

Affordable **Homes**

Lasting **Value**



Contents

Strategic Report

Business at a Glance	02
Chair's Statement	04
Investment Case	06
Chief Executive's Statement	10
Business Reviews	16
Market Review	20
Our Business Model	24
Our Business Strategy	30
Key Performance Indicators	32
Financial Review	34
Risk Management	38
Our Stakeholders	44
Sustainability at a Glance	46
People	48
Communities	56
Environment	66
Sustainability Materiality Assessment	78
Sustainability Targets	80
Task Force on Climate-Related Financial Disclosures (TCFD)	84
Sustainability Accounting	
Standards Board (SASB)	90
Section 172 Statement	98
Non-financial and Sustainability Information Statement	102

Corporate Governance

Chair's Introduction	106
Corporate Governance Framework	108
Board of Directors	110
Corporate Governance Report	112
Nomination Committee Report	118
Audit Committee Report	122
Sustainability Committee Report	130
Remuneration Committee Report	134
Implementation of the Remuneration Policy	138
Annual Report on Remuneration	140
Remuneration Policy Report	152
Directors' Report	161
Statement of Directors' Responsibilities	165

Financial Statements

Independent Auditors' Report	168
Consolidated Income Statement	178
Consolidated Statement of Comprehensive Income	178
Statements of Financial Position	179
Statements of Changes in Equity	180
Statements of Cash Flows	182
Notes to the Financial Statements	183

Other Information

Five Year Review	214
Further Information	215

**MJ Gleeson plc
specialises in
building affordable
homes and
promoting land**



Tulip Fields,
Holbeach, Lincolnshire

Operational highlights

Homes sold

1,793

2024: 1,772

Average selling price

£193,600

2024: £185,700

CO₂e emissions
(scope 3)

1.831

tonnes per m² floor
area of homes sold2024: 2.073 tonnes per m² floor
area of homes sold

Financial highlights

Revenue

£365.8m

2024: £345.3m

Basic earnings per share
(pre-exceptional items)

28.9p

2024: 33.1p

Profit before tax
(pre-exceptional items)

£21.9m

2024: £24.8m

Cash net of borrowings

(£0.8m)

2024: £12.9m (net cash)

Operating profit
(pre-exceptional items)

£25.4m

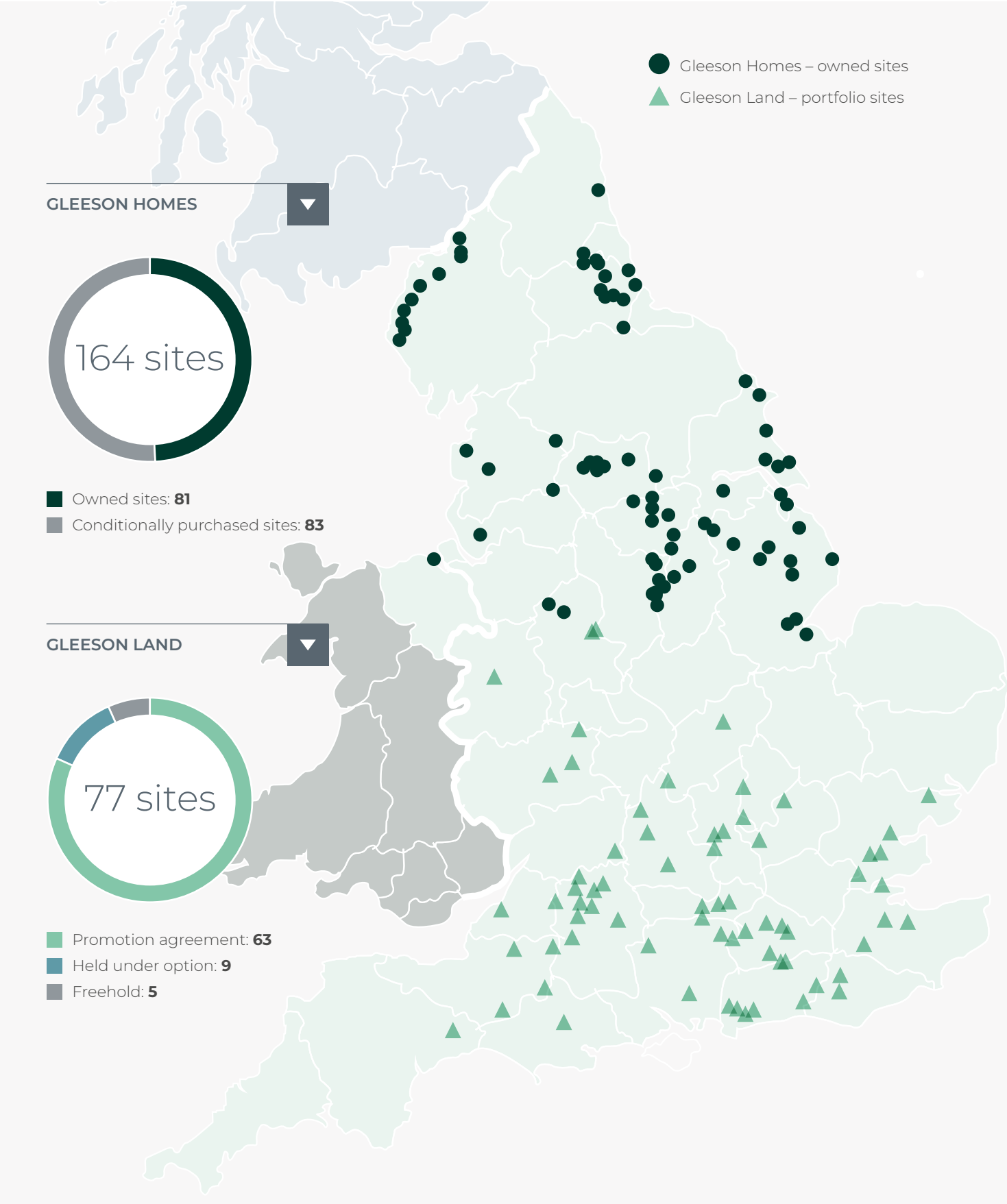
2024: £28.6m

Return on capital employed
(pre-exceptional items)

8.6%

2024: 10.1%

Business at a Glance



Gleeson Homes

Our mission: Changing lives by building affordable, quality homes. Where they are needed, for the people who need them most.

We build high-quality affordable homes across the North of England and Midlands. We build safe, sustainable communities, improving the areas in which we build and the lives of the people who live there. We help our customers to achieve their dream of home ownership, wealth creation, and the benefits of better health and wellbeing that come from living in a modern, energy-efficient home. We also work in partnership with high-quality Housing Associations and private institutions to develop multi-tenure sites.



 Crown Gardens, Mansfield, Nottinghamshire



- Gleeson Homes: **£348.2m** (2024: £329.0m)
- Gleeson Land: **£17.6m** (2024: £16.3m)



- Gleeson Homes: **£22.3m** (2024: £30.3m)
- Gleeson Land: **£7.0m** (2024: £2.2m)

¹ After Group overheads of £3.9m (2024: £3.9m)

Gleeson Land



 Manor Farm, Templecombe, Somerset

Our mission: We promote land through the complex planning system. Unlocking value to deliver sustainable and attractive sites for other developers to build new homes, where they are needed.

We carefully select and promote land through the planning system, predominantly in the South of England. We build strong relationships with our landowners and take a proactive and bespoke approach to promoting their land. We fulfil a vital part of the housing supply chain in delivering land with planning consent in areas of housing need.

Chair's Statement



Fiona Goldsmith
Chair



We were delighted to have our greenhouse gas reduction targets validated by the Science Based Targets initiative, representing an important step forward in our commitment to near-term and net-zero targets."



Homes sold

1,793

2024: 1,772

I am delighted to be addressing shareholders for the first time in my capacity as Chair.

Whilst our market remained broadly stable through the year we were pleased to achieve significantly improved sales rates.

Gleeson Homes' profits continued to be impaired by margin pressures, and the executive team took the decision to implement organisational and management changes to strengthen leadership and compliance with operational procedures. We moved quickly to implement operational changes, the benefits of which are already becoming evident. We are optimistic that we are on track to deliver our medium term growth strategy.

Board

On 23 April 2025, James Thomson stepped down from his role as Chair of the Board. I assumed the interim role of Chair, as well as Chair of the Nomination Committee, and, on 4 July 2025, was appointed as Chair of the Board. I remain as Chair of the Audit Committee on an interim basis whilst an external search is in progress to appoint a further independent non-executive director to fill this role.

Strategy

We remain committed to our medium-term objective of 3,000 new homes per annum, which could result in profitability broadly tripling and Gleeson resuming its position as the fastest growing listed housebuilder in the UK.

Our strategy remains unchanged, with a clear focus on addressing the country's need for affordable, high-quality new-build homes, and the resulting economic and social benefits that this brings. For Gleeson Homes, our vision of "Building Homes. Changing Lives" remains our key focus. At Gleeson Land, the team is focused on creating value for their landowner customers through the planning system: "Promoting Land. Unlocking Value".

We have further developed relationships with key partners, and signed four further partnership deals in the year, with partnership interest in new and existing sites remaining strong and anticipated to increase over the coming months, following the Government's recently announced funding and rent settlement for Housing Associations.

The Government's changes to the planning system are welcome, and there are early signs of improvement, but more needs to be done to increase the efficiency and consistency of the planning and regulatory systems in order to expedite the provision of much-needed new homes. For Gleeson Homes, this reinforces our view of the importance of building on brownfield land and the provision of affordable homes. For Gleeson Land, the reforms should help secure planning where there is a mandatory housing requirement, and satisfy the growing demand from other developers for high-quality consented land.

Building safety

The Group remains wholly committed to remediating legacy life-critical fire-safety issues as quickly as possible and has a dedicated senior resource overseeing the management of building safety issues. During the year one further building was identified, having potentially been developed by the Group through a joint venture, as well as a small low-rise development (below 11m) that the Group was involved with developing, which requires minor works. The overall provision of £11.9m at 30 June 2025 (2024: £12.4m) remains appropriate for the remediation of these buildings. We continue to make progress with more buildings in assessment or remediation works in progress, and with two buildings now substantially complete.

People

I would like to thank all Gleeson colleagues for their commitment and support in this difficult year. Our latest employee survey showed high levels of engagement and continuing high levels of satisfaction. Importantly we also retained our Gold accreditation from Investors in People. The hard work of our teams, and their commitment to our vision, mission and values underpin the delivery of our strategy.

Our independently assessed people engagement score of 84% compared favourably to the industry benchmark of 82%, and we remain in the top quartile of all surveyed companies this year. Our response rate across the Group was 87%, reflecting the importance of the survey to both the business and our people.

I am pleased that during the year the Group's EDI strategy was formally launched and is being embedded across the business.

Sustainability and our commitment to Science Based Targets

We were delighted to have our greenhouse gas reduction targets validated by the Science Based Targets initiative in May 2025, representing an important step forward in our commitment to near-term and net-zero targets, which are underpinned by comprehensive forecasts and a proposed route to achieve these ambitious goals.

Gleeson Homes' core mission remains fully aligned with UN Sustainable Development Goal 11, the first target of which is "access for all to adequate, safe and affordable housing". Our analysis of completed sites in areas of high crime demonstrates how our developments help in reducing crime, vividly illustrating the social value that building new homes in 'tough' areas can bring. Our Sustainability Committee and the wider business are focused on our three pillars of sustainability: People, Communities and the Environment, with targets set and actively managed throughout the year.

Dividend

Subject to shareholder approval at the 2025 Annual General Meeting, the Company intends to pay a final dividend of 7.0 pence per share on 21 November 2025 to shareholders on the register at the close of business on 24 October 2025. This brings the total dividend for the year to 30 June 2025 to 11.0 pence per share, which is covered 2.6 times by normalised earnings. The Group has an established policy of targeting a range of three to five times dividend cover relative to full year earnings. Notwithstanding this policy, which remains unchanged, the Board is comfortable recommending a lower level of dividend cover on this occasion, reflecting their confidence in the medium term outlook.

Fiona Goldsmith
Chair

15 September 2025

Investment Case

Gleeson Homes

01

Meeting the needs of an underserved market

Selling into an undersupplied market

As highlighted by the Government's pledge to build 1.5 million homes in its first term, the need for additional housing, and, in particular, affordable housing, is stronger than ever. The need for affordable homes in the North of England and Midlands is striking but is underserved by the housebuilding sector, with untapped demand in our regions.

Adapting to market needs

Our homes appeal to a range of demographics, from first-time buyers through to home movers, retirees and downsizers. We also have strong interest from investors and registered providers of social housing.



Firbeck Fields,
Langold, Nottinghamshire

Operating agility

We recognise that whilst the desire to own remains high, home ownership may not be possible for some people. Our mission of building affordable, quality homes, where they are needed and for the people who need them most remains a fundamental principle of our model. By working with investors and partners, we are also able to achieve this through offering well designed, high-quality homes for social and affordable housing, shared ownership and private rental alongside traditional open market sales.

Building resilience to turbulent markets

Our partnerships model allows us to work with Registered Providers and the private rental sector, both of which are fundamental sectors of the market. Whilst the market has remained turbulent this year, the announcement of an additional £39 billion of funding towards affordable housing underlines the importance of this sector, underpinning our growth strategy and ensuring our business remains resilient.

02

We're building towards **3,000 homes** a year

Roadmap to 3,000 homes

Our affordable price points and high-quality homes ensure we are well positioned to take advantage of growth as buyer confidence returns. Combined with the growth of Gleeson Partnerships and further multi-unit sales, we remain well positioned to reach our target of 3,000 homes per year in the medium term.

Pipeline of sites

Our strong pipeline of sites underpins the route to 3,000 homes per year. In order to achieve this, we need to be selling on 100 sites, which will be achieved by opening circa 30 sites per year. We continue to invest in our land pipeline in line with market conditions. Our pipeline includes three years worth of sales with planning permission already in place, and a further seven years where the site is secured subject to planning. The growth from partnerships will be incremental and will allow us to reach our medium-term goal earlier than originally planned.

Operational strength

We have structured our regional operating teams to provide capacity for growth, refreshed our product to appeal to a wider range of customers and meet planning preferences in certain regions, broadened our marketing strategy and focused on upskilling our sales teams. All of this means that we are ideally positioned for a return to strong growth as buyer confidence returns.

Partnership model

The addition of partnerships to our business model allows partners to take advantage of Gleeson design, price and quality, all of which are attractive to a range of potential investors. We have been in discussions with a number of high-quality partners and signed four additional partnership agreements this year.

Partnership agreements have obvious advantages:

- Opportunity to develop and de-risk larger sites
- Dedicated team with low additional investment
- Land-led forward funding structure reduces capital requirements and enhances returns
- Strong market need for affordable housing across all tenures
- Additional sales security over pre-sold plots



Saltom Bay Heights,
Whitehaven, Cumbria

Investment Case CONTINUED

Gleeson Homes

03

Making **homeownership** a reality

Compelling reasons for customers to choose Gleeson

Affordability remains strong in our sector of the market, with lower prices meaning lower deposits and lower mortgage payments as a proportion of salary compared to the South of England and London. The cost of a Gleeson home is, on average, one-third lower than other new build homes in our area, and it remains cheaper to buy than to rent. With those on lower incomes seeing some of the fastest growth in wages, our homes are highly affordable.

Our homes are also highly energy efficient, using 49% less energy than existing housing, giving our buyers a compelling reason to choose Gleeson.

Remaining highly affordable

Affordability remains our priority. We ensure our homes remain affordable through strict land buying criteria, efficient design, and tight control of build costs and overheads. We benchmark our prices against other new build homes in the local area to ensure our customers get the best value for money. We are proud that a working couple on the National Living Wage can afford to buy a home on any one of our developments.

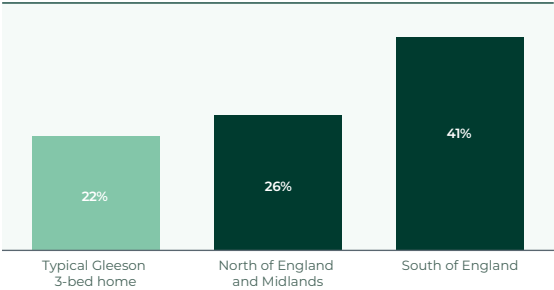
Quality and value

Affordable does not mean low quality. A Gleeson home typically incorporates the same materials and products, such as kitchen and bathroom fixtures, as homes built by other major housebuilders who sell at a significantly higher price point. We build to a strict specification ensuring consistent quality whilst managing our costs.



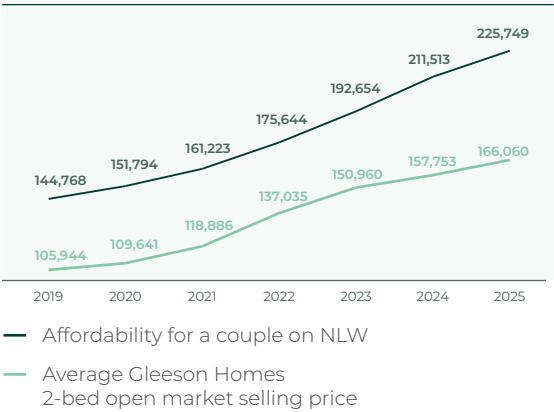
 Kat, Ivy, Kaivan and Luca in a Longford

First time buyer payments as percentage of take home pay (at current mortgage costs)



Source: Nationwide affordability indicators

Gleeson 2-bed selling prices versus affordability for a couple on National Living Wage (NLW)



Source: Affordability calculations based on four times national living wage for a 40 hour working week.

Gleeson Land

04

The future of land promotion, powered by data

Market leading data analytic capabilities

Our investment in data analytics and technology is accelerating new site sourcing with 13 sites added to the portfolio this year, a record for the business. It also informs planning strategies, provides robust evidence in applications and appeals, and assists with due diligence on new sites. We are a market leader in research and analytics in land promotion and will continue to explore and invest in new technologies.

Portfolio of sites

Gleeson Land has a growing portfolio of high-quality sites. These sites are held either under option agreements or promotion agreements rather than being purchased outright, mitigating the land value risk and requiring low capital investment whilst being highly cash generative. Maintaining this low capital base will ensure that our return on capital will be market leading as profit grows.

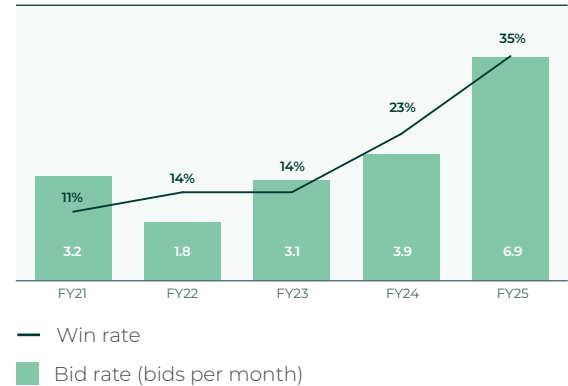
Unlocking the highest value in the shortest time

We aim to source high-quality sites that have a strong planning context, and we invest in those sites that have the opportunity to come forward in a reasonable period of time. We have competitive bidding on all sites that we bring to market and achieve some of the highest gross profit per plot values in the industry. We aim to create value for our landowners and for Gleeson in the shortest possible time.

