<u>Foxtons Board response to 2017 AGM voting.</u>

In the 2017 AGM results announcement, the Board of Directors of Foxtons noted that all resolutions were passed with the requisite majority, although there was a significant minority vote against the remuneration policy, re-election of Andrew Adcock and Foxtons Group Share Option Plan (SOP).

During 2016, Foxtons' Remuneration Committee undertook a full review of the Group's Remuneration Policy to ensure it continues to be appropriate to the Group's strategy and business needs, and reinforces alignment between the interests of our shareholders and those of our Executive Directors. In formulating the proposed new policy, the Remuneration Committee considered a full range of alternative incentive structures to address concerns with the existing arrangements. In particular, the Committee sought the views of shareholders holding in excess of 60% of share capital, and proposed a new share option plan to replace the current LTIP. In light of shareholders' feedback, the Committee agreed a TSR-based vesting condition of 10% p.a. to 16% p.a. over 5 years and calibrated the option award sizes to be cost-neutral against the LTIP it replaced. One-off awards of market-value 5-year options were granted to the Executive Directors under the new share option plan shortly after the AGM. It is intended that no further awards will be granted to Executive Directors under the LTIP and no follow-on long-term incentive award will vest within 5 years.

Compared to the LTIP, the option plan is more shareholder-aligned (no gain unless TSR>10% p.a.), longer term (minimum of 5 years before any vesting) and simpler. The Board also believes it will be significantly more motivational and retentive. The option plan cost is broadly similar to that of the LTIP it replaces.

The Board is committed to ongoing dialogue with shareholders on these and other matters.