As the plan account balance reflects prior year achievement, subject to any malus or clawback, the Committee’s normal policy is that it will not pro-rate. The Committee will determine whether to pro-rate based on the circumstances of change of control.

2. The Restricted Share Plan (the “RSP”)

Element	Key term
Eligibility	<p>Executive Directors and Senior Management.</p> <p>At the discretion of the Remuneration Committee, other employees may participate in the RSP. Non-Executive Directors are not eligible to participate in the RSP.</p>
Quantum	<p>The Remuneration Committee may grant awards over ordinary shares of the Company to eligible employees with a maximum total market value in any financial year of up to 100% of the relevant individual’s annual base salary.</p> <p>It is intended that the CEO will receive an annual award of 100% of salary, and the other Executive Directors an annual award of 75% of salary.</p>

Element	Key term
Performance conditions	<p>There are normally no performance conditions on grant of RSP Awards to Executive Directors. However, the Remuneration Committee will have discretion to adjust vesting if business performance, individual performance or wider Company considerations mean in their view that an adjustment is required.</p> <p>The Board may impose performance conditions on the vesting of RSP awards. Where performance conditions are specified for RSP awards, the underlying measurement period for such conditions will ordinarily be three years. Any performance conditions applying to RSP awards may be varied, substituted or waived if the Board considers it appropriate, provided the Board considers that the new performance conditions are reasonable and (except in the case of waiver) are not materially less difficult to satisfy than the original conditions.</p>
Vesting	<p>RSP awards will normally vest on the third anniversary of the date of grant subject to continued employment, the satisfaction of any applicable performance condition or other condition imposed by the Remuneration Committee, and to the extent permitted following any operation of malus and clawback.</p> <p>However, if there are any dealing restrictions in place at that time, normal vesting may be delayed until the dealing restrictions have been lifted. RSP Options will normally remain exercisable for a period determined by the Board at grant which cannot exceed 10 years from grant.</p>
Sales Restriction	<p>RSP awards for Executive Directors will be subject to a two-year period following vesting when the shares vested cannot be sold. The Committee may also include Sale Restrictions of up to two years for other Participants in the Plan.</p> <p>The Sales Restriction period will run for two years from the vesting date where this occurs three years from the date of grant. If the vesting period is extended to five years, the two-year holding period is effectively included in the extended vesting period.</p> <p>The Sales Restriction period continues after employment ceases and malus/clawback can still affect awards but can end early in the case of certain corporate events; death of a participant; or at the discretion of the Board.</p>

Element	Key term
Cessation of employment	<p>For the Year of Cessation</p> <p><i>Good leavers:</i> The award will normally be pro-rated for the period worked during the financial year.</p> <p><i>Other leavers:</i> No award for year of cessation.</p> <p><i>Discretion:</i> the Committee has the following elements of discretion:-</p> <ul style="list-style-type: none"> • to determine that an Executive Director is a good leaver. It is the Committee’s intention to only use this discretion in circumstances where there is an appropriate business case which will be explained in full to shareholders; • to determine whether to pro-rate the Company award to time. The Remuneration Committee’s normal policy is that it will pro-rate for time. It is the Committee’s intention to use discretion to not pro-rate in circumstances where there is an appropriate business case which will be explained in full to shareholders; • to determine whether the award will vest on the date of cessation or the original vesting date. The Committee will make its determination based amongst other factors on the reason for the cessation of employment; and • to determine whether the holding period will apply in full or in part. The committee will make its determination based amongst other factors on the reason for cessation of employment. <p>Subsisting Awards</p> <p><i>Good leavers:</i> Unvested awards will usually vest on the original vesting date (except on death, when awards may vest immediately), subject to assessment of the underpin, and are normally pro-rated for time.</p> <p><i>Other leavers:</i> Unvested awards will be forfeited on cessation of employment. Vested awards will remain subject to the holding period.</p> <p><i>Discretion:</i> the Committee has the following elements of discretion:</p> <ul style="list-style-type: none"> • to determine that an Executive Director is a good leaver. It is the Committee’s intention to only use this discretion in circumstances where there is an appropriate business case which will be explained in full to shareholders; • to determine whether to pro-rate the award to the date of cessation. The Committee’s normal policy is that it will pro-rate. The Committee will determine whether to pro-rate based on the circumstances of the Executive Directors’ departure; • to determine whether the awards vest on the date of cessation or the original vesting date. The Committee will make its determination based amongst other factors on the reason for the cessation of employment; and • to determine whether the holding period for awards applies in part or in full. The Committee will make its determination based amongst other factors on the reason for the cessation of employment.