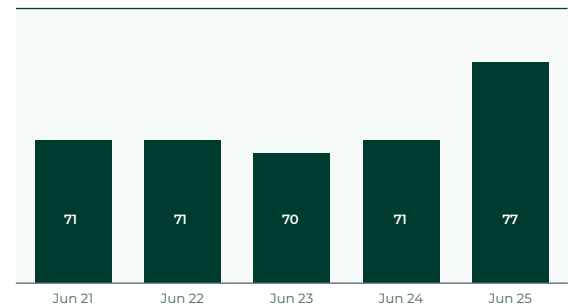
The best team

We have invested in a high-quality, highly motivated team, recruiting in our land, planning, technical and data analytics disciplines to ensure we have the best people. We have regionalised the Gleeson Land business to give a more focused approach and will leverage local expertise to grow market. Our enhanced team is focused on increasing the pipeline of sites coming to market and growing our returns year-on-year.

Bid and win rate (%)



Portfolio (No. of sites)



Melksham, Wiltshire

Chief Executive's Statement



Graham Prothero
Chief Executive Officer



We are confident that the remedial actions taken in the year will drive a stronger business to deliver our medium-term goal to reach 3,000 homes per year."



Medium-term target

3,000
homes

Overview

This year has been challenging for Gleeson, and despite selling more homes relative to FY2024, there have been factors which stalled our momentum. We have taken the actions necessary to benefit the business through FY2026 and ensure the delivery of our strategic objectives.

The margin pressure experienced in Gleeson Homes is not unique to our business with continued build cost inflation, alongside static demand and selling prices, necessitating the use of incentives, and extending site durations.

These challenges were exacerbated in Gleeson Homes not only by legacy issues but also by some issues around process and compliance with procedures resulting in build cost increases in excess of provisions. It became clear to me early in the financial year that the structure and leadership of Gleeson Homes required fundamental review, and we moved quickly to implement change through Project Transform, deploying a team from across the business, to conduct that review and recommend remedial actions. During the second half of the year we moved at pace to restructure the business, culminating in the leadership and organisational changes externally announced on 4 July 2025.

These margin challenges led to a full year performance which was below our initial expectations. With the benefit of the actions we have taken already becoming evident, I am confident that Gleeson Homes will deliver a stronger performance in the current financial year.

The area of the housing market in which we operate is comparatively stable, and we are maintaining a robust sales rate. We have identified specific opportunities to broaden our customer demographic by expanding our range of homes, with the inclusion of five-bedroom houses and the introduction of one-bed apartments to edge-of-town locations will improve our competitiveness in faster-selling suburban areas.

With a stronger and more disciplined business operating in a broader market, we are excited for the future. We have a business capable and on-track to deliver our objective of 3,000 homes per year.

We are also very excited for the prospects at Gleeson Land. Following the reorganisation into three operating areas announced last year and the successful use of its leading data analytics capability, the business is further building on its excellent reputation among landowners and agents, resulting in a strong pipeline of opportunities.

Gleeson Land is expecting to submit at least 18 new planning applications in the first half of FY2026. Having delivered a strongly improved result, the business is enjoying strong momentum. The team added 13 new promotion agreements to the portfolio during FY2025 and is making significant progress towards its objective of becoming the pre-eminent land promoter in the South of England.

Group results

The Group generated revenue of £365.8m (2024: £345.3m) and delivered profit before tax and exceptional items of £21.9m (2024: £24.8m), and profit before tax of £20.5m (2024: £24.8m).

The Group ended the year with net borrowings of £0.8m (2024: net cash £12.9m) and continues to have a strong balance sheet and significant liquidity to invest in new sites and future growth.

Gleeson Homes

Gleeson Homes sold 1,793 homes (2024: 1,772), of which 205 were sold via private multi-unit sale agreements (2024: 346). This outturn is an improvement on the prior year, although fell short of our ambitions. Whilst some of this can be attributed to external factors, including the protracted planning system, the pace of delivery is a focus for the current financial year.

It was pleasing to see average selling prices increase by 4.3% to £193,600 (2024: £185,700) including the impact of fewer multi-unit sales, increase in bed mix and an increase in underlying sales prices* of 0.6%.

Net reservation rates including multi-unit sales for the full year increased to 0.71 per site per week (2024: 0.52) and excluding multi-unit sales increased to 0.53 (2024: 0.44). Cancellation rates reduced from 18% to 17%. Net reservations on open-market sales in the first half were up 13% on the prior year period and in the second half were up 28% on the prior year period.

A lack of recovery in the wider housing market, flat selling prices, lack of funding for Housing Associations and higher than anticipated build costs resulted in both lower volumes and lower margins than we had expected at the beginning of the financial year. This, combined with the cumulative impact of extended site durations, resulted in a reduction in gross margin to 20.7% (2024: 24.1%).

The reduction in gross profit margin was partly offset by tightly controlled administrative expenses, resulting in an operating profit before exceptional items of £22.3m (2024: £30.3m) and an operating profit margin of 6.4% (2024: 9.2%).

The division enters the new financial year with a stronger forward order book of 845 plots (31 December 2024: 597 plots, 30 June 2024: 559 plots).

Gleeson Homes opened 13 new build sites in the year and was building on 68 sites at 30 June 2025 (2024: 79 build sites). We have retained a healthy pipeline of 164 sites at 30 June 2025 (2024: 179 sites), with our total number of pipeline plots increasing to 19,638 plots (2024: 19,138 plots).

We signed four further partnership deals in the year, despite the difficulties presented by the Government's delayed announcements on a funding and rent settlement for Housing Associations, and have a growing pipeline of sites under discussion with partners.

* Underlying selling price changes are based on average reported revenue changes on open market completions, on sites with completions in both the current and previous periods, adjusted for the effect of garage mix and bed mix.

Chief Executive's Statement

CONTINUED



 Milford, The Homesteads, Goldthorpe, Barnsley

Project Transform: Gleeson Homes reorganisation

"Project Transform" was initiated in the autumn of 2024. The review identified the need to implement organisational and management changes in order to shorten reporting lines, empower the divisional leadership teams and strengthen regional management, as well as reinforcing controls and driving local ownership and accountability. The changes have been successfully implemented at pace, and we are already beginning to see the benefits.

The reorganisation saw the removal of the role of Gleeson Homes Chief Executive with the two Divisional Managing Directors now reporting directly to me. We also created the new role of Chief Operating Officer, with responsibility for central functions, driving performance and governance. Again, that function reports directly to me. Whilst retaining six regions, we have combined the management teams of Greater Manchester & Merseyside and Cumbria into a single leadership team which is affording significant operational synergies. The reorganisation is improving agility, autonomy, ownership and responsiveness in regional performance, and visibility and control at centre.

This will ensure stricter adherence to operating procedures and tighter control of costs. I believe we will see a marked improvement in performance and delivery, improving pace and quality of build and management and control of costs.

Gleeson Homes: a blueprint for growth

Alongside our focus on restoring margin performance, we have a number of priorities to ensure a return to profitable growth at Gleeson Homes.

LAND PIPELINE AND SITES

The pace of our site purchasing and site opening plans has been negatively impacted by planning delays which, compounded by the time taken to secure utility connections, delayed the opening of new sales sites, leading to lower than expected volumes and increased preliminary costs.

Overall, we opened fewer than expected build sites in the second half of the year and the number of sales sites will, therefore, be lower during FY2026.

However, with a more advanced pipeline of sites, we expect to open between 20 and 30 build and sales sites and anticipate ending FY2026 with more sales sites.

Gleeson Homes can comfortably reach 3,000 units per annum by selling from 100 sites at an average net reservation rate of 0.60 units per site per week.

Our margins are expected to improve as we open new sites and deliver greater efficiencies under a more disciplined approach to building. However, significant margin improvement will also depend upon build cost inflation and a market recovery that enables increased selling prices and reduced incentives.

PARTNERSHIPS

Our Partnerships strategy is a key element in our growth plans and accelerates our overall objective of delivering 3,000 new homes per annum.

Our partnerships team worked hard in the year to build the Gleeson Partnerships brand, establishing wider relationships with potential partners and working with other areas of the business to improve our house type portfolio to better appeal to the partnership market.

We welcome the additional funding for affordable housing and the rent settlement announced by the Government, but the delays in the announcement of the quantum and allocation of this funding led to uncertainty from some of our potential partners, subduing the market in the year, a position we anticipate continuing until at least until Spring 2026. Despite this, we signed four new deals in the year, and continue to expect 20% of our home sales in the medium term to be from partnership sites. Of the land bids submitted in the year, around one fifth of these involved partnership discussions at the land bid stage.

PORTFOLIO

We have further broadened our house-type range to include one-bedroom and five-bedroom homes in response to demand. The one-bedroom units will improve our flexibility, density and competitiveness in more suburban locations, whilst the five bedroom units will broaden our target customer demographic, including home movers and downsizers.

QUALITY AND AFFORDABILITY

Our strategy continues to support our vision of “Building Homes. Changing Lives” and our mission of “Changing lives by building affordable, quality homes, where they are needed, for the people who need them most”.

Our commitment to quality and affordability remains key to our operating model. We are currently in a process of transition from our previous customer service evaluation, provided independently by In-House, to the NHBC/HBF Survey, which will be published for all housebuilders from March 2026. The transition is a significant change for the team, moving from a telephone survey (with naturally higher response rates) to email and post, and capturing data not only at eight weeks but also at nine months following occupation. This additional data will allow us to focus on key areas of improvement, which will be supported by the organisational changes and will focus attention on build programmes and quality.

We are making good progress with the transition, but this additional focus was at least in part responsible for a slight but disappointing dip in our recommend score for FY2025 from five-star to four-star. Our performance under the NHBC survey is improving fast. We anticipate our initial published grading at four-star for the 2025 calendar year. Our scores are strengthening as the year progresses and as the team becomes more familiar with encouraging customers to respond, and we are firmly focused on achieving five-star for the 2026 calendar year.

Our homes remain highly affordable, with 78% of the homes we sold in the year affordable to a couple on the National Living Wage. The average selling price of a Gleeson home at £193,600 is 34% lower than the average selling price of new build homes in our geographic regions at £295,000. Increases in the National Living Wage also mean that affordability has improved at the lower end of the market, and mortgage payments as a percentage of take-home pay remain low in the North of England and East Midlands at 26.3% relative to the UK average of 34.3%.

Chief Executive's Statement

CONTINUED

Gleeson Land

Gleeson Land generated an operating profit of £7.0m (2024: £2.2m) completing the sale of five sites under planning promotion agreements, with the potential to deliver 996 plots for housing development. Two further sites were transacted in the year, one land swap (206 plots) with a joint venture provider, and the sale of an option agreement on a site purchased in the year.

This result does not yet reflect the significant progress being made in the business, with more sites achieving planning consent during the year and a significant increase in new site promotion agreements secured, reflecting the strengthened team, its strong market reputation and its market leading use of analytics.

The division ended the year with a strong portfolio, having eight sites consented or with resolution to grant, which have the potential to deliver 1,343 plots for housing development (2024: seven sites, 1,473 plots), and a further ten sites awaiting a planning decision or in appeal, with the potential to deliver 2,864 plots for housing development (2024: 11 sites, 3,045 plots).

Gleeson Land's portfolio comprises 77 sites, with the potential to deliver 18,401 plots, and 25 acres of commercial land (2024: 71 sites, 16,911 plots, 25 acres of commercial land). The majority of these sites are held under promotion or option agreements.

Gleeson Land – positioned for growth

The strengthened team under Guy Gusterson has added further expertise in planning, technical and land, and invested in developing sector leading analytics capabilities. Combined with our greater regional focus, this has allowed us to review a greater number of sites and in greater depth, giving us a better understanding of the residential development potential, and greater confidence of achieving planning permissions.

In addition, we have doubled our site win rates and increased our bid rates significantly. As it can typically take nine months to contractually secure a site, these improvements are just beginning to be reflected in our portfolio numbers.

The regional structure has allowed for closer relationships with landowners and agents, raising brand awareness and improving customer satisfaction as shown in our recent satisfaction survey, where we received a net promoter score of 88.9% and a customer satisfaction rating of 100%.

We expect FY2026 profitability to remain broadly flat compared to FY2025, with significant growth expected from FY2027.



We have planning consent for the vast majority of the plots expected to contribute to gross profit during the current financial year although this includes one site, representing circa 50% of those plots, which is dependent on finalisation of a technical solution within the period.

Current trading and outlook

Gleeson Homes open-market net reservation rates have seen an improvement, in a stable market, and in the 11 weeks to 12 September 2025 were 0.54 per site per week compared with 0.50 per site per week over the comparable period last year, an increase of 8%. Cancellation rates were 0.12 per site per week compared with 0.11 per site per week over the comparable period last year.

The business has a strong pipeline, and our growth plans are based on an ambitious programme of site openings from land already under control, with the pace constrained only by a planning system that continues to be under-resourced.

Since the year end we have signed two further partnership transactions, with several further opportunities in negotiation. We continue to target circa 20% of home sales from partnership sites, which will be supported in the medium term by the continuing demand for PRS and the Government's recently announced funding package for the affordable market.

The Board remains confident that, in delivering its objective of selling 3,000 new homes per annum, Group profitability could broadly triple and the Company would resume its position as the fastest growing listed housebuilder in the UK.

With a number of sites close to achieving planning and others in sale processes, Gleeson Land is well placed to deliver another robust performance in FY2026 and is strongly positioned for significant growth from FY2027.

The Group starts the new year with a stronger forward order book and a stable sales rate in Gleeson Homes and a strengthened portfolio in Gleeson Land.

Graham Prothero
Chief Executive Officer

15 September 2025



Business Review

Gleeson Homes

Homes sold

1,793

2024: 1,772

Average selling price

£193,600

2024: £185,700

Operating profit*

£22.3m

2024: £30.3m

Operating margin*

6.4%

2024: 9.2%

* Stated before exceptional items in 2025 of £1.3m (2024: nil)

Results

Gleeson Homes completed the sale of 1,793 homes during the year (2024: 1,772), an increase of 1.2% on the previous year. Of the homes sold, 205 were sold via private multi-unit agreements (2024: 346).

Revenue increased by 5.8% to £348.2m (2024: £329.0m) due to the increase in homes sold, land sales of £1.2m (2024: £nil) and an increase in the average selling price (ASP) of homes sold during the year by 4.3% to £193,600 (2024: £185,700). This increase was driven by a lower proportion of sales under multi-unit agreements at lower ASP, house type mix and higher underlying selling prices which were up 0.6%, offset by changes in mix of site locations.

Gross margin on homes sold decreased to 20.7% (2024: 24.1%) reflecting the impact of build cost inflation, the increased use of incentives to secure sales, additional costs in respect of legacy sites approaching closure and the cumulative impact of other build costs increases and extended site durations. Despite the increase in the volume of homes sold and the increase in average selling price, the decrease in gross margin resulted in gross profit decreasing by 9.0% to £72.1m (2024: £79.2m).

Administrative expenses, which include sales and marketing costs, increased by £0.8m to £50.0m before exceptional items (2024: £49.2m), driven by inflationary cost increases and further investment in IT infrastructure and retail space running costs. Other operating income amounted to £0.1m (2024: £0.3m). Consequently, operating profit before exceptional items decreased by 26.4% to £22.3m (2024: £30.3m) and operating margin decreased from 9.2% to 6.4%.



Cork, Meadow Walk,
Pontefract, West Yorkshire

Market demand

Gleeson Homes reservation rates improved over the year, but are still below historic levels as consumer confidence remains weak due to sustained macroeconomic uncertainty. Net reservation rates over the second half of the financial year, excluding multi-unit sales, averaged 0.64 per site per week, up 28% on the previous year.

Interest rates peaked in the previous financial year, with the latest reduction announced in August 2025 to 4.0%. Whilst affordability has improved, especially in the North and Midlands, consumer confidence remains fragile. For the medium and longer term, the critical need for new housing in our regions, coupled with good affordability and a structural undersupply, means that there is a vast, underserved market of customers. We also anticipate increasing demand in partnerships, as the continuing demand from private rental investment is supplemented by renewed interest from the Housing Associations from Spring 2026.

Partnership agreements

Our partnerships team spent the year actively building our brand, forging strong partner relationships and refining our house type offerings to better serve the partnership market.

- Qualified as a Homes England Investment Partner, allowing us to receive funding under the Affordable Homes Programme.
- Developed our 'Partnerships Toolkit', a suite of resources to support our services to partners and ensure standardisation of our partnership product, which will drive efficiencies on these sites.
- Established strong connections with a range of partners, including registered providers and single-family housing providers (SFH).

Sites

Gleeson Homes opened 13 new build sites during the year and started the new financial year with 68 active build sites (2024: 79), of which 57 were actively selling (2024: 62). Due to the continued difficulties experienced with the planning system, there have been delays in opening build sites meaning that sales sites are now opening later than expected. Our average active build sites and sales sites were 76 and 63 respectively (2024: 79 and 65 sites).

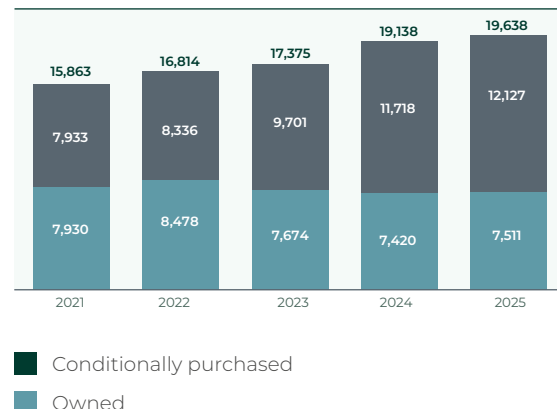
Gleeson Homes' developments are located across the North of England and Midlands, with plans to continue expanding in existing regions. The business expects to open between 20 and 30 build sites during the current financial year and be building and selling on more sites by 30 June 2026.

Pipeline

The pipeline of owned and conditionally purchased sites increased by 2.6% to 19,638 plots on 164 sites at 30 June 2025, representing over ten years of sales (2024: 19,138 plots on 179 sites). Of the total plots, 7,511 plots are owned (2024: 7,420 plots) and 12,127 plots have been conditionally purchased subject to receiving planning permission (2024: 11,718 plots).

During the year, 25 new sites were added to the pipeline, whilst 24 sites were completed and 16 sites did not proceed to purchase.

Pipeline – owned and conditionally purchased plots



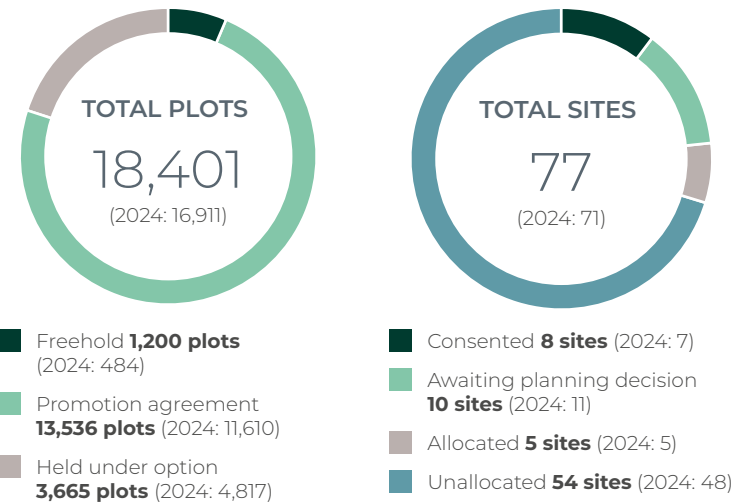
Business Review

CONTINUED



 Hassocks, West Sussex

PORTFOLIO



Results

During the year, Gleeson Land completed seven land transactions. Five sites with residential planning permission for 996 plots (2024: four sites, 520 plots) were sold under planning promotion agreements. In addition, Gleeson Land completed a land swap (206 plots) with a collaborative partner in which the division took 100% control of one agreement in exchange for relinquishing its interests in another agreement, and completed the sale of an option agreement for £1.0m on a site purchased in the year. The five promotion agreement sites sold in the year totalled 149 gross acres (2024: 85 acres).

As a result, revenue from land sales increased to £17.6m (2024: £16.3m). Total gross profit for the year was £11.1m (2024: £5.3m). Gross profit is stated after increases to inventory provisions of £0.5m during the year (2024: £3.3m increase) which reflects the outcome of planning decisions and our assessment of the planning prospects for individual sites.

Overheads for the business increased to £4.1m (2024: £3.1m) reflecting the continued investment in executing the division's growth strategy. The increase in gross profit partly offset by the increase in overheads resulted in an operating profit for the division of £7.0m (2024: £2.2m).

Following the changes to the National Planning Policy Framework in December 2024, Gleeson Land have identified a number of sites that will come forward earlier than previously expected. We enter the current year having sold one site with a further ten sites awaiting planning approval. We expect this trend to continue as the Government commits to fixing the issues in the planning system and the wider housing market.

Gleeson Land has prioritised investing in a high quality, highly experienced and motivated team to ensure we provide the best possible service in the land promotion market. Regionalising the business has allowed us to take a more focused approach and utilise local expertise in our selected regions. In addition, the continued investment in our Research and Analytics team has enabled the use of market leading data analytics capabilities, enhancing the process of analysing sites, winning bids and securing planning permissions.

Planning

This year, Gleeson Land submitted planning applications on six sites with the potential to deliver 925 plots (2024: four sites, 483 plots), and achieved planning consent or resolution to grant on seven sites (2024: five sites).

After the disappointment of the previous year where we had planning permission refused on six sites, including five that went to appeal, only two sites were refused planning permission during the year, with both of these sites subsequently successfully appealed. This is reflective of signs of improvement within the planning system, however the continuing issue with resources is still acting as a blocker to the supply of consented land and new housing developments.

We ended the year with ten sites awaiting a decision on planning applications or in appeal (2024: 11 sites). The business has a strong immediate pipeline, with eight sites either with planning permission or resolution to grant, with the potential to deliver 1,343 plots for housing development (2024: seven sites, 1,473 plots).

Portfolio

During the year, 13 high-quality new sites (2,732 plots) were added to the portfolio, secured under planning promotion agreements.

At 30 June 2025, the business had a portfolio totalling 77 sites (2024: 71 sites) with the potential to deliver 18,401 plots (2024: 16,911 plots) plus 25 acres of commercial land (2024: 25 acres). A significant proportion of the portfolio is held under option and promotion agreements with landowners, which means we benefit from initial lower investment and mitigate the risks associated with fluctuating land values.

The portfolio includes a variety of sites with differing planning statuses, allowing for both immediate and long-term growth opportunities. We play a critical role in the housing supply chain, essential for unlocking development in areas where new homes are most needed. Our planning approach centres on delivering well-designed developments that not only enrich communities and address local needs, including affordable housing, but also provide the significant benefit of green open spaces.



 Laindon Road, Billericay, Essex

Having regionalised the business into three distinct operating regions; Southern, Western and Central, Gleeson Land has a more focused approach and leverages local expertise to grow share in its selected regions. The enhanced bench-strength is enabling margin to be maintained whilst growing volume, ultimately improving returns year on year.

Award winning customer focus

We commissioned an independent expert, In-house Research, to conduct a satisfaction survey with our customers, including landowners and land agents. We received a weighted net promoter score of 88.9% and a customer satisfaction rating of 100%. Tom Weston, Chief Executive of In-house Research, commented:

“Achieving a 100% satisfaction rating is a testament to the professionalism, transparency, and client-focused approach of Gleeson Land. In an industry where strong relationships and trust are key, these results demonstrate the high regard in which Gleeson is held by its landowner and agent partners.”

Our aim is to embed a customer-centric culture into everything we do. In our recent employee engagement survey, 100% of our staff agreed that “the company takes time to listen to our customers’ needs” and “our customers are the heart of our company”. As a team, we are laser-focused on making sure that our customers feel valued in all of our dealings with them and we demonstrate the value that we bring as the most reliable and professional land promoter in the industry.

Market Review

The UK housing market has shown some signs of improvement during the year as interest rates began to fall and the impact of the Government’s housing targets have started to take shape.

Reservation rates improved over the year, but are below historic levels as consumer confidence remains weak due to sustained macroeconomic uncertainty. Planning reforms in December 2024 will ease some of the issues on housing supply, but there remains uncertainty around long-term funding for affordable housing, and local authorities remain woefully understaffed, meaning the risk around planning delivery is far from resolved.

01

Link to strategy

123

Link to risk

1235

Structural under-supply of new homes

The chronic under-supply of homes in the UK is not new, but has been elevated in importance with the current Government re-instating mandatory housing targets. These targets had previously been made advisory for local authorities leading to an obvious reduction in housing delivery in many areas.

There are several factors contributing to the under-supply of new homes:

- 1. Demand and affordability
- 2. Planning constraints
- 3. Availability of land
- 4. Cost and availability of materials and labour
- 5. Funding of local authorities and Registered Providers
- 6. Attractiveness of buy-to-let for private investors, and availability of funds

More homes are needed across all tenures, with affordable and social housing particularly critical. However, delays in agreeing funding for Registered Providers has further stalled the provision in this sector, jeopardising the ability to meet the targets within the timeframe set.

Supply of rental properties continues to fall below demand, accompanied by increasing rent inflation, with increases in average rents of 3% in the year. In the North of England and Midlands, 4.2 million households are renting, and there are 651,000 households on local

authority waiting lists. A further 1.7 million adults live with their parents.

Impact

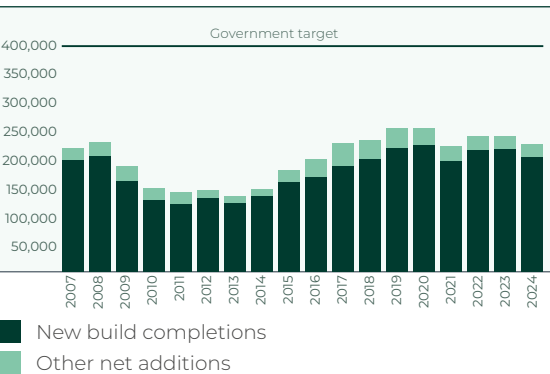
Net additional dwellings in 2024 were 221,000, 6% lower than 2023. The Government target of 1.5 million homes over their first term means that the annual target is now over 370,000 per annum. These figures have not been achieved since the 1970s, which were driven by growth in local authority housing supply.

In the North of England and East Midlands, there remains a shortage of affordable homes, with new build sales representing only 6% of all homes sold below £200k. The opportunity for home ownership remains squeezed by the lack of supply. Whilst older terraced housing stock makes up the vast majority of sales under £200k, the quality of these homes tends to be poor in comparison to new build and they are not as energy efficient, with only 16% of English houses EPC rated A or B in the year.

Opportunities

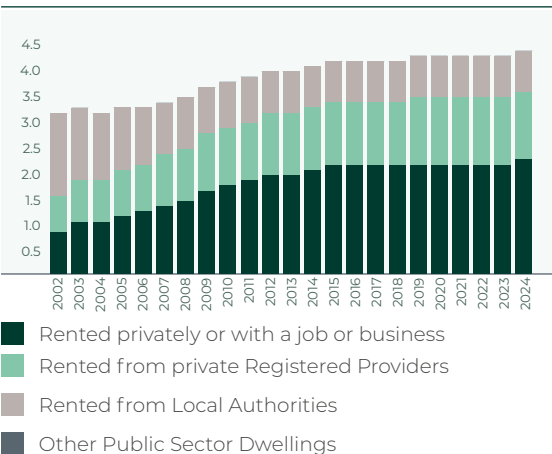
The structural under-supply of new homes represents a vast underserved market of customers in our target areas, with the need for new housing still critical. There are further opportunities through partnerships with both Registered Providers and the private rental sector. As further funding becomes available, and the Government pushes to meet housing targets, we expect further opportunities for growth.

Net additional dwellings



Source: Ministry for Housing, Communities and Local Government

Rental stock by tenure – North of England & Midlands (millions)



Source: Live tables on dwelling stock (including vacants) by tenure and region to March 2024

Key – Strategic priorities

- | | |
|----------------------|--|
| 1 Sustainable growth | 4 Land sourcing |
| 2 Build quality | 5 Climate change |
| 3 Affordability | 6 People, wellbeing, health and safety |

Key – Risks

- | | | |
|---|---|-------------------------------------|
| 1 Economic environment | 5 Build quality, sales and customer service | 9 Financial environment and control |
| 2 Land availability | 6 People | 10 Climate risk |
| 3 Government policy, regulations and planning | 7 Cyber and IT systems | 11 Sustainability |
| 4 Build costs and availability | 8 Health and safety | |

02

Link to strategy

1 3

Link to risk

1 3

Highly affordable but demand remains soft

Demand for UK housing is driven by a number of factors, including interest rates, mortgage rates, mortgage availability, house prices, employment prospects and consumer confidence.

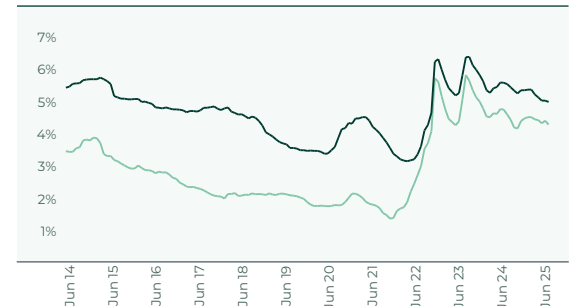
- Interest rates have reduced, with the base rate reducing from 5.25% at the beginning of the year to 4.00% currently.
- Mortgage rates track interest swap rates driven by market expectations of future interest rate movements, with the average rate for a fixed five year 95% loan-to-value (LTV) mortgage now standing at 4.93% compared to 5.47% in June 2024. Mortgage rates impact on affordability and demand.
- Mortgage availability is currently good, with a range of products available to customers. Low deposit and zero deposit mortgages have also made a return.
- Lending criteria – the Bank of England recently recommended that lenders should be given more flexibility over lending to people on a higher loan to income ratio. Allowing that proportion to rise could see an additional 36,000 higher loan-to-income mortgages a year, assisting first-time buyers who are struggling to save for a deposit.
- The National Living Wage, which increased in the year by 6.7%, and real wage growth, mean that affordability has improved at the lower end of the market, which offers opportunities for growth as buyer confidence returns.

Impact

Gleeson Homes net reservation rates have improved from last year with an average rate of 0.71 net reservations per site per week compared to 0.52 last year. In order to stimulate growth and maintain sales rates, we have had to maintain the incentives offered to customers through the use of discounts, extras and pre-plot improvements. Sales have also been made through alternative channels such as multi-unit and investor deals.

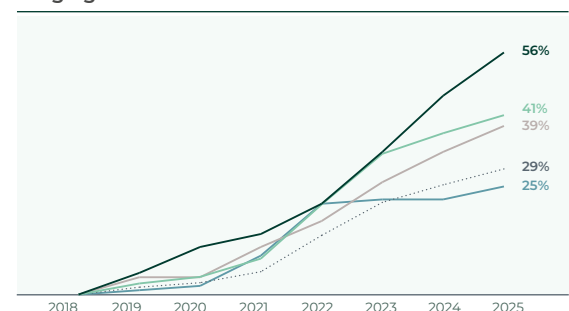
Opportunities

Our position in the market, both in terms of price point and geographical location in the North of England and Midlands, where mortgage costs as a percentage of pay remain low relative to the rest of England, means that we will continue to appeal to a range of buyers. We expect demand to grow as confidence returns to the market.

Average 5-year fixed mortgage rates

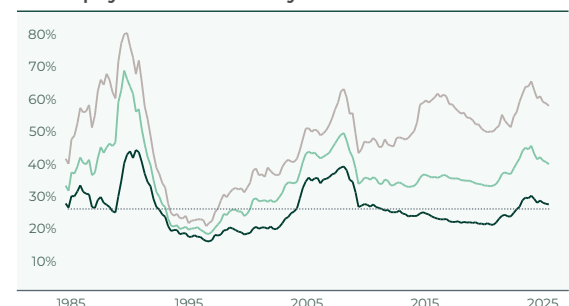
Source: Bank of England

— 95% LTV
— 75% LTV

Wage growth and inflation

— National Living Wage
— RPI
— Average Earnings
... CPI
— House Price Inflation

Source: EARN01 – Monthly Wages and Salary Survey, Construction Building Materials Tables, ONS indices of inflation

Mortgage costs as a percentage of take home pay for first time buyers

Source: Nationwide affordability indicators

— North of England & East Midlands
— Rest of England
— London
... Average North of England

Planning system hurdles

Planning and land availability are key factors affecting the supply of housing in the UK. Planning has faced increasing complexity over recent years, with the introduction of nutrient neutrality, biodiversity net gain and Habitat Regulations. In addition to this, staff shortages in local authorities, high staff turnover and lack of formal training further stalls the planning process.

In December 2024, the Government made changes to the National Planning Policy Framework (NPPF) which included the following:

- Mandatory housing targets
- Updated methods of calculation of housing targets
- Presumption in favour of brownfield development, and promoting greater densities in urban centres
- Identification of ‘greybelt’ where insufficient land is available in the local plan
- Any land released from green belt to deliver 50% affordable homes, increase access to green spaces and the necessary infrastructure in place, such as schools and GP surgeries.

Planning in England is influenced by the local plan for each area, which sets out the number of houses needed and allocates land to meet these targets. Where there is insufficient land allocated, other viable land can be proposed by developers, landowners or promoters and progressed through the planning process.

Returning to a ‘plan led’ system with a presumption in favour of development for local authorities failing to meet their mandatory housing targets is essential to a well functioning planning environment. Too often local authorities are able to reject applications even where these come with planning officer recommendation. Greater accountability is needed to prevent wasteful use of local authority resources and costs where planning applications are forced to appeal unnecessarily.

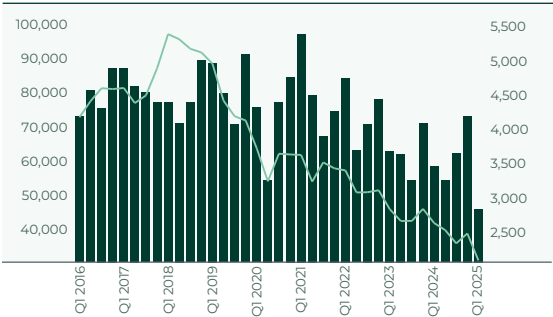
Impact

The changes announced to the NPPF are welcomed and are expected to ease some of the difficulties in the planning process. It will take some time to see the impact of these changes, and some of the constraints in planning, such as the lack of resources in local authority planning departments and backlog of applications continue to be experienced. Land for development continues to be available and land prices have remained sensible.

Opportunities

Gleeson Homes and Gleeson Land both have strong pipelines of land across a number of local authorities and have an excellent track record of progressing planning applications, including via appeal. Whilst Gleeson Land has been the first to see the benefit of the planning regulation changes, including securing and selling the first ‘greybelt’ site in England, Gleeson Homes are expecting improvements to follow. Our teams in both Gleeson Land and Gleeson Homes are progressing a backlog of applications, and targeting sites where planning can be progressed in a shorter time period. Gleeson Land has a significant proportion of its portfolio already targeted for submission in the next six months, and has taken on additional resource to support this delivery.

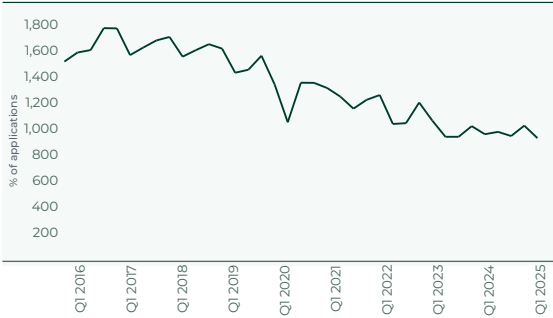
Residential planning approvals – England



Source: Ministry for Housing, Communities and Local Government

■ Units
— Projects

Major planning applications granted – England



Source: Ministry for Housing, Communities and Local Government

Key – Strategic priorities

- 1 Sustainable growth
- 2 Build quality
- 3 Affordability
- 4 Land sourcing
- 5 Climate change
- 6 People, wellbeing, health and safety

Key – Risks

- 1 Economic environment
- 2 Land availability
- 3 Government policy, regulations and planning
- 4 Build costs and availability
- 5 Build quality, sales and customer service
- 6 People
- 7 Cyber and IT systems
- 8 Health and safety
- 9 Financial environment and control
- 10 Climate risk
- 11 Sustainability

04

Link to strategy

1 2 3

Link to risk

1 4 5 10 11

Supply chain

In addition to land, the main factors impacting on margin and build rates are the availability and pricing of materials and labour.

Construction materials inflation is dependent upon the type of materials used. In housebuilding this is influenced by the cost of bricks, blocks, concrete and cement as the main contributors to plot build. This has led to price increases in housebuilding being above the wider construction industry rates. Whilst material price increases have eased compared to the highs seen post pandemic, some inflationary pressures remain, with increases above the Consumer Prices Index (CPI).

Availability of materials continues to be good, although there is a risk that as build volumes rise again in line with growing demand and government policy, this could increase pressure on the supply chain, driving up prices and impacting margin. Labour availability also continues to be an issue as skilled labour becomes less available, particularly in certain less accessible regions, driving increases in labour costs.

The Construction Industry Training Board (CITB) has highlighted a continuing persistent gap between demand and the availability of the workforce to meet the housing need. The CITB estimates that over 250,000 extra construction workers will be required by 2028 to meet demand. In 2023, the construction industry welcomed 200,000 new workers, but lost more than 210,000. Particular challenges arise where older workers are retiring and not being replaced.

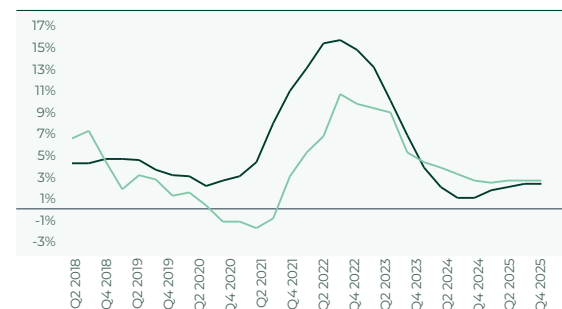
Impact

Our average plot build costs increased in the year, with an increase of 2.7%. This was due largely due to increases in subcontractor costs.