Element	Key term
<p>Change of control</p>	<p>For the Year of the Change of Control</p> <p>The award will normally be pro-rated to the date of the change of control. The holding period applicable to any awards will end at the date of change of control.</p> <p><i>Discretion:</i> the Committee has the following element of discretion:-</p> <ul style="list-style-type: none"> • to determine whether to pro-rate the award to time. The Committee’s normal policy is that it will pro-rate for time. It is the Committee’s intention to use discretion to not pro-rate in circumstances where there is an appropriate business case which will be explained in full to shareholders. <p>Subsisting Awards</p> <p>The awards will vest on the date of the change of control pro-rated to time and the holding period will not apply.</p> <p><i>Discretion:</i> the Committee has the following elements of discretion:</p> <ul style="list-style-type: none"> • to determine whether the satisfaction of awards should be in cash or shares or a combination of both; and • to determine whether to pro-rate awards on change of control. The Committee’s normal policy is that it will pro-rate. The Committee will determine whether to pro-rate based on the circumstances of the change of control.

3. Provisions applying to both the BBP and RSP (together the “Plans”)

Operation

The Remuneration Committee, (the members of which are independent non-executive directors), supervises the operation of the Plans in respect of the employees of the Company, including the Executive Directors. The Remuneration Committee has the discretion to make awards at any time where they consider the circumstances appropriate. No awards will be granted during a Close Period.

Grants of Awards

Any Share awards granted under the Plans may only be granted during the 42 days beginning on: (i) the date of shareholder approval of the Plan; (ii) the day after the announcement of the Company’s results; (iii) any day on which the Board determines that circumstances are sufficiently exceptional to justify the grant of the Share award at that time; or (iv) the day after the lifting of any dealing restrictions. Awards may be granted for up to ten years from the date of approval by shareholders and can be in the form of options over shares (the “Options”), a conditional right to acquire shares (the “Conditional Share Awards”), or shares which are subject to restrictions and the risk of forfeiture (the “Restricted Shares”). Cash awards may also be granted in certain circumstances such as to participants in jurisdictions where there are legal restrictions on the granting of share awards. No consideration is payable by participants to receive an award and participants will make either a nominal or nil payment for the release of shares or exercise of an Option under the award, as determined by

the Board. No awards may be granted more than ten years from the date when the Plans were approved by shareholders.

Dilution

The Plans may operate over new issue shares, treasury shares or shares purchased in the market.

The rules of the Plans each provide that, in any rolling 10 year period (i) not more than 10% of the Company's issued ordinary share capital may be issued under the Plans and under any other employees' share scheme operated by the Company; and (ii) not more than 5% of the Company's issued ordinary share capital may be issued under the Plans and under any other executive share scheme adopted by the Company. Shares issued out of treasury under the Plans will count towards these limits for so long as this is required under institutional shareholder guidelines. In addition, awards which are renounced, or lapse shall be disregarded for the purposes of these limits.

Dividend Equivalents

The Board may decide that awards under the Plans will include a payment (normally in additional shares but may be cash) equal in value to any dividends that would have been paid on the shares which vest under an award by reference to the period between the time when the relevant award was granted and the time when the relevant award vested. This amount may assume the reinvestment of dividends and exclude or include special dividends or dividends in specie, at the discretion of the Board. The Board has discretion to use a different method to calculate the value of dividends.

Malus and Clawback

Malus provisions apply to all elements of the Plans. Malus is the adjustment of unvested awards because of the occurrence of one or more circumstances. The adjustment may result in the value being reduced to nil.

Clawback is the recovery of vested awards or payments under the Plans as a result of the occurrence of one or more circumstances. Clawback may apply to all or part of a Participant's award or payment under the Plans and may be effected, among other means, by requiring the transfer of shares, payment of cash or reduction of awards or bonuses.

The circumstances in which malus and clawback could apply are as follows:

- discovery of a material misstatement resulting in an adjustment in the audited accounts of the Group or any Group company;
- the assessment of any vesting condition or condition in respect of an award under the Plan was based on error, or inaccurate or misleading information;
- the discovery that any information used to determine the award was based on error, or inaccurate or misleading information;
- action or conduct of a participant which amounts to fraud or gross misconduct;

- events or the behaviour of a participant have led to the censure of a Group company by a regulatory authority or have had a significant detrimental impact on the reputation of any Group company provided that the Board is satisfied that the relevant participant was responsible for the censure or reputational damage and that the censure or reputational damage is attributable to the participant;
- material failure of risk management; or
- corporate failure.

The following sets out the periods during which malus and clawback may be effected:

- Malus – any time to the point of vesting or payment.
- Clawback – 2 years from the date of vesting or payment.