We also experienced further costs to complete issues arising from legacy site issues which, when combined with flat selling prices and the continued use of sales incentives and multi-unit transactions, led to a deterioration in margin. In addition, the slower build rate as a result of subdued demand increased plot costs once preliminary costs are factored in. These issues have been persistent, but have been the focus of Project Transform.

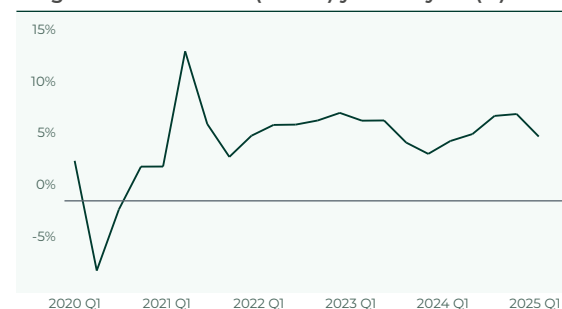
Opportunities

Whilst there is a risk that material and subcontractor prices could rise as demand and volume grows, we expect this to be matched by an increase in selling prices that would mitigate cost increases. We are mindful of the wider impact of potential future labour shortages and are helping to address this through our apprenticeship strategy.

Annual build cost inflation

Source: BCIS

— Private Housing Construction Price
— All-in Tender Price Index (TPI)

Wages in construction (3m av.) year-on-year (%)

Source: ONS – AWE: Construction Index

Our Business Model

KEY INPUTS

FINANCIAL CAPITAL

We have a robust capital model with high levels of liquidity to invest and grow the business.

LAND

We buy land where homes can be sold at affordable prices and often in areas in need of regeneration where other housebuilders do not want to build.

BUILDING MATERIALS

We look to sustainably source materials from reputable suppliers. We select materials with lower levels of embodied carbon where possible.

OUR PEOPLE

Our people are key to achieving the mission and vision of our business and share our core values.

LOCAL AUTHORITY RELATIONSHIPS

We build relationships with local authorities and share our vision of building affordable homes for the people who need them most.

SUPPLY CHAIN

We partner with our supply chain and use reputable suppliers and subcontractors that are local to our sites where possible.

PARTNERS

Our partners provide additional funding at an earlier stage and guaranteed forward sales on partnership sites.

OUR OPERATING MODEL

Gleeson Homes

Acquires land on which to build high-quality, affordable homes in the North of England and Midlands. The division requires capital investment in land and work in progress.



01

LAND ACQUISITION AND PLANNING

We acquire land, often in brownfield areas or areas in need of regeneration. We transform these into places for people to live and enjoy. We have clearly defined gateway processes to ensure we buy land in the right areas and at the right price. This is essential to keeping our homes affordable.

We plan our developments to transform sites into attractive and sustainable communities. We work with local authorities, local residents, community groups and other stakeholders to achieve an implementable planning permission that is sympathetic to local needs.



02

DESIGNING HOMES

Our homes are designed to the latest planning and building regulations.

We regularly review the specification of our homes to ensure they meet our customers' needs and remain highly energy-efficient to help lower their bills.



03

BUILD

Our health and safety procedures are designed to ensure everyone connected to our sites remains safe and free from harm.

We are reducing carbon emissions in our build activities and supply chain and working to reduce our impact on the environment including through waste reduction and recycling.



04

SALES AND CUSTOMER EXPERIENCE

We have a strong focus on quality and strive to provide a five-star customer experience and ensure this commitment to quality extends throughout the customer journey.



05

OUTCOME

We enable people to escape from housing poverty by getting them into home ownership, bringing financial benefits and wealth creation from owning their own home.

We sell high-quality, affordable homes to first-time buyers or young families as well as home movers and downsizers who can benefit from our lower price points.

Our Distinct Advantages –

Gleeson Homes



Affordability

Affordability for customers is our key driver, and all of our developments are designed with affordability in mind, with a commitment to ensure that a substantial proportion of homes are affordable to a couple on the National Living Wage.



Middlestone Meadows,
Spennymoor, County Durham

Gleeson Land

Promotes land in attractive areas predominantly in the South of England where there is a strong housing need. The division requires lower levels of working capital and is cash generative.



Agility

Our model is designed with the optimal number of operating regions to to both deliver growth and ensure that we balance regional presence against overhead costs. Our flexible model incorporating partnerships and multi-unit investors and our strong land bank allows us to flex our approach to market conditions to remain profitable and cash generative.

Gleeson Land



Data analytics and research

Our investment in data analytics and research, along with a highly experienced team, is yielding results, allowing us to secure the best sites to bring forward, and improving our bid and win rates and planning success.

VALUE FOR STAKEHOLDERS

CUSTOMERS

We help our customers achieve long-term value creation, security and wellbeing through home ownership and provide high-quality housing for rent through carefully selected partners.

SHAREHOLDERS

We generate sustainable value and returns for our shareholders.

OUR PEOPLE

We invest in our people, develop their skills and reward them appropriately.

SUPPLIERS AND SUBCONTRACTORS

We create long-term relationships with our suppliers and subcontractors. We pay them fairly and on time.

COMMUNITIES

We regenerate land, often in deprived areas, leaving a positive legacy for the communities who need it the most.

GOVERNMENT AND LOCAL AUTHORITIES

We consult with government, local authorities and industry bodies to ensure we remain fully compliant and they understand the impact of policies on house building.

BANKS

We maintain strong relationships with our banks and ensure that we comply at all times with covenants and the requirements of the facilities they provide.

PARTNERS

We work with partners to deliver Gleeson design, quality and price to a wider market of customers.



Ivy, Sands Reach, Withernsea, East Yorkshire

Gleeson Homes: Growing our partnerships brand

One year on from Gleeson Homes launching its partnerships brand, Gleeson's Partnerships team has made great strides in laying the foundations for long-term success. Our focus has been on strengthening key relationships, building our brand, and developing a comprehensive Partnerships Toolkit to support our growing pipeline of future projects.

- **Investment partner status** Gleeson qualified as a Homes England Investment Partner, allowing us to receive funding under the Affordable Homes Programme, if desired. We also revised our bid submission process for Homes England land opportunities, and were successful in exchanging on our first development following a competitive tender process. The site is located at Harras Moor, Whitehaven, and will be brought forward as a partnership development.
- **Partnerships toolkit** We have developed a suite of resources to support our services to partners and ensure standardisation of our partnership product, which will drive efficiencies on these sites. This includes detailed documentation on house types and specification options tailored to the needs of both single-family and affordable housing providers. New house types have been introduced to the range, developed in collaboration with our key partners, to ensure we meet their needs, and the communities in which we develop.
- **Relationship building** We have established strong connections with a range of partners, including registered providers and single-family housing providers. We have held regional partner open days in four of our regions as a showcase for our high-quality product and cooperative approach, helping to build trust and alignment with our mission.

Initial momentum was slower than anticipated due to sector-wide uncertainty around Homes England funding. Although the Autumn 2024 Budget announcement of an additional £500 million in affordable housing grants, followed by a further £300 million in early 2025, was welcomed, uncertainty around the timing and scale of future government funding continued to dampen demand into the first half of 2025.

Despite these challenges, Gleeson has seen strong interest from potential partners, particularly in high-demand locations close to larger cities and regional hubs. However, this location-specific appetite has placed pressure on our short-term goal of delivering one site per region.

Gleeson welcomed the Government's announcement in June 2025 confirming a £39bn Affordable Homes Programme over 10 years from 2026-36, as well as the details on rent settlement, and a consultation on rent convergence. Encouragingly, this commitment to increase affordable housing funding has already led to a noticeable uplift in partner engagement, and we anticipate an increase in deals across all regions in the months ahead. Registered Providers are now able to firm up their strategies with more long-term funding certainty, which should, in turn, benefit our Partnerships strategy in the medium to longer term.

	GLEESON HOMES TRADITIONAL OPEN MARKET DEVELOPMENT	GLEESON PARTNERSHIP DEVELOPMENT
Site size (plots)	50-200	100-900
Annual sales (homes)	30-50	50-80
Proportion forward sold to Partner	None	30%-50%
Site cash profile	Gleeson funds land and build cost	Partner finances/part-finances land and build cost
Sales risk	Open market	Mix of forward sold to partner and open market
Gross margin	25%-35%	15%-30%
Return on capital employed	20%-30%	35%-45%

The need for affordable housing remains critical. It is estimated that 187,000 affordable homes are required annually, yet only 62,000 were delivered in the 12 months to March 2024. At the same time, affordability challenges in the private market are driving more people towards the private rental sector. Research projects an increase of 800,000 to one million.

Activity to date

- Actively progressed discussion on 14 sites at 30 June 2025, of which three have exchanged contracts, with the potential to deliver c2,900 plots.
- Currently working with six key partners.
- Of our land bids, one-fifth are partnership bids, aligning with our medium-term ambition to deliver 20% of sites through partnerships.
- Five partnership deals signed and with development in progress as at 30 June 2025.

The advantages of partnership deals

Under a partnership agreement, we enter into a contractually secure agreement with a third party. There are a number of advantages to this:

- Funding is secured in advance of sales, typically before we are required to have spent a significant amount on site, or even earlier on land purchase.
- This enables us to secure larger sites, which are more efficient to develop due to the leveraging of operating, marketing and sales synergies, economies of scale and longer term certainty to subcontractors.
- The risks arising from sales uncertainty in volumes and pricing are removed.



CASE STUDY

Bluebell Court, Lockwood Road, Goldthorpe

Gleeson is pleased to confirm the successful completion of a second deal with Lloyds Living (formerly Citra Living), a leading provider of high-quality rental and shared ownership homes operating under Lloyds Banking Group.

Following our initial transaction at Wood Hall Chase, Bradford in August 2024, Lloyds Living has acquired 80 homes at our Bluebell Court development in Goldthorpe, Rotherham. Both organisations have a strong strategic commitment to delivering high-quality, affordable and sustainable homes for local communities.

In total, the Bluebell Court development will deliver 125 new homes, comprising a mix of two, three, and four-bedroom properties. All homes are NDSS/M42 compliant and include air source heat pump (ASHP) technology as standard, reflecting our modern, sustainable and future-focused housing solutions.

Our relationship with Lloyds Living, a respected leader in the Build to Rent sector, continues to grow, underpinned by our mutual values and dedication to addressing the UK's affordable housing challenge. We look forward to building on this momentum and working together on future projects.

Gleeson Land: Becoming the preeminent land promoter



Land promotion – vital in meeting housing needs

Land promoters work with landowners and land agents to help realise development potential. They identify suitable land, progress the site through the complex planning system using their expert knowledge, and identify developers to secure a sale.

This benefits the landowner by enabling them to earn more value from their land, allows planning to progress more quickly as they are working with experienced planning professionals, and helps developers, who acquire land with the benefit of planning, removing the risks arising from planning uncertainty. Capital requirements are relatively modest for the promoter as land is not purchased outright, and costs are typically recoverable on successful promotion.

The housing crisis in the UK is at the forefront of the land promotion sector's focus. Gleeson Land identifies, promotes and secures planning for development on land in high-demand, low-supply areas, creating opportunities for housebuilders and housing associations to increase housing volumes faster and more efficiently.

A £200 million a year market

Research from Savills shows that the market for land promotion in Gleeson Land's operating regions in the South and Central England is currently worth around £200m per annum in fee income. Developers spend around £7.5 billion a year on land, with promoters delivering around 22% by volume of consented plots. The level of promotion fees vary by site.

As the volume of housing delivery increases in response to Government commitments, the supply of consented land will also need to increase. This will naturally increase the value of the promotion market, but also with the opportunity to grow market share as housebuilders look to source more land from promoters to supplement their own pipeline.



Developer land spend in the
South of England

£7.5 billion a year



Laindon Road,
Billericay, Essex

A professionalising industry

The land promotion market remained relatively immature following a period of growth post the implementation of the original National Planning Policy Framework (NPPF) in 2012. This saw a rapid increase in the number of promoters entering the market, but many soon discovered that the costs and time it takes to secure planning can, without sufficient resources, be challenging.

There are currently around five to six large land promoters in England, including Gleeson Land. However, a number of the other large land promoters are owned by major housebuilders or housing associations. As a result, their interests are inherently not aligned to those of a landowner – a housebuilder or housing association wants to secure land at the lowest possible price for their own supply. Gleeson Land is one of the only 'pure' land promoters whose aim is to achieve the best value for landowners. We bring sites to market and engage with a wide range of bidders to maximise the value for our landowners.

As the market develops, we expect there will be further rationalisation of the land promotion market through consolidation and 'natural selection'. It will be increasingly dominated by the few professional service organisations, like Gleeson Land, with the resources to operate at scale. Landowners and land agents will want the security that a business like Gleeson Land brings to achieving best value for their land alongside outstanding customer service.

Advantages of using a land promoter

Landowner

- Brings expertise that more successfully navigates the complex planning system to deliver a more predictable and valuable outcome
- Maximises the value of their asset through a competitive sale process.
- Receives a premium – the landowner secures an upfront fee on entering into a promotion agreement.
- No landowner capital required – all costs are borne by the land promoter and only recovered from sale proceeds.

Housebuilder

- Reduces risk – buying consented land from a land promoter avoids the risks and costs of securing planning themselves.
- 'Oven-ready site' – the housebuilder secures a site that is quickly ready to start building on with any technical issues having been resolved.
- Accelerate growth – growing a land pipeline and securing planning takes many years. A housebuilder wanting to grow rapidly can supplement their own pipeline with consented land from a promoter in prime locations.

Unlocking value in land

There are two main value milestones in land promotion. The first, entering into a promotion agreement with a land promoter, increases the value of the land as it has been assessed as having merit for planning and development, with the addition of a promoter realising that value. The second is the grant of planning permission, which significantly increases value towards the market rate for consented land. A 'pure' promoter like Gleeson Land will then run a competitive sale process to achieve the maximum value for the landowner on sale.

Strengthened team

Gleeson Land has invested in a high-quality, highly motivated team, recruiting in its land, planning and technical disciplines to ensure that we have the best people. The appointment of Guy Gusterson as company Managing Director in 2022 brought in an ambitious growth strategy and rapid expansion of operations.

Having regionalised the business, Gleeson Land has a more focused approach and leverages local expertise in order to grow share in its selected regions. The enhanced bench-strength is enabling margin to be maintained whilst growing volume, ultimately improving returns year on year.

Market leading data analytics

Gleeson Land uses market leading data analytics capabilities throughout the promotion journey, from the analysis of potential sites, to winning bids and securing planning permissions.

Our Business Strategy

Our strategy incorporates the Group's objective for sustainable growth, together with the environmental, social and governance priorities that are most important to the Group.

STRATEGIC PRIORITIES	OBJECTIVES	TARGET
1 Sustainable growth Link to SDGs  	Gleeson Homes Increase the number of new homes built and extend our geographical and customer reach. Gleeson Land Build the portfolio of sites with planning permission to generate stable growth and returns.	Gleeson Homes To reach 3,000 homes per year over the medium term. Gleeson Land To obtain more planning permissions in each financial year than sites sold. Link to KPI 7 8 9 10 11 13
2 Build quality Link to SDGs 	Gleeson Homes Build high-quality, energy-efficient homes to the specification that our customers require.	Gleeson Homes To be a five-star housebuilder in all of our regions. Link to KPI 2
3 Affordability Link to SDGs 	Gleeson Homes Keep our homes affordable through buying land in the best locations, managing build costs, sourcing responsibly and building efficiently, utilising local suppliers and subcontractors where possible.	Gleeson Homes To ensure a couple on the National Living Wage can afford a home on any one of our developments. Link to KPI 3 14
4 Land sourcing Link to SDGs 	Gleeson Homes Sustainably grow our land pipeline, sourcing land in areas that are in need of regeneration where homes can be built for sale at low cost. Gleeson Land Secure high-quality new sites that are well located and can deliver attractive sites with planning consent for sustainable development.	Gleeson Homes To acquire sufficient quality sites to support the growth plans of the business. Gleeson Land To secure more new sites each financial year than sites sold. Link to KPI 12 15
5 Climate change Link to SDGs  	Protect the environment and reduce carbon emissions for the homes that we build and sell.	To achieve Science Based Targets validation by June 2025 for near-term and net-zero targets and to deliver against these targets. Link to KPI 5 6
6 People, well-being, health and safety Link to SDGs  	Ensure everyone who is involved with, or affected by, our business remains free from harm and returns home safe every day. Attract, retain and develop employees who share our values, culture and objectives.	To maintain our health and safety accident rate ("AIIR") at lower than the industry average. To maintain our employee engagement score in the upper quartile of all surveyed companies. Link to KPI 1 4

Key – KPIs

- | | | |
|-------------------------------------|---|---|
| ① Health and safety | ⑥ CO ₂ e (scope 3) | ⑪ Gleeson Homes – Homes sold |
| ② Customer recommendation score | ⑦ Group profit before tax | ⑫ Gleeson Homes – Land pipeline |
| ③ First-time buyers | ⑧ Cash and cash equivalents net of borrowings | ⑬ Gleeson Homes – Build sites |
| ④ Employee engagement | ⑨ Total dividend | ⑭ Gleeson Homes – Average selling price |
| ⑤ CO ₂ e (scope 1 and 2) | ⑩ Return on capital employed | ⑮ Gleeson Land – Portfolio |

Key – Sustainability

-  People
-  Communities
-  Environment

PROGRESS IN 2025**Gleeson Homes**

We increased our sales volume from the previous year despite challenging market conditions. We have been in discussions with a number of high-quality potential partners to extend our reach to a wider market. We signed four partnership agreements in the year, with further deals in the pipeline.

Gleeson Land

We obtained planning permission on seven sites and completed transactions on seven sites during the year. Our pipeline continues to grow with improved bid and win rates, and with 13 high-quality new sites added this year to support future profit delivery.

FUTURE ACTIONS TO MEET TARGET**Gleeson Homes**

We will continue to grow our site pipeline and increase active build sites, whilst working with partners to secure future sales.

Gleeson Land

The increase in sites secured in the year will drive growth and stabilise returns with the majority of sites being immediate applications. We will continue to progress sites through the planning system in order to stabilise returns.

SUSTAINABILITY**Gleeson Homes**

Disappointingly, we lost our five-star status with a customer recommend score of 89.3% (2024: 95.3%), the equivalent of the Home Builders Federation four-star rating.

Gleeson Homes

We will take action to regain our five-star customer recommend score across all regions, and will make further improvements to our build quality score. See further actions on page 82.

**Gleeson Homes**

A couple working full time on the National Living Wage are able to buy a home on 100% of our active sales sites.

We also have a number of schemes in place to give customers affordable options to buy our homes.

Gleeson Homes

We remain committed to building high-quality homes that are affordable to a couple on the National Living Wage in areas most at need of regeneration.

Our work with carefully selected investors and partners allows access to safe affordable housing for those who cannot buy outright.

**Gleeson Homes**

The average cost per plot of land acquired in the year was below 15% of expected selling price and seven out of ten sites in the land pipeline were brownfield or in areas of deprivation.

Gleeson Land

We secured 13 sites in the year and sold five sites, with two further transactions relating to a land swap and the sale of an option agreement.

Gleeson Homes

Our land buying policy continues to require land to be purchased according to these strict criteria in order to ensure our homes remain affordable.

Gleeson Land

Our investment in the team, regionalisation of the business, enhanced Research and Analytics, and more robust site due diligence has enabled us to increase and improve the quality of sites we secure.



We have achieved Science Based Targets validation in the year.

We obtained assurance over our greenhouse gas (GHG) baseline emissions across scopes 1, 2 and 3 and have completed detailed modelling to show the pathway to achieving our submitted targets.

We will continue to drive the changes needed to achieve our targets through implementation of new materials, building methods and technologies and through engagement with our supply chain.



Our AIIR for the year was 240 (2024: 166) and was above the three year industry average of 220.

In our latest employee survey we had an engagement score of 84% (2024: 85%), which maintains our position in the top quartile of all companies surveyed.

Safety remains our number one priority. We have now fully implemented a new Safety, Health and Environment software platform that is used to monitor risk areas and determine where training and additional actions should be focused. See further actions on page 82.

We will continue to take positive action in response to our people survey to attract and retain the best talent. More actions can be found on page 82.



Key Performance Indicators

Sustainability KPIs

① Health and safety (AIIR¹)

Employee health and safety is our number one priority, and we are committed to keeping our AIIR below the industry average.

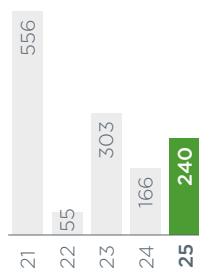
Link to strategy

6

Link to risk

8 11

Link to sustainability



② Customer recommendation score (%)

We aim to be a five-star builder on all of our developments, which means obtaining a customer recommendation score above 90%.

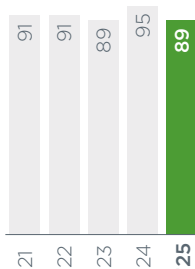
Link to strategy

2

Link to risk

5 11

Link to sustainability



③ First-time buyers (%)

We aim to get more first-time buyers into home ownership and out of the "rent trap".

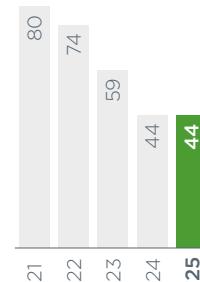
Link to strategy

3

Link to risk

1 5 11

Link to sustainability



④ Employee engagement (%)

We want to attract, retain and develop employees who share the values and culture of the Group.

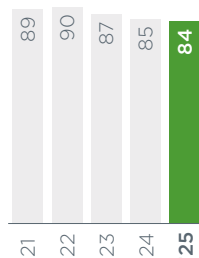
Link to strategy

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Link to risk

6 11

Link to sustainability



⑤ CO₂e (scope 1 and 2) tonnes

We have set Science Based Targets to reduce our absolute scope 1 & 2 emissions.

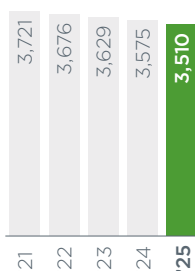
Link to strategy

5

Link to risk

10 11

Link to sustainability



⑥ CO₂e (scope 3) tonnes per m²

We have set Science Based Targets to reduce our scope 3 emissions intensity.

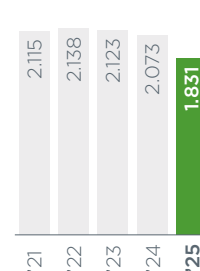
Link to strategy

5

Link to risk

10 11

Link to sustainability



¹ Accident Injury Incidence Rate measured as the number of reportable incidents per 100,000 employees and on-site subcontractors.

Operational KPIs

⑪ Gleeson Homes – Homes sold

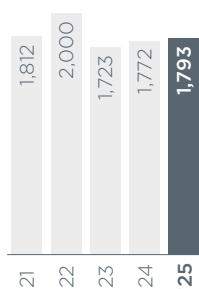
We aim to increase the number of new homes built and extend our geographical reach.

Link to strategy

1

Link to risk

1 2 3 4 5



⑫ Gleeson Homes – Land pipeline (plots)

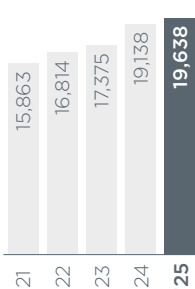
Land pipeline ensures our ability to grow over the coming years. Our pipeline includes owned and conditionally purchased sites.

Link to strategy

4

Link to risk

1 2 3



⑬ Gleeson Homes – Build sites (year end)

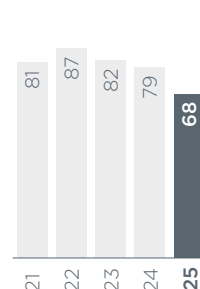
Build sites represent the sites we are actively building on.

Link to strategy

1

Link to risk

1 2 3 4



Financial KPIs

⑦ Group profit before tax (pre-exceptional items) (£m)

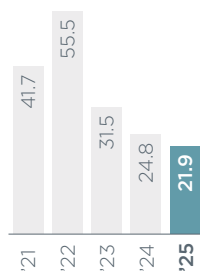
The Group aims to generate profits to invest in the future growth of the business for all stakeholders.

Link to strategy

① ③

Link to risk

① ② ③ ④ ⑤
⑨



⑧ Cash and cash equivalents net of borrowings (£m)

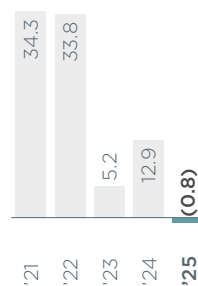
We aim to maintain positive cash balances or reduce net debt.

Link to strategy

①

Link to risk

① ⑤ ⑨



⑨ Total dividend (pence)

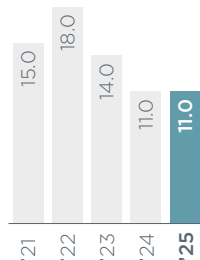
We look to provide steady dividend growth whilst maintaining dividend cover at sustainable levels.

Link to strategy

①

Link to risk

① ⑨



⑩ Return on capital employed² (%)

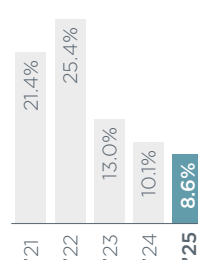
Return on capital employed represents the profits made from the assets we hold.

Link to strategy

①

Link to risk

① ② ③ ④ ⑤
⑨



² Return on capital employed is calculated based on earnings before interest, tax and exceptional items ("EBIT"), expressed as a percentage of the average of opening and closing net assets after deducting deferred tax and cash and cash equivalents net of borrowings.

⑭ Gleeson Homes – Average selling price (£)

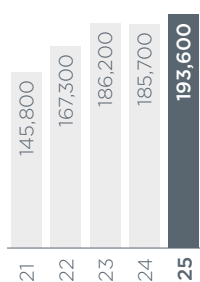
Average selling price represents our overall sales income per home sold.

Link to strategy

③

Link to risk

① ② ④ ⑤ ⑪



⑮ Gleeson Land – Portfolio (sites)

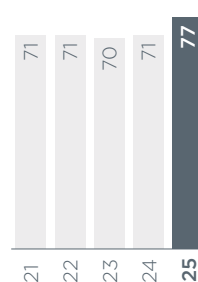
Gleeson Land portfolio represents the number of sites available to progress through the planning system for future sale.

Link to strategy

④

Link to risk

① ② ③



Key – Strategic priorities

- ① Sustainable growth
- ② Build quality
- ③ Affordability
- ④ Land sourcing
- ⑤ Climate change
- ⑥ People, wellbeing, health and safety

Key – Risks

- ① Economic environment
- ② Land availability
- ③ Government policy, regulations and planning
- ④ Build costs and availability
- ⑤ Build quality, sales and customer service
- ⑥ People
- ⑦ Cyber and IT systems
- ⑧ Health and safety
- ⑨ Financial environment and control
- ⑩ Climate risk
- ⑪ Sustainability

Key – Sustainability

-  People
-  Communities
-  Environment

Financial Review



Stefan Allanson
Chief Financial
Officer



Our medium-term objective of 3,000 new homes per annum could see profit before tax broadly triple."



Group revenue

£365.8m

2024: £345.3m

Introduction

The business has faced several challenging headwinds this year, and while we have seen some signs of improvement, the market remains nervous. Despite these headwinds we increased net reservation rates to 0.71 per site per week over the year (2024: 0.52). Excluding multi-unit sales, net reservation rates improved by 20% to 0.53 per site per week (2024: 0.44) and Gleeson Homes delivered 1.2% volume growth during the year.

Margins faced increasing pressure during the year, driven by the impact of build cost inflation, the increased use of incentives to secure sales, additional costs in respect of legacy sites approaching closure and the cumulative impact of other build cost increases in excess of provisions, and extended site durations.

Gleeson Homes has a clear pathway to reach its medium-term objective of delivering 3,000 homes per annum in a more stable market environment by opening significantly more sites each year than it expects to complete. This trajectory will be accelerated through the addition of further partnership agreements.

Our medium-term objective of 3,000 new homes per annum could see profit before tax broadly triple and Gleeson resume its position as the fastest growing listed housebuilder in the UK.

Revenue

Group revenue increased 5.9% to £365.8m (2024: £345.3m) with increases in both Gleeson Homes and Gleeson Land.

Gleeson Homes' revenue increased by 5.8% to £348.2m (2024: £329.0m). The number of homes sold increased by 1.2% to 1,793 (2024: 1,772) despite the average number of sales sites, at 62.8, being slightly lower than the previous year (2024: 64.8 average sales sites). The average selling price ("ASP") at £193,600 was 4.3% higher than the previous year (2024: £185,700) driven by a lower proportion of multi-unit sales and a larger house-type mix, an increase in underlying selling prices, which were up 0.6%, which was marginally offset by regional mix. Revenue includes £1.2m for the sale of surplus land in the year.



Sam, Alice, Rachel and Georgie,
Head Office

Gleeson Land completed seven land transactions in the year (2024: four), which included a collaborative land swap with a joint venture partner and the sale of a site under an option agreement with revenue recognised for the non-refundable premium received. As a result, revenue increased by 8.0% to £17.6m (2024: £16.3m). We commence the new financial year in a strong position with eight sites with consent or resolution to grant (2024: seven sites) and ten sites awaiting a planning decision (2024: 11 sites).

Gross profit

Gross profit for the Group decreased by 1.5% to £83.2m (2024: £84.5m), driven by a £5.8m increase in Gleeson Land gross profit to £11.1m (2024: £5.3m) being more than offset by a £7.1m decrease in the gross profit in Gleeson Homes to £72.1m (2024: £79.2m). The gross profit margin for Gleeson Homes decreased to 20.7% (2024: 24.1%) reflecting additional costs on a number of older sites, increased fixed site costs as site durations extended, the impact of multi-unit and affordable sales and the greater use of sales incentives. Gross profit includes one land sale in the year generating £0.2m gross profit. Gross profit margin on home sales excluding this land sale was 20.7%.

The Gleeson Land gross profit includes an increase in inventory provisions of £0.5m (2024: £3.3m).

Administrative expenses

Administrative, sales and marketing expenses excluding exceptional costs increased by £1.7m (3.0%) in the year to £57.9m (2024: £56.2m), reflecting investment in the Gleeson Land management team, inflationary cost increases in Gleeson Homes, which were partly offset by reduced headcount, and increased site maintenance costs in Gleeson Homes.

Profit for the year

Group operating profit before exceptional items reduced to £25.4m (2024: £28.6m), an 11.2% decrease on the prior year. This was due to lower operating profit in Gleeson Homes of £22.3m (2024: £30.3m) offset by an increase in Gleeson Land operating profit to £7.0m (2024: £2.2m). Group overheads were in line with the prior year at £3.9m (2024: £3.9m).

Net finance expenses decreased to £3.5m (2024: £3.7m) due to the impact of lower interest rates during the year and lower borrowings. As a result, the Group delivered profit before tax and exceptional items of £21.9m (2024: £24.8m). Profit before tax after exceptional items was £20.5m (2024: £24.8m).

Exceptional items

The £1.3m exceptional cost incurred in the year (2024: £nil) relates to the reorganisation of the Gleeson Homes business. Following the identification of further cost to complete increases in the year, structural and management changes were implemented, in order to position the business for controlled growth, whilst addressing margin issues.

Financial Review

CONTINUED

Tax

The tax charge of £4.7m (2024: £5.5m) represents an effective tax rate of 23.0% against the headline rate of 25.0%. The most significant factor benefitting the Group's tax charge is land remediation relief, whereby relief is granted on an additional 50% of qualifying remediation expenditure. Many of our sites are on brownfield land and require significant remediation prior to use.

Profits for the year are below the thresholds for residential property developers' tax ("RPDT"), which was effective from 1 April 2022 and applies to profit from residential property development activity on profits over £25.0m.

Profit after tax

Profit after tax for the year decreased 18.1% to £15.8m (2024: £19.3m). Pre-exceptional profit after tax decreased by 12.4% to £16.9m (2024: £19.3m).

Earnings per share

Basic earnings per share decreased by 18.1% to 27.1 pence (2024: 33.1 pence). Pre-exceptional basic earnings per share decreased by 12.7% to 28.9 pence (2024: 33.1 pence).

Return on capital employed

Return on capital employed decreased 150 basis points to 8.6% (2024: 10.1%) caused by the reduction in profit.

Balance sheet

During the year to 30 June 2025, shareholders' funds increased by 3.4% to £307.7m (2024: £297.7m). Net assets per share increased to 527 pence, an increase of 3.3% year on year (2024: 510 pence).

Non-current assets increased during the year by 20.4% to £11.8m (2024: £9.8m). This was mostly due to an increase in land receivables due over one year in Gleeson Land of £3.2m, offset by a reduction in property, plant and equipment of £0.8m with a lower level of capital expenditure compared to the previous year and a reduction in deferred tax assets.

Current assets increased by 10.7% to £407.6m (2024: £368.2m). Inventories increased by 10.3% to £380.8m (2024: £345.2m) as a result of the increased investment in both Gleeson Homes and Gleeson Land, including the purchase of a site in Gleeson Land for £6.9m over which we have sold an option that we expect to be exercised within 12 months of the year end. Trade and other receivables increased by £9.8m to £19.0m as a result of receivables on Gleeson Land's sales during the year amounting to £6.8m, and VAT receivable of £3.6m. We ended the year with net borrowings of £0.8m as a result of the investment in land assets and higher receivables (2024: cash and cash equivalents £12.9m).

Cash and bank facilities

The Group has a committed facility with Lloyds Bank plc and Santander UK plc with a facility limit of £135m. The facility has been extended by one year and will expire in October 2027 but has a further one year uncommitted extension option, which we expect to utilise. The facility provides the Group with the liquidity to invest in new sites and support Gleeson Homes' growth plans.

Dividends

Subject to shareholder approval at the 2025 Annual General Meeting, the Company intends to pay a final dividend of 7.0 pence per share on 21 November 2025 to shareholders on the register at the close of business on 24 October 2025. This brings the total dividend for the year to 30 June 2025 to 11.0 pence per share, which is covered 2.6 times by normalised earnings. The Group has an established policy of targeting a range of three to five times dividend cover relative to full year earnings. Notwithstanding this policy, which remains unchanged, the Board is comfortable recommending a lower level of dividend cover on this occasion, reflecting their confidence in the medium term outlook.

Stefan Allanson
Chief Financial Officer

15 September 2025



Risk Management

Effective risk management is essential to the achievement of our strategic priorities, and controls designed to address risk are integrated across all levels of our business and operations.

The Board has overall responsibility for the Group's management and assessment of risk, supported by the Audit Committee. Our risk management framework is made up of underlying functional risk registers, which monitor the financial, operational and compliance risks in each functional area of the business.

These functional risk registers link to the overall Group risk register, which identifies both principal and emerging risks and informs a formal risk assessment process that considers the likelihood and impact of the identified risks, together with any mitigating controls.

The Group risk register is formally reviewed by the Audit Committee at the majority of its scheduled meetings. The Audit Committee reports to the Board on any changes to risks, including consideration of emerging risk areas. This is supported by the findings from the Group's internal audit function, which reports to the Audit Committee on risk areas across the Group and on the effectiveness of internal controls.

Our risk management framework consists of the following components:

Main Board

- Sets the Group risk policy, strategy and risk appetite
- Has overall responsibility for monitoring and managing principal and emerging risks
- Responsible for effective operation of the risk management framework
- Sets the "tone at the top" for the management of risk across the Group

Audit Committee

- Monitors the Group's systems, controls and integrity of reporting
- Advises on and approves the internal audit plan and monitors the effectiveness of internal audit
- Monitors the performance, effectiveness and independence of external audit
- Monitors the management of principal and emerging risks and responses

Internal Audit

- Provides assurance on how risks are managed operationally
- Provides assurance on the design effectiveness of internal controls and makes recommendations
- Provides assurance on the operational effectiveness of internal controls in practice

Senior Management

- Identifies, reports on, and monitors risk within the relevant function
- Assesses the effective operation of day-to-day controls
- Designs and implements additional controls to mitigate any risks identified

Operational Management

- Operates processes and controls to manage risks in day-to-day activities
- Identifies emerging risks and gaps in controls for reporting to senior management

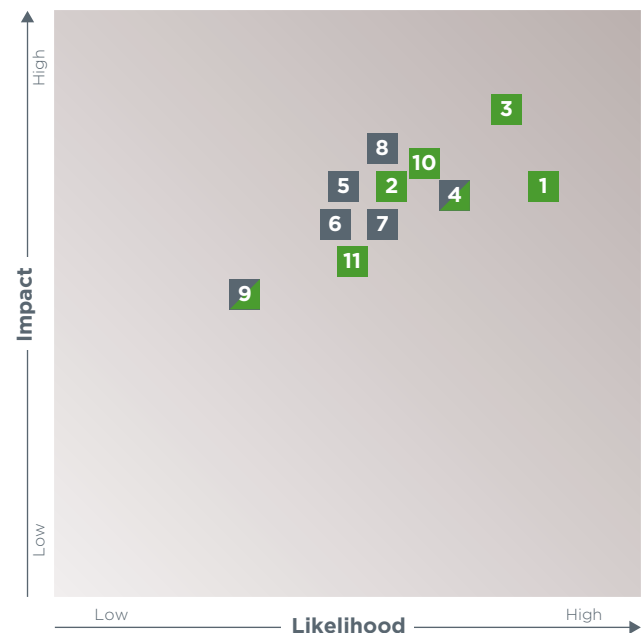
Risk categories

We categorise our risks into two sources:

- **External** – risks arising from the macro or external environment, not wholly within the Group's control but where action can often be taken to manage the risk.
- **Operational** – risks relating to the day-to-day operation of the business which are within our control.

Some risks can be both external and operational where there are elements of both. The Group's risk framework shows how the principal risks are rated by the Board in terms of their potential impact on the business and the likelihood of the risk transpiring. The table on pages 40 to 43 summarises the Group's principal risks and the mitigating actions the Group has in place to manage these risks. The Audit Committee has assessed the risks during the year and determined that these remain appropriate and no new or emerging risks have been identified.

The risk matrix is presented after taking account of mitigating controls and actions.