Taxation

The payment of a cash bonus and the vesting and exercise of awards are conditional upon the Participant paying any taxes due.

Allotment and Transfer of Shares

Shares allotted by the Company or transferred by the Trustee of the Employee Trust will not rank for dividends payable if the record date for the dividend falls before the date on which the shares are acquired by the Participant. An application will be made for the admission of the new shares to be issued to the Official List of, and to trading on, the London Stock Exchange plc's main market for listed securities following the vesting and/or exercise of awards.

Variation of Share Capital

On a variation of the capital of the Company or in the event of a demerger or other distribution, special dividend or distribution, the number of shares subject to awards and their terms and conditions may be adjusted in such manner as the Remuneration Committee determines is appropriate.

Duration

The Plans will operate for a period of ten years from the date of approval by shareholders. The Remuneration Committee may not grant awards under the Plans after the tenth anniversary of approval.

Amendments

Amendments to the rules of the Plans may be made at the discretion of the Remuneration Committee.

Prior shareholder approval is generally required for amendments to the advantage of participants which are made to the provisions relating to eligibility, individual or overall limits, the basis for determining the entitlement to, and the terms of, awards under the Plans,

the adjustments that may be made in the event of any variation to the share capital of the Company and/or the rule relating to such prior approval except for amendments which are of a minor nature and benefits the administration of the Plans or is necessary or desirable in order to take account of a change in legislation or maintain favourable tax, exchange control or regulatory treatment for participants, the Company or any Group company.

No change to the material disadvantage of a participant can normally be made except as a result of a legal or regulatory requirement or where participants are notified of such amendment and the majority of participants approve such amendment.

General

Cash bonus, shares acquired and awards and any other rights granted pursuant to the Plans are non-pensionable.

Non-Transferability of Awards

Awards are not transferable, except in the case of a Participant for whom a trustee is acting, in which case the trustee will be able to transfer the benefit to the Participant or by will or the laws of inheritance and distribution.

Alternative Settlement

At its discretion, the Board may decide to satisfy Plan awards with a payment in cash or shares equal to any gain that a participant would have made had the relevant award been satisfied with shares.

Rights Attaching to Shares

Except in relation to the award of forfeitable Restricted Shares, shares issued and/or transferred under the Plans will not confer any rights on any participant until the relevant award has vested or the relevant option has been exercised and the participant in question has received the underlying shares. Any shares allotted when an option is exercised or an award vests will rank equally with shares then in issue (except for rights arising by reference to a record date prior to their issue). A participant awarded forfeitable shares subject to restrictions will have the same rights as a holder of shares in issue at the time that the participant acquires the shares, except to the extent set out in the agreement with the participant relating to those shares.

Overseas Plans

The Board may, at any time, establish further plans based on the Plans for overseas territories. Any such plan shall be similar to the Plans, as relevant, but modified to take account of local tax, exchange control or securities laws. Any shares made available under such further overseas plans must be treated as counting against the limits on individual and overall participation under the relevant plan.

Employee Trust

The Company may utilise the existing discretionary employee benefit trust, the Foxtons Group Employee Benefit Trust (the "EBT" which includes any successor trust set up in connection with the Company's employee share schemes), in order to meet obligations due under the Plan. The Trustee of the EBT has full discretion with regard to the application of the trust fund (subject to recommendations from the Remuneration Committee). The Company will be able to fund the EBT to acquire shares in the market and/or to subscribe for shares at nominal value in order to satisfy awards granted under the Plan. Any shares issued to the EBT in order to satisfy awards under the Plans will be treated as counting towards the dilution limits that apply to the Plans. For the avoidance of doubt, any shares acquired by the EBT in the market will not count towards these limits. In addition, unless prior shareholder approval is obtained, the EBT will not hold more than 5% of the issued share capital of the Company at any one time (other than for the purposes of satisfying awards of shares that it has granted).

Note: This Schedule 1 summarises the main features of the Plans, but does not form part of them, and should not be taken as affecting the interpretation of the detailed terms and conditions constituting the Plan Rules. Copies of the Plan Rules will be available for inspection at the Investor Relations section of the Company's website at www.foxtongroup.co.uk and at the Company's registered office during usual office hours (Saturdays, Sundays and statutory holidays excepted) from the date of despatch of the AGM Notice up to and including the date of AGM. Copies of the Plan Rules will also be made available for 15 minutes before and after the AGM and during the AGM. The Directors reserve the right, up to the time of the AGM, to make such amendments and additions to the rules of the Plans as they consider necessary or desirable, provided that such amendments and additions do not conflict in any material respect with the summary set out in this Schedule 1.