- | | | | |
|---|---|-------------------------------------|-------------------|
| 1 Economic environment | 4 Build costs and availability | 7 Cyber and IT systems | 10 Climate risk |
| 2 Land availability | 5 Build quality, sales and customer service | 8 Health and safety | 11 Sustainability |
| 3 Government policy, regulations and planning regulations | 6 People | 9 Financial environment and control | |

Risk appetite

The Board sets the risk appetite for the Group based on the level of risk the Board is prepared to accept in its operational and strategic objectives. Risk appetite is set for each principal risk and a target score is set based on this appetite. We define our risk appetite into four categories: averse, low, medium or high. The Board must balance risk appetite against the level of inherent risk that exists in the business, as construction naturally has higher levels of inherent risk in certain areas than other industries. The level of risk that the Board is willing to accept is balanced in this context against the cost of mitigating the risk entirely.

	DESCRIPTION	OTHER WORDS
Averse	- Avoidance of risk and uncertainty is the highest priority. - Willing to accept a high cost of managing the risk. - Acceptable level of risk subject to passive monitoring.	Defensive
Low	- Strong preference for a safe/positive outcome. - Cost of managing the risk is balanced. - Acceptable level of risk subject to regular monitoring.	Prudent/cautious
Medium	- Willing to consider or accept a more adverse outcome. - Cost of managing the risk is only to an accepted level. - Tolerable level of risk exposure but subject to regular active monitoring measures.	Motivated
High	- Outcome is outside of the control of the Group or willing to accept the risk. - Cost of managing the risk is prohibitive. - High level of risk exposure, which requires constant active monitoring.	Aggressive

Risk Management

CONTINUED

RISK	RISK DESCRIPTION	ASSESSMENT	MITIGATION
1 Economic environment Residual risk High Change in year Unchanged Risk appetite Medium Strategic priorities 1 3	Economic conditions or uncertainty in the housing and land markets impacts upon buyer confidence and the demand for new homes and consented land. This would have an adverse impact on Group revenue, profit, cash and carrying value of assets. Restrictions on mortgage funding could reduce demand for new homes and negatively impact on Group revenue and profit.	Market conditions have eased with the reduction to interest rates, good levels of mortgage availability and improved affordability when considering wage rises versus HPI. However, uncertainty remains in the wider economic environment, which is impacting heavily on consumer confidence.	Lead indicators of the economy and housing market are closely monitored. A cautious approach to funding is maintained and investment in new sites and spend are carefully controlled. Visitor and reservation rates are closely monitored and prices and incentives are reviewed. Multi-unit investor deals and partnership deals with upfront funding have been added to manage sales risk. Gleeson Homes provides a range of customer assistance packages, including access to reduced interest mortgages.
2 Land availability Residual risk Medium Change in year Unchanged Risk appetite Medium Strategic priorities 1 3 4	An inability to secure land at the right price or the right location could impact on future profitability and growth.	We continue to source land to purchase at prices that meet our hurdle rates. Gleeson Land continues to source opportunities to promote high-quality land across the South of England and has successfully stepped up its rate of new sites secured in FY2025.	We have a clearly defined land strategy and geographic focus, which are regularly reviewed by the Executive Directors. There is a formal land buying gateway process and rigorous adherence to margin requirements and rates of return. We work closely with local authorities to identify and purchase land at sensible prices. We have proactive land searching capabilities and strong relationships with land agents. Our planning strategy ensures that we progress sites with the best opportunities to obtain planning.
3 Government policy, regulations and planning Residual risk High Change in year Unchanged Risk appetite Medium Strategic priorities 1 4	Planning regulation changes due to changes in government policy or complexities within the system may affect the Group's ability to secure planning permissions on a timely basis. Other policy changes, including the Building Safety Levy, the Future Homes Standard, and environmental measures such as Biodiversity Net Gain, may adversely impact revenue, profit and cash flow.	Planning regulation is showing some signs of improvement following the changes to the NPPF in December 2024. This is expected to assist with future planning applications, although planning departments remain under resourced. Additional requirements, including Biodiversity Net Gain, nutrient neutrality and phosphate and nitrate mitigation, are still restricting planning permissions. We actively consult on emerging changes to building regulations and consider the technical, environmental and financial implications of these changes.	Our planning and technical experts closely monitor changes to legislation and building regulation. Changes to building regulations are incorporated into site cost plans and forecasts. The Building Safety Levy is factored into land workbooks in assessing the viability of sites. We consult with government, local authorities and industry bodies to understand proposed changes and highlight issues as early as possible.

Key – Strategic priorities

- | | |
|----------------------|--|
| 1 Sustainable growth | 4 Land sourcing |
| 2 Build quality | 5 Climate change |
| 3 Affordability | 6 People, wellbeing, health and safety |

RISK	RISK DESCRIPTION	ASSESSMENT	MITIGATION
4 Build costs and availability Residual risk High Change in year Unchanged Risk appetite Medium Strategic priorities 1 2 3	Shortages in or the increased cost of materials or skilled labour, the failure of key suppliers or the inability to secure supplies on appropriate terms could increase costs and delay build. Delays in build programmes or the failure to anticipate costs to be incurred can result in increased build costs and reduced margins.	Underlying inflationary pressures have eased in the year and the availability of materials and labour is not restricting build progress. Further measures have been implemented to improve cost control on sites and adequacy of costs to complete, but these have taken longer than expected to fully embed, which led to additional costs being identified in the year.	Project Transform has implemented organisational and management changes to shorten reporting lines, empower divisional leadership and strengthen regional management teams. Group purchasing arrangements are in place to ensure continuity of supply and pricing. We have strong, established relationships with key suppliers and subcontractors. Monthly commercial valuation meetings provide oversight of build costs and costs to complete across all sites.
5 Build quality, sales and customer service Residual risk Medium Change in year Unchanged Risk appetite Low Strategic priorities 2	A failure to build new homes to the standard and quality that our customers expect. Failure to market and sell our homes effectively. To not treat our customers fairly, or not respond adequately to complaints or rectify defects in a timely and professional manner. Adverse publicity from perceived poor build quality would damage our reputation, lead to lower sales and impact future revenue and cash flows.	The customer and customer experience are at the heart of what we do. We will not hand over a new home where it does not meet our quality requirements and we have a strict inspection process in place. We support the New Homes Quality Code and have continued to invest in our customer care team and after-sales support to ensure any defects or issues are rectified quickly.	We are registered with the New Homes Quality Code. A strict final inspection process identifies issues and allows us to remedy these before handover. The Gleeson Quality Charter sets out what our customers can expect in terms of quality. Independent build inspections and buyer surveys ensure a high level of quality control. We continue to invest in our customer care team and systems.
6 People Residual risk Medium Change in year Unchanged Risk appetite Medium Strategic priorities 6	Failure to attract, develop and retain good-quality people with the right skills may result in overstretched and demotivated staff, decreased productivity or quality, or stifled growth opportunities. Inadequate succession planning could result in inefficiency and a loss of key knowledge from the business.	Our continued focus on making Gleeson one of the best companies to work for helps us to attract, develop and retain good-quality people. Full details are set out on pages 48 to 55.	We have a clear mission, vision and values, which our people share. We have regular performance and development reviews. Action is taken on the feedback gained from our employee surveys. Our people have access to training throughout their career at Gleeson. Our remuneration policy is reviewed and benchmarked to ensure it remains attractive.

Risk Management

CONTINUED

RISK	RISK DESCRIPTION	ASSESSMENT	MITIGATION
7 Cyber and IT systems Residual risk Medium Change in year Unchanged Risk appetite Low Strategic priorities 1	Failure of the Group's IT systems or unauthorised access to systems due to inadequate protection, controls, processes or cyber attack could result in data loss, business disruption, reputational damage or financial loss.	We continue to invest significantly in our IT systems and networks so these remain secure and up-to-date.	Industry-standard systems are managed by a central IT team with additional outsourced support. Contingency plans are in place and regularly tested. The majority of data is held on secure external servers and backed up regularly. Regular testing is conducted on the security of our systems. Enhanced email, network and cyber controls have been implemented and continue to be regularly tested.
8 Health and safety Residual risk Medium Change in year Unchanged Risk appetite Averse Strategic priorities 6	Health and safety failures can result in injuries to employees, subcontractors or site visitors, resulting in harm to people, delays in construction, additional cost, reputational damage, criminal prosecution or civil litigation.	The health and safety of our people and anyone associated with our developments is paramount to our business, and we continue to reinforce training and awareness across the business.	An experienced health and safety team is in place to provide regional support and training. Our "HomeSafe – everyone, every day" campaign promotes health and safety awareness across the Group. Regular inspections take place on all development sites. We have specific actions to improve health and safety reporting and performance. Documented policies and procedures are updated to ensure continued focus and improvement.
9 Financial environment and control Residual risk Low Change in year Unchanged Risk appetite Low Strategic priorities 1 3	The availability and cost of finance may limit the Group's ability to take advantage of business opportunities and be a possible impediment to future growth. An inability to meet obligations as they fall due or comply with banking covenants could result in insolvency. The Group could suffer losses from financial fraud or error as a result of poor controls, credit risk or through having inadequate insurance.	The Group maintains a strong relationship with its lenders, insurance providers and other stakeholders, and maintains a disciplined approach to managing working capital and compliance with bank facilities. The risk of financial fraud or error is closely monitored by management, the Audit Committee, and the Board. Although the financial, regulatory and tax environments continue to change for corporate entities, the Group has adequate knowledge and experience to maintain compliance, supported by third-party advisers.	Following the exercise of the first uncommitted 1 year extension option, the Group has committed bank facilities of £135m until October 2027, shared between two established lenders. The Group maintains security over the majority of land sold on deferred terms. External firms are used to provide "health checks" over systems and processes. External advisers are employed to support the production of tax and other returns. The Group has robust financial and tax controls designed to segregate duties and minimise opportunities for fraud or error.

Key – Strategic priorities

- | | |
|----------------------|--|
| 1 Sustainable growth | 4 Land sourcing |
| 2 Build quality | 5 Climate change |
| 3 Affordability | 6 People, wellbeing, health and safety |

RISK	RISK DESCRIPTION	ASSESSMENT	MITIGATION
10 Climate risk Residual risk Medium Change in year Unchanged Risk appetite Low Strategic priorities 5	The physical and transitional effects of climate change could result in reduced land availability, disrupted build programmes, increases in costs and shortages of materials due to more frequent extreme weather events or changes to policy and regulations related to climate.	Climate-related issues remain a key priority. We have modelled our forecast emissions out to 2050 in order to determine an action plan to meet our Science Based Targets, which were validated during the year. The wider transitional impacts are seen across the business, such as building regulation changes as well as wider environmental considerations in respect of land use and planning.	We undertake detailed flood, environmental and biodiversity assessments as part of preparing planning applications. We have set clear targets to reduce our carbon emissions and waste from sites. We track carbon emissions, waste and other initiatives to evaluate the success of our actions. We have medium and long-term emissions targets in place, validated by the SBTi. We report in line with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD").
11 Sustainability Residual risk Medium Change in year Unchanged Risk appetite Low Strategic priorities 1 2 3 4 5 6	The Group could fail to meet the expectations of stakeholders relating to our sustainability responsibilities including climate change, health and safety, governance, build quality and customer service. Failure to ensure we remain a sustainable business could affect the Group's ability to secure sites, obtain planning permissions, attract house buyers, recruit new employees, appeal to investors or raise finance when needed. By not having clear targets and effective communication of our sustainability strategy, this could result in damage to the Group's reputation.	Stakeholder expectations relating to corporate sustainability and associated regulations are continuing to evolve. We actively engage with stakeholders and advisers to understand their expectations, and monitor emerging best practice.	The Sustainability Committee oversees the development, implementation, and reporting of sustainability initiatives. The Group Sustainability Manager is responsible for embedding the sustainability strategy into operations. We publish and monitor clear targets to ensure our business operates in a sustainable and socially responsible way. We voluntarily report additional sustainability related information, for example, in our Sustainability Accounting Standards Board ("SASB") disclosures.

Our Stakeholders

What's important to our stakeholders

Considering the needs of our stakeholders is key to our business model, strategy and approach, and we balance these needs in everything we do.

Customers	Our People	Communities	Local Authorities
			
Our customers want attractive, high-quality affordable homes they can be proud to live in. Our customers want a home that has all of the modern touches and gives them the opportunity to tailor it with their own choices. Energy efficiency is increasingly important and our customers want a highly energy-efficient home that helps them to reduce their energy bills.	Our colleagues expect to be kept safe, treated fairly and rewarded appropriately for the work they do. They want to have career progression with opportunities for training and development. Our colleagues value open and transparent communication about the business, its performance, and its future. They want to be part of its growth and feel valued for their contribution.	Residents in the areas we develop want attractive and well-designed spaces that create vibrant and safe communities in which to live. Residents want their views to be valued and want to be consulted. Local communities want a wider positive benefit to come from new developments, with better quality housing, access to resources, and community services.	Local authorities want us to deliver high-quality affordable housing in the right places, creating sustainable communities that contribute positively to the local area. Local authorities want us to ensure our activities minimise or mitigate the impact on nature and the environment and leave a positive legacy for the area.
Top issues ■ Affordability ■ Build quality ■ Energy efficiency	Top issues ■ Health and safety ■ Recognition and reward ■ Career development	Top issues ■ Land use ■ Build quality and design ■ Affordability	Top issues ■ Land use ■ Affordability ■ Environment

Future Generations



Future generations want us to reduce our impact on the environment, reducing carbon emissions and waste, protecting nature and reducing our use of resources, including water.

They want us to adopt efficient methods of building homes but also maintain our affordability to ensure that home ownership remains a realistic opportunity for future generations.

Top issues

- Carbon emissions
- Biodiversity
- Affordability

Shareholders and Banks



Investors and banks expect to see consistent or improving returns, underpinned by a sustainable approach, compliance with regulations and strong governance.

Investors and banks want open and transparent communication from the Company to provide them with a balanced understanding of business performance, opportunities, and risks.

Top issues

- Profitability
- Strong balance sheet
- Sustainability

Government and Regulators



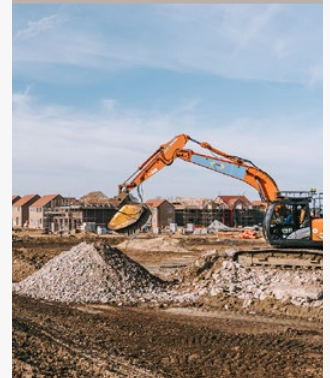
Regulators and government want us to ensure that we operate our business safely and comply with all laws and regulations, including health and safety, building regulations, planning, tax and financial reporting.

Regulators and government want businesses to conduct their operations in a responsible way, including paying all relevant taxes fairly and transparently.

Top issues

- Health and safety
- Planning regulations
- Tax and compliance

Suppliers and Subcontractors



Our suppliers and subcontractors expect to be kept safe when they are working with us and to be paid fairly and on time.

Our suppliers and subcontractors want us to deal with any queries quickly and efficiently, with clear lines of communication when issues arise.

Top issues

- Health and safety
- Timely payment
- Clear communication

Sustainability at a Glance

At Gleeson, our commitment to sustainability is central to our mission of transforming lives by building affordable, quality homes, where they are needed, for those who need them most. This section of the Annual Report is dedicated to providing comprehensive insights into our sustainability actions and achievements.

Our purpose

Changing lives by building affordable, quality homes. Where they are needed, for the people who need them most.

We plan to achieve sustainable development by aligning our business to six of the seventeen UN SDGs.



We are proud to be participants of the UNGC and members of the Global Compact Network UK. We are committed to making its principles the foundation of our strategy, culture and operations. This translates to Gleeson operating responsibly in everything we do by engaging with communities and creating affordable, attractive and safe spaces where people want to live and where those earning the National Living Wage can afford to buy.



We employ and develop staff in a pleasant, open and fair work culture where we pay colleagues and subcontractors at least the real living wage. We ensure everyone who is involved with, or affected by, our business remains free from harm and returns home safe every day. We are proud to be accredited by Investors in People.



We are taking serious climate action by decarbonising the business across all scope emissions and have recently gained validation of our carbon reduction targets by the Science Based Targets initiative (SBTi), to ultimately become carbon net zero, see page 66.



The Future Homes Hub works with the housebuilding industry to develop a long-term delivery plan to meet the Government's net zero and wider environmental targets. Gleeson Homes is an active member and a number of our senior colleagues participate in groups of industry experts brought together to address key issues on the journey to zero carbon homes.



We are members of the Supply Chain Sustainability School, which allows us to upskill and work collaboratively with our colleagues, subcontractors and suppliers to achieve common goals in delivering a sustainable future.



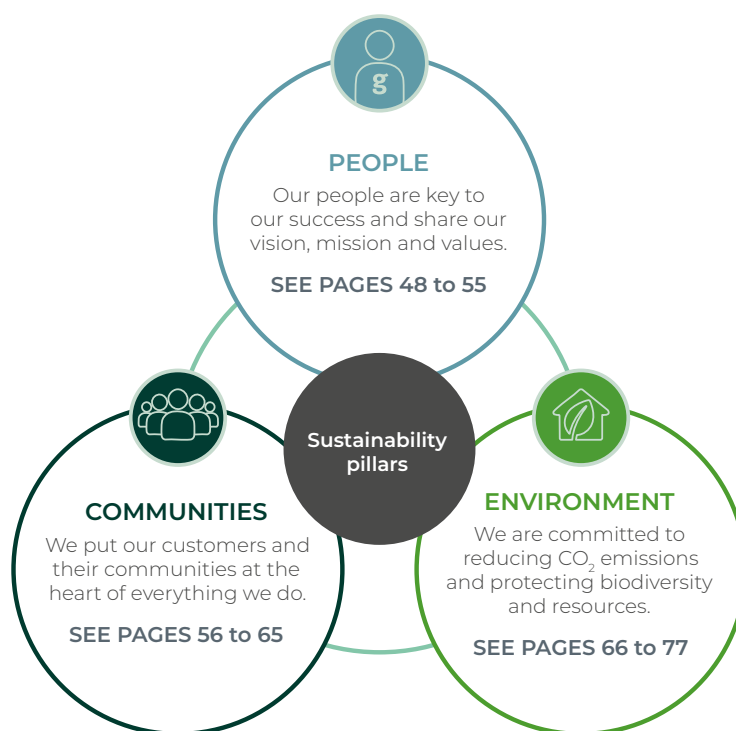
We pay our fair share of taxes and continue to be Fair Tax Mark accredited.



We are transparent in everything we do, and we undertake mandatory and voluntary environmental, social and governance reporting. We report through CDP and SASB and make disclosures in line with TCFD.

Sustainability pillars

Our approach to sustainability is built around three pillars of communities, people and environment.



Sustainability dashboard

-  Sustainability Pillars
-  Sustainability Targets
-  TCFD
-  SASB



People

Employee engagement

84%
(upper quartile)

 See page 81

Glassdoor rating

4.4 star

 See page 81

Roles that are apprenticeships, trainees or graduates

11.8%

 See page 81

Health and safety incident rate ("AIR") will be lower than

240

 See page 80



Communities

Customer recommendation score

89.3%

 See page 80

CML to legal compliance completion improved

>10%

 See page 80

Quality and service focused incentive scheme implemented

Digital Quality Control Plot Book implemented across all sites

Build quality performance tracker implemented to share performance across all regions



Environment

Targets validated by the SBTi for near-term (2032) and net-zero (2050) against a 2022 baseline year

Scope 3 intensity
(tCO₂e/m²)

1.831

 See page 73

Scope 1 & 2 absolute
(tCO₂e)

3,510

 See page 73

FLAG absolute (tCO₂e)

10,068

 See page 73



Safety is our **highest priority**

We have a “safety first, always” culture through our HomeSafe belief of “HomeSafe everyone, every day”. This underpins everything we do and covers everyone involved in any of our projects, ensuring they remain unharmed or affected by any of our activities, returning home safe every day.

HomeSafe Essentials training is given to all site management for an understanding of our site procedures, and, throughout the year, refresher training has been delivered by our Safety Health and Environment (SHE) team. The team comprises of professionally qualified safety, health and environmental managers and, during the year, we have restructured the team to align with business growth plans, ensuring dedicated SHE support in all our regions. Across the year, 557 HomeSafe site SHE inspections were completed, with a Group average score of 89% (85% minimum compliance).

In addition, we have recruited a Group Environmental Manager who will provide additional environmental support to the SHE Managers and the wider business. This will enhance our focus on environmental protection whilst maintaining a clear focus on health and safety performance and continual improvement of related systems, processes and procedures.

SafetyCulture digital platform

The SafetyCulture platform is now in use across the business, allowing for digitalised site inspections by the SHE team. The platform has streamlined the inspection process allowing for easy data capture and action close out. The platform enhances record keeping and allows for more sophisticated analysis of inspection findings, recurring items and monitoring of site performance over time.

Mental health

Led by our HR team, we have engaged with the mental health charity Andy's Man Club to raise awareness of the support available for the mental health and wellbeing of our employees and supply chain. A promotional campaign was conducted across all of our sites and offices with a series of presentations undertaken by the charity on site. Further collaboration with the charity is planned over the coming year.

Site Environmental Awareness Training (SEATS)

To help identify, control and minimise potential environmental issues on our developments, all site management have received SEATS training, with the course added to our suite of mandatory SHE training modules. This ensures that site managers are alert to the risks and trained in how to respond in the event of a potential environmental issue on site.



Dave, Senior Site Manager
at Middlestone Meadows



People CONTINUED Values and Culture

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB

Empowering our workforce for success

We are Passionate

We are passionate about building high-quality homes that are affordable for everyone.

We are passionate about our customers and ensuring they enjoy buying their home from us. Where we get things wrong, we aim to put it right quickly and fairly.

We are proud of the strong relationships we build with our suppliers and contractors who work alongside us.

We are Collaborative

We work together collaboratively, with shared goals, where information, knowledge and ideas can be discussed openly, honestly and free from judgement.

We listen to our customers and work with them throughout their buying journey.

We collaborate with our external partners and value their part in helping us achieve our goals.

We are Respectful

We respect the right to a safe working environment on all our sites and in all our offices and are fully committed to ensuring our colleagues and those who work on, or visit, our sites and offices, return HomeSafe – everyone, every day.

We are respectful of our customers, colleagues and partners by listening to them and treating them equally and fairly.

We undertake our business in an ethical way, and we respect the environment.

Our HomeSafe brand is fundamental to taking care of our people, ensuring that everyone who is involved with, or affected by, our business remains free from harm and returns home safe every day.



Gemma, Assistant Site Manager at Bracks Farm

Our employee engagement score

84%

2024: 85%

Our people are proud to work for Gleeson

82%

2024: 83%

SDG



HOW WE ALIGN TO IT

We are committed to encouraging more women into the sector and promoting fair pay regardless of gender.



We provide employment in the areas we operate both directly and indirectly. All of our employees and subcontractors are paid the Real Living Wage.



Together, we grow and succeed

Our culture

Our strategy relies on having the right people in the right roles who share our vision, mission and values. Our aim is to attract, retain and develop people by having a clear mission and vision with people at the heart of it, and promoting a vibrant, diverse and forward-thinking environment for people to flourish.

Our annual Your Voice survey provides an opportunity for all employees to provide anonymous feedback on a wide range of topics. This is our sixth year running the survey. This year we achieved a participation rate of 87% which, whilst lower than last year's 91%, continues to show how important this is across the business and captures the views from a wide range of our colleagues. Our overall engagement score decreased slightly from 85% to 84%, keeping us in the top quartile of all companies surveyed, and above the external benchmark of 82%.



 Neil, Site Manager
at Manor Fields

We recognise the importance of following up on the survey responses to ensure that positive action is taken as a result of the survey, including:

1. **Regional 'You said. We acted' campaigns**
For FY2025, the regions implemented a more localised approach to actions based on feedback from local colleagues in the 2024 people survey. We also shared a wider 'You said. We acted' review with colleagues at the end of the year to recap on progress.
2. **The Gleeson People Forum** GleeVoice, our internal people forum, is made up of 14 colleagues across all regions and departments. The purpose of the People Forum is to increase opportunities for two-way communication and engagement with colleagues across Gleeson on collective employment related matters where appropriate. The forum meets on a quarterly basis to discuss key points and includes senior representation in the sessions.
3. **Project Transform** The original scope of this project was to review our end-to-end commercial processes, however, this widened to incorporate many other elements, including people, responsibilities, systems and structures. This project was initiated to achieve more efficient ways of working and ensure robust processes that can scale with the business. Key outcomes of this project to date have included organisational and management changes to shorten reporting lines, empower divisional leadership and strengthen regional management teams. This is focused on driving local ownership and accountability as well as substantially improving oversight of processes and compliance.

We achieved a Glassdoor scoring of 4.4 out of 5, a positive reflection of how our current and previous employees value the workplace culture and environment at Gleeson.

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB

Wellbeing

The wellbeing of our colleagues continues to be our utmost priority and providing individuals with access to the right tools for supporting their wellbeing is crucial. We continue to enhance our Wellbeing Toolkit, which signposts individuals to a vast amount of support and resources, including mental health support, emotional, financial, social and physical wellbeing.

In the 2025 People Survey we saw the biggest increase in positive responses in relation to how people feel towards the statement “I feel enabled to manage my health and wellbeing effectively at work”.

Health surveillance

The Health & Safety of all our employees remains of utmost importance to Gleeson, especially those in site based safety-critical positions. This year we introduced health assessments as a mandatory requirement for all forklift drivers to ensure that all drivers are medically fit to conduct their work safely and without risk to themselves or others.

These professional health checks can identify underlying health problems early and identify individuals who are at risk of certain health problems, such as heart disease, diabetes, kidney disease or stroke. If problems are identified, the Company will support those individuals with any next steps such as referrals to occupational health or seeking further medical advice.



 Cumbria Head Office, Sales Meeting

Substance misuse

As part of our focus on building our safety culture, in April 2025 we relaunched our Substance Misuse Policy. As a business, we undertake construction activities, which have a higher inherent risk than other industries. Failure to operate in a safe and controlled manner could result in serious accidents or even a fatality. This includes ensuring that all of our colleagues and subcontractors are attending work fit and well enough to perform their duties safely.

As a preventative measure, we introduced random drug and alcohol testing. Our policy already includes provisions for us to conduct random testing on safety critical roles, but to ensure consistency and fairness, we will be testing a random 10% of our work force per year, which will include both site and office employees.

We already operate a ‘for cause’ testing service, where drug and alcohol tests are conducted if there has been a serious safety related incident or if there is suspicion of substance misuse. The random testing has been introduced as an addition to our current safety protocols, to ensure that we are maintaining a safe working environment.

Mental health awareness

Our Mental Health awareness week in 2025 focused on anxiety and shared information on spotting the signs of anxiety and obtaining support. The week consisted of; Anxiety Awareness, A Self Care Challenge and a ‘Lunch & Learn’ hosted by our wellness provider Legal & General.

We have nine Mental Health First Aiders across the business supporting colleagues and we work with The Lighthouse Club, who provide support for the construction community, along with our Employee Assistance Programme (EAP) with Spectrum Life (Legal & General), which provides employees with access to a range of wellbeing services.

We continue to communicate the benefits of our private healthcare policy and health cash plans, which support employees with their healthcare requirements.



People CONTINUED Values and Culture

Nurturing talent **building futures**



Assistant Site Manager, Sales Executive
and Site Manager at Manor Fields, Pinxton

Equality, Diversity and Inclusion

In our 2025 People Survey we saw some of the biggest improvements along with the highest sentiment of people feeling "I can be my true self at work" and "I feel able to challenge the inappropriate behaviour of others in the workplace".

In addition, 98% of people feel that "People of all backgrounds are respected and valued in Gleeson."

EDI strategy and training

We launched our Equity, Diversity and Inclusion strategy during the year. Our mission is to foster a culture that proactively embraces diversity and inclusion, where individuals are valued, respected and empowered to thrive. Our strategy outlines how we will achieve our mission by concentrating on four strategic pillars under the acronym REAL; Recruitment, Environment, Agenda & strategy and Learning.

As part of this, we trained one-third of the workforce through our 'Leading an Inclusive Culture' workshop. We delivered this first phase of training to assist managers and leaders in the business with the tools and confidence to navigate our EDI Strategy, and followed this up with a 'Lunch & Learn' for the wider business.

HBF's Women into Homebuilding Programme

In November 2024 we sponsored our first two work placements with the HBF's Women into Housebuilding programme. This programme is about the industry actively working to bring about stronger female representation in site management roles. This includes attending a virtual insight week through the HBF followed by a two-week site based work placement. We have continued to sponsor the programme, hosting four work placements as part of the spring cohort in May 2025.

Preventing sexual harassment in the workplace

In February 2025, we launched a campaign to reiterate our commitment to prevent bullying, harassment or discrimination at work. Throughout the campaign we delivered a number of initiatives to raise awareness around sexual harassment, how to report any incidents, how to be an active bystander and the behavioural expectations of all colleagues. We delivered these messages through a number of different channels including a 'Lunch & Learn', essential eLearning, posters, a 'Toolbox talk', incorporating the campaign into our Line Management Training and revising our Anti-harassment and Bullying policy to ensure that it addresses all forms of bullying, harassment or discrimination at work.

▶	Sustainability Pillars
▶	Sustainability Targets
▶	TCFD
▶	SASB

Investing in skills

We have a long standing and active apprenticeship programme covering many areas of the business. We are committed to ensuring that over 5% of our employees are on 'earn and learn schemes' which includes apprenticeships, trainees and graduates. This year we exceeded that target, with 10% of the workforce in earn and learn roles.

Graduate programme

In 2025 we launched our new two-year multi-discipline graduate scheme. We have appointed seven new graduates into these roles across the business in a variety of disciplines including; commercial, technical and construction. The successful graduates will start with the business in September 2025 to embark on the two-year programme, including attending skill development workshops in areas such as; Critical Thinking & Problem Solving, Negotiation & Influence, Confidence & Assertiveness and Commercial & Finance.

Apprentices

Our apprentices get an average of two years on-the-job training and an NVQ (or equivalent). In many cases, they stay on with us for further training or move into permanent roles. Gleeson is proud to work collaboratively with the NHBC, with many of our apprentices utilising the NHBC training facilities.

Early Talent Ambassadors

This year we invited colleagues who are passionate about Early Talent pathways and engaging with local communities to become Early Talent Ambassadors. We have ten ambassadors across the business whose roles are to build strong working relationships with local schools, colleges and universities, attending, hosting and facilitating a variety of events to educate and attract future talent into the construction industry.

- We hosted students from Harrison College who, as part of National Careers week, visited our Firbeck Fields development. The purpose of the visit was to increase the students' knowledge of the roles that are available within the construction industry.

- In turn, our Early Talent Coordinator attended Harrison College to see how the college supports their students to enhance their employability skills through a variety of lessons and projects.
- We held an Early Talent Celebration event to recognise the achievements of our Early Talent at Gleeson. Jon Flatman, CEO of Barnsley Football Club joined the session to talk about his history and give some advice on how to build a successful career.

Investors in People

We are fully accredited by Investors in People and were delighted to achieve the 'We invest in People GOLD level' accreditation this year. Gold accreditation is only achieved by 28% of organisations and, at the heart of it, it means that we are creating a supportive environment where everyone strives to create a better workplace.

The accreditation process involved collecting feedback from across the business, allowing us to learn what we are doing well, and where further improvements can be made. We were delighted to hear positive feedback that we are moving towards a culture of empowerment and ownership. We have a more vibrant culture and a values-led approach, and they observed that we have motivated people working at Gleeson who are full of passion, purpose and who are keen to collaborate within their teams. We continue to work in collaboration with IIP and our colleagues in building our roadmap to making Gleeson an even better place to work.



Building careers

Learning and development

Our aim is to continue to allow colleagues to grow and maximise their potential at work. We support our colleagues in tailored ways, some of which are set out below.

Talent mapping and succession planning

We conduct regular talent mapping and succession planning across the business, to assess key strengths and target development needs to ensure that learning and development interventions are appropriately tailored.

Leadership and management development pathways

We continue to strengthen our learning and development pathways, including:

1. Gleeson Skills Development Programme (GSDP) (Basic) – Introduction to Leadership & Management at Gleeson. This programme is a two-day course targeted at Foundation level colleagues within the Gleeson Competency framework. It provides introductory training to the skills, knowledge and behaviours required for leadership and management roles.
2. GSDP (Intermediate) – Intermediate level training for Leadership & Management targeting colleagues who are at the Operational level within the Gleeson Competency Framework, specifically middle management. This programme is built to enhance leadership and management knowledge, skills and behaviours.
3. Gleeson Leadership Development Programme (GLDP) (Advanced) – Advanced level training for Leadership & Management, targeting colleagues who are at the Tactical-Strategic level within the Gleeson Competency Framework, specifically senior leaders across the business.

All programmes consist of classroom-based training, professional qualifications, 360 degree feedback and 1:1 coaching.



Gender pay gap

In 2025 our median gender pay gap was 4.8% in favour of men (2024: 7.6% in favour of men). Our gender pay gap fluctuates year on year depending on the number of women in senior positions – in two out of the last six years the pay gap has been in favour of women. 47% of women now occupy the upper two pay quartiles compared to 45% in 2024, which has caused the gap to reduce this year. The gap arises as a result of men and women occupying different roles in the business, which leads to a gap between the median paid male versus the median paid female.

Further information about our gender pay gap, and what we are doing to address it, is included in our Gender Pay Gap Review, which is available at www.mjgleesonplc.com.

Recognising and **valuing** our people

Communication and engagement

We recognise the importance of keeping employees informed and do this in a number of ways, including a weekly newsletter, employee roadshows, our intranet ('The Hub') and 'Lunch & Learns'.

- Lunch & Learns – to enhance communication along with appreciation and understanding for what departments do across the business.
- Regional Board Meetings – we hold monthly board meetings at regional locations based on a rotation. This enables the Executive Board to attend these meetings within regions and has also increased presence on site visits to enhance contact with business leaders for all levels of the organisation.

Real living wage

We were the first listed housebuilder to be accredited by the Living Wage Foundation for paying our employees a 'real' living wage, an independently calculated rate of pay that is based on the actual cost of living. We ask all of our subcontractors to pay their employees in accordance with the Real Living Wage when working with Gleeson. The Real Living Wage covers all employees aged 18 and over, with the exception of apprentices.

Gender breakdown

Chair



Executive Directors



Non-executive Directors



Senior management



Other employees



■ Male

■ Female



Group Technical Team
at Head Office

Recognition

We have a number of employee recognition and reward schemes including Gleestar, a monthly recognition scheme and Gleesave, an employee discount scheme. These are in addition to healthcare incentive plans, a generous pension scheme and our Sharesave scheme which allows employees to invest in the success of the business in a tax efficient manner.



Building communities



Right where communities grow

Gleeson's belief is that 'we don't just build homes – we build communities'. This year, to re-enforce this, we have launched our refreshed Communities Strategy. Whether we are working with local schools, supporting grassroots sports teams, or backing community-led projects, our goal is to make a genuine, lasting difference.

Our six point pledge to the community highlights our commitment to building affordable homes on sustainable developments and will underpin our engagement with the community.



- Each development will support at least one local community initiative, whether this is in the form of donating time, resources, materials, or a financial contribution.
- Our strategy focuses on supporting projects that interlink with our business objectives, such as the environment and sustainability, health and wellbeing, skills and training and focusing on challenging and deprived communities.
- We will communicate openly with our communities in the form of regular newsletters, online updates and, in some regions, open consultations.
- We are looking to foster stronger collaboration with our supply chain to ensure we can support further projects with wider buy-in.

Our commitment to your community

1

Make homeownership affordable

A working couple, both earning the National Living Wage, can afford to purchase a home at any one of our developments.

2

Invest in local infrastructure

Collaborate with local authorities to deliver meaningful infrastructure improvements through section 106 agreements and other means.

3

Build sustainably and responsibly

Design and construct developments that enhance the local economy, benefit the environment and wildlife, and improve wellbeing.

4

Communicate openly

Maintain transparency through public consultations, newsletters, and online updates, and respond to community concerns promptly.

5

Support local employment and skills

Wherever possible, prioritise local suppliers and labour, and promote apprenticeships and training opportunities, to benefit the local economy.

6

Enhance the community

Reduce environmental impact through sustainable practices and actively support local causes and initiatives.

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB

Helping to **reduce crime**

We consider the design and layout of our developments carefully, with safety and community being a key aim.

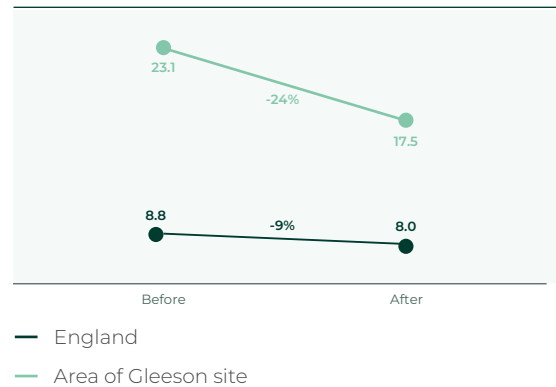
In the high-crime areas in which Gleeson has built homes the crime rate has fallen by 24%. This is 15% more than the 9% average reduction in crime seen across England during the same periods. We achieve this by building homes that local people can afford, and designing security and community benefits into our developments.

Local residents should be able to buy a home in their communities. We only develop sites on which homes will be affordable to buy. When we purchase a site, we test this by ensuring a meaningful proportion of our homes can be bought by a couple earning the National Living Wage.

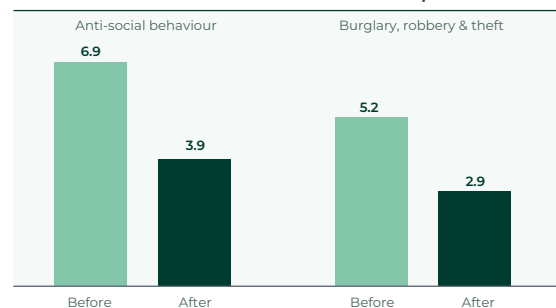
In the year to 30 June 2025, more than three quarters of our homes were sold at a price that a couple on the National Living Wage could afford.

We do not seek to gentrify areas by moving wealthier people in and forcing out local residents – we regenerate to ensure that local residents have access to affordable, high-quality homes.

Reduction in crime rate



Crime rates in areas of high crime before and after Gleeson Homes develop



Source: PoliceUK



Parsons Cross, Sheffield, South Yorkshire



Building **quality** homes



Uncompromising quality in every brick

We ensure that our homes appeal to a wide range of customers. A Gleeson home incorporates many of the same features and specifications as homes built by other housebuilders, from door handles to kitchens, but our price point makes a Gleeson home more affordable. We regularly refresh our house types and optional extras, keeping in mind the needs of our customers and their budget. Our house type range now includes the addition of bungalows and a range of elevations which are sympathetic to local areas and planning requirements, as well as the introduction of 2.5 and 3 storey house designs. We have also developed our range to suit different local authority needs, such as housing density, which helps us to secure a wider range of sites.

We design our homes to take into account the latest building standards, emerging trends and feedback from customers. This includes incorporating more space for storage, working from home, and energy-efficient design. We carefully select our suppliers and specify the products used in order to achieve the best value for our customers, without compromising on quality.

Older existing housing stock is frequently draughty and cold. Data on new EPCs registered in the year to June 2024 shows that only 15% were rated A or B*, whilst 96% of Gleeson homes sold in FY2025 were rated A or B.

* For Gleeson style homes, excluding flats, bungalows and maisonettes.

NHBC Pride in the Job Awards

Quality is a key area of focus for all of us and our people strive to achieve it.

This year, two of our site managers were honoured with the prestigious NHBC Pride in the Job Quality Award 2025, with Paul Jackson at Rhodes Point in South Yorkshire winning for a second year running. The Pride in the Job awards demonstrate a commitment to excellence. Pride in the Job, which is currently in its 45th year, is highly regarded in the industry and the awards are designed to inspire site managers in making their mark and leaving a legacy of homes built to the highest quality standards.

The winners of the 2025 award were Paul Jackson, Senior Site Manager at Gleeson's Rhodes Point in South & West Yorkshire and Rick Harris at Bracken Park, East Yorkshire.

Gleeson Quality Charter

The Gleeson Quality Charter is our commitment to a quality home and quality service all the way through the buying journey and beyond.

STRIVING FOR FIVE-STAR BUILD AND SERVICE

1. We believe that affordable should not mean low quality or poor service.
2. We use third-party inspectors to undertake additional, independent quality checks throughout the build process.
3. We engage a third-party survey company to undertake independent surveys of all of our customers. Just under 90% of our customers recommended Gleeson.
4. We provide all of our customers with access to MyGleeson, a customer care portal.
5. We achieved four-stars during the year and are on track to regaining the highest five star rating this year.

▶	Sustainability Pillars
▶	Sustainability Targets
▶	TCFD
▶	SASB

Affordable homes for the people who need them most

A couple working full time on the National Living Wage can afford to buy a Gleeson home on any of our developments. We are committed to ensuring this remains the case and build this into our site purchase criteria. This benchmarks the open market sales prices of a two-bedroom home. In 2025, 78% of the homes we sold met this affordability criteria.

We offer a number of purchasing options, including:

- First time buyer assist – extra help to first time buyers
- Shared ownership – buy a share of the home and pay a monthly rent at a lower overall cost than renting
- Own new – provides access to lower interest rates
- Deposit Unlock – helping to buy with a lower deposit
- 100% mortgages – buy with no deposit with selected lenders
- Cash incentives – up to 5% on selected plots
- Part exchange – part exchange through Property PX Group, a third-party provider
- Smooth move – assistance with home sales and contribution towards estate agent fees
- Key worker and armed forces incentives

These products enable us to offer our homes to a wide range of customers. We historically had a higher proportion of first-time buyers, and we expect this to increase again as interest rates fall and customer confidence returns. We are also well positioned to sell to home-movers, downsizers and retirees with our increased range and refreshed marketing appeal. Equally our product appeals to investors and social housing providers, both in terms of its price-point and quality.



Sophie and Oliver, Tyrone, Sands Reach, East Yorkshire

Home ownership versus renting

According to Zoopla, average rents have increased by 2.8% over the last 12 months to April 2025 which is the slowest rate of growth seen in the last four years. However, over the last three years, rents have grown by 21% compared to 4% for house prices, and rental supply remains 20% below pre-pandemic levels. High rents coupled with a supply and demand mismatch mean an ongoing challenge, particularly for low to middle income renters, where this is a lack of affordable rental supply.

It remains cheaper to buy than to rent, with an average two-bed home costing £167 per week¹ compared to the equivalent rental cost of £213. In addition, our homes are highly energy-efficient using 49% less energy than the average home, and costing £13 less per week to heat. Buying a new home means lower maintenance costs, with customers able to tailor their property to their needs.

¹ All mortgage payments based on mortgage payments on 85%/90% LTV, five year fixed, 35 year term at 4.39%/4.67% (average mortgage from Rightmove) on Gleeson average OMS ASP on last 12 months completions to June 2025. Rented house new lettings is based on new lettings in June 2025 from OnTheMarket.



Community matters

Laying foundations for success: Gleeson and Sheffield Hallam collaborate for student growth

With a growing need to attract more young people into the construction and housebuilding industry, Gleeson was delighted to partner with Sheffield Hallam University to support their Project Management students as part of their academic programme.

Our Pre-Development team collaborated with the University to design a practical learning experience aligned with the students' curriculum. Gleeson arranged for students to visit our Homesteads development in Goldthorpe, where they received an in-depth site tour. The visit focused on the day-to-day responsibilities of the site manager, including project delivery, stock control, and workforce management, which are core elements of their project management studies.

The students were highly engaged, asking insightful questions and demonstrating a strong interest in the practical application of their learning. Following the visit, they presented their findings to a panel of tutors and our Pre-Development Director, Russell Thompson, as part of their course assessment.

To deepen their understanding, Gleeson offered students the opportunity to shadow a site manager for a day, providing real-world insight into the role. One student spent the day with our Site Manager at The Homesteads, gaining valuable experience and exposure to the realities of site management.

The collaboration proved to be a great success. Sheffield Hallam University reported that this module achieved the highest attendance rate among the cohort, boosted student engagement, and provided a very notable increase to academic performance.

The university has expressed a strong interest in continuing the partnership into the next academic year, an initiative Gleeson is excited to support as we continue to nurture future talent and champion careers in housebuilding.

Corporate charity – over £50,000 to The Lighthouse Charity

In 2024, we proudly became an official company supporter of The Lighthouse Charity, which provides vital emotional, physical, and financial support to those working in the construction industry. Over the year, our teams embraced the cause with enthusiasm, raising funds through bake sales, regional golf tournaments, and the highlight of our fundraising calendar, the Gleeson Charity Gala.

The black-tie event welcomed over 360 guests, including suppliers, subcontractors, agents, solicitors and colleagues from across the business. The evening was a tremendous success, raising over £49,000 through generous donations and a charity auction. In total, Gleeson raised over £55,000 for The Lighthouse Charity in the year, and we are proud to continue our support for this important cause.



Tees Valley Tyne and Wear – Local school and MP community engagement

Dr Sam Rushworth MP returned to our Bracks Farm development to take part in a hands-on bricklaying session with students from Bishop Auckland College. This visit followed his initial engagement in February, in which discussions focused on improving access to homeownership and addressing the shortage of skilled tradespeople. A former landscape gardener, Dr Rushworth has shown strong interest in connecting education with practical industry experience. The visit highlighted our commitment to building affordable homes and promoting careers in construction. For the students, it was a valuable and rewarding opportunity to apply their learning in a real-world setting.

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB



South Yorkshire Askern Scouts – Beyond the build: Gleeson's lasting legacy in communities

For many years, Askern Scouts has served as a vital community hub for children and families in Askern and the surrounding areas. Operated entirely by dedicated volunteers, the facility has provided a safe, nurturing environment where young people can learn, grow, and thrive. In September 2024, the Scout facilities were unfortunately vandalised and stripped of valuable items, leaving the organisation without the resources or infrastructure to continue its work.

In response to a public appeal for help, Gleeson, alongside many generous local businesses, stepped in. Although we are not currently building in Askern, we have delivered two developments in the area and remain committed to supporting the communities we have helped shape. As part of our contribution, Gleeson donated show home furniture to refurnish the space. The Scouts organisation had also been working towards the transformation of an overgrown grassed area into an outdoor learning space. After discussing their vision, Gleeson was proud to support the Scouts in clearing out the overgrown weeds and bushes to create a maintainable and usable space. The outdoor area is an essential feature for delivering authentic Scouting experiences.

This collaboration highlights the strength of community spirit and the importance of standing together in times of need. The Askern Scouts leader and full-time firefighter, Matt Nicholas, commented "Gleeson's generous donation of time, effort, and physical contributions has been instrumental in allowing us to carry on offering the community of Askern a positive facility. It is clear the business is passionate about making the community a better and safer place for the current residents, too. Thank you again!"

East Yorkshire – donation to SEED

In November 2024, our Yorkshire East team welcomed Gemma Oaten, CEO of SEED Eating Disorder Support Services, along with co-founders Marg and Dennis Oaten, to officially open three new show homes at our latest Hull development. Founded in Hull in 2000, SEED provides vital support for individuals and carers affected by eating disorders. As part of the opening weekend, Gleeson proudly donated £3,695 to SEED, reinforcing our commitment to meaningful community engagement through our Community Matters programme.



Gleeson Land – Step by Step

Step by Step supports local young people who are going through hard times. They provide accommodation, specialist support, and personal development opportunities that identify and fulfil aspirations. They help empower young people to become thriving members of the community.

Gleeson Land raised over £11,000 through a charity quiz night for consultants and land agents, a sponsored sky-dive and other donations. In all, this was outstanding amount that will go a long way to supporting young people who are facing difficult times.



Supporting journeys, **building futures**

CASE STUDY

First-time buyer and solo-homeowner

Buyer: Emma, 24

Occupations: Operating Department Practitioner for the NHS

Date of purchase: November 2024

Development: Safari, Knowsley, Merseyside

House type: 2 bedroom, semi-detached Kerry

Purchase price: £164,995

Mortgage cost: £807 per month



When Emma began her search for a first home, her priorities were clear: affordability, location, and the ability to personalise it. She found her ideal property with Gleeson, a two-bedroom semi-detached home that met all her criteria.

"As a solo first-time buyer, this was the perfect size for me", she said. The property has a spacious kitchen and lounge, as well as a south-facing garden. "After viewing, I couldn't walk away from this fantastic home without reserving it, and I'm so glad I did."

Emma was drawn to Gleeson not only for its competitive pricing but also for its compelling product and standout customer support. "I knew that I was getting a good deal with Gleeson and, as a first-time buyer I found the support Gleeson offers to their customers is excellent, and that drew me to purchase with Gleeson even more."

As an operating department practitioner for the NHS, Emma valued the streamlined process. "My journey with Gleeson has been amazing. The

team at Safari supported me every step of the way, whether that was providing build updates or just checking in. I am so grateful for their help and support."

Before buying, Emma lived with her parents. "I considered renting for a couple of months, but purchasing a home outweighed the benefits of long-term renting. Renting an apartment in the city centre would have cost me just as much monthly as starting my first mortgage."

Emma describes the purchasing experience as stress-free and would recommend Gleeson to other buyers. "The team is always a phone call, email or visit away and will assist you with any queries or problems you may have, even after you have received your keys."

Looking ahead, she remains positive about her investment. "I am pleased with my neighbourhood. My neighbours, who I have met so far, are lovely, and I couldn't be more grateful for that."

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB



CASE STUDY

Second-steppers and Smooth Move Scheme

Buyers: Shaun, 54 and Debbie, 49 with their children, Shelley, 27 and Liam, 25

Occupations: Debbie is a full-time carer for her daughter and Shaun is a Team Leader in a factory

Date of purchase: January 2025

Development: Monarch Green, Willington

House type: 3 bedroom, semi-detached Glin

Purchase price: £169,995

Schemes used: Smooth Move

Shaun and Debbie, along with their children Shelley and Liam, recently moved into their new home at Gleeson's Monarch Green development. Their primary focus was finding a property suitable for Shelley, who has HADDs Syndrome, and required a home with enhanced accessibility features.

"We chose this house because it was perfectly adapted for our daughter, Shelley. The wide doorways for wheelchair access, the downstairs wet room, and the overall accessibility throughout the house made it ideal for our situation. Other housebuilders we looked at in the area didn't offer these features and would have required special adaptations. However, what Gleeson offered was already perfect for us and the needs of our family."

"As second-time buyers, we used the Smooth Move scheme, which we found to be incredibly helpful. We chose a new build home over a second-hand home or renovation project because we wanted minimal disruption, and this house type was already adapted to support Shelley's needs."

Energy efficiency was another benefit. "The house is also highly efficient, and our energy bills are more affordable and easier to manage

compared to our previous property, which was an older property."

Gleeson's customer service and flexibility were key throughout the process. "Gleeson supported us throughout the entire house-buying journey. We had to wait until we sold our previous home, and Gleeson kept us updated on the completion date and progress. We ended up moving in much sooner than we expected."

Since moving in, the home has had a significant positive impact on family life. "Our Gleeson home has made our lives so much easier. The carers can easily take Shelley outside and do activities with her, and the house also provides us with privacy upstairs while the carers are here."

The family also appreciates the environment around them. "There's a real sense of community spirit on our development. We have a lovely neighbourhood, everyone is really friendly and supportive, and it's not overly loud or busy, which is great for Shelley."

"We would definitely recommend Gleeson to our family and friends, and other families who have a family member with a disability. This house has really made a difference. Our advice would be to enjoy every moment of buying a new home; it's been such a special time in our lives."



Communities CONTINUED

Customer experience

A home for everyone, a community for all

CASE STUDY

First-time buyers, renting previously



Ronit and Pooja took their first step onto the property ladder, moving from a rental property into a new-build home at Gleeson's Northbeck Grange development in Bradford. After years of renting, the couple now enjoy the long-term financial and lifestyle benefits of homeownership.

"Before moving into our new home, we were renting a 2 bedroom home for £800 per month, which is equal to what we are now paying for our mortgage," said Ronit. "It's amazing to think that we are now investing in our own property instead of paying rent towards someone else's mortgage!"

Their decision to purchase with Gleeson was driven by the combination of affordability, design, and efficiency. "We fell in love with the design of the Kerry house style. Having two bedrooms, which are almost equal in size is perfect for a couple or even a small family. We decided to go with Gleeson because we wanted a new build home that was energy efficient."

The couple noted the high cost of renting and utilities in their previous property as a key motivator for the switch. "Paying rental costs and expensive bills in our previous home made us realise that buying a property with Gleeson was a better option. We researched and met with the sales team, who made the process so easy to understand – it made our experience even more exciting!"

Efficiency and speed of moving were additional factors. "One of the main selling points for us was the timeline involved from reservation through to completion. You can have your own house in just a few months!"

Buyers: Ronit, 31 and Pooja, 29

Occupations: Ronit is an Engineering Planner and Pooja is a Litigation Claims Handler

Date of purchase: December 2024

Development: Northbeck Grange, Bradford

House type: 2 bedroom, semi-detached Kerry

Purchase price: £169,995

Mortgage cost: £800 per month

Previous rent: £800

Gleeson's customer experience also left a strong impression. "Our journey with Gleeson has been incredible, from the first enquiry we made, through to reservation and receiving the email saying 'Congratulations!' Our religious housewarming ritual was welcomed and accommodated, with the sales and build team embracing it and joining in too."

Now settled into their home, the couple is embracing both the space and the community. "The community has been wonderful, there are a number of different cultures here, which is amazing. Our neighbours are fantastic, and everyone is new and settling in, making new friends together."

Their message to future buyers: "Visit the site, see the show homes, check your budget, and speak with the Sales Executive. We are sure you will find your dream home just like we did."



- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB



CASE STUDY

Downsizers and cash buyers

Buyers: Jayne and Karl, both 65

Occupations: Jayne is a retired School Teacher and Karl is a Driving Instructor

Date of purchase: July 2024

Development: Monarch Green, County Durham

House type: 3 bedroom, semi-detached Glin

Purchase price: £167,000

Mortgage cost: N/A – cash purchase

Jayne and Karl made the decision to downsize from their 4 bedroom property after their son moved out. With retirement in sight, the couple chose a new-build Gleeson home as the ideal space to begin the next chapter of their lives.

“We hope this is our last move,” they shared. “We are in our 60s and have downsized from a larger four-bedroom home. After 45 years of marriage, we are looking forward to settling into our new home and hoping to see a bit more of the world as we love travelling.”

They chose their three-bedroom Glin, as they were attracted by its spacious kitchen-diner and southwest-facing garden. Affordability and energy efficiency were also key factors in their decision. Since moving in, they have found that, with excellent insulation, they use the heating much less than before and this lowers their energy bills.

Customer experience played an important role in the success of their purchase. “The process of buying our home was very straightforward, pain-free, and quick, thanks to the sales and site team” they said.

The move has also provided the couple with a new project for retirement. With their previous home fully renovated, the new build offers a fresh start. “This new home offers a blank canvas to build on and make our own” they noted.

Location and timing were also instrumental in their decision. The home's position at the back of a quiet development, adjacent to a cricket field, appealed to their desire for a village-style environment. “It feels more like a village location, which is perfect for us” they explained. “The timing was right as we were still young enough to move relatively easily but ready to downsize and start the next phase of our lives.”

Jayne and Karl see this as their forever home, “Unless we win the lottery” they joked, “then we might buy another Gleeson home!”



Committed to cutting our carbon footprint

We are committed to reducing our impact on the environment. In the year we have set near-term and net-zero carbon reduction targets, underpinned by robust decarbonisation plans. The whole organisation is working towards achieving these goals. In addition to our carbon plans, we have implemented new policies and strengthened our environmental compliance team.

Near-term and net-zero targets set

We are pleased to announce that we received validation of our near-term and net-zero targets from the Science Based Targets initiative (SBTi) in the year. The validation of targets by the SBTi is a hugely important milestone for the Group, demonstrating our ongoing commitment to direct climate action through decarbonisation across our operations, supply chain and in-use emissions.

Our target commitments are:

Overall net-zero target

MJ Gleeson plc commits to reach net-zero greenhouse gas emissions across the value chain by FY2050.

Near-term targets

Energy & Industry: MJ Gleeson plc commits to reduce absolute scope 1 and 2 GHG emissions 50.4% by FY2032 from a FY2022 base year.* MJ Gleeson plc also commits to reduce scope 3 GHG emissions 58.1% per m² completed floor area within the same timeframe.*

* The target boundary includes land-related emissions and removals from bioenergy feedstocks.



SCIENCE
BASED
TARGETS

The SBTi is a partnership between the Carbon Disclosure Project, United Nations Global Compact, World Wildlife Fund and World Resources Initiative and the most widely recognised pathway to decarbonisation. It is aligned to the Paris Agreement's objective to work together worldwide to limit the global temperature increase to 1.5°C from pre-industrial levels.

FLAG: MJ Gleeson plc commits to reduce absolute scope 1 and 3 FLAG GHG emissions 36.4% by 2032 from a 2022 base year.* MJ Gleeson plc commits to no deforestation across its primary deforestation-linked commodities, with a target date of 31 December 2025.

* The target includes FLAG emissions and removals.

Long-term targets:

Energy & Industry: MJ Gleeson plc commits to reduce absolute scope 1 and 2 GHG emissions 90% by FY2050 from a FY2022 base year.* MJ Gleeson plc also commits to reduce scope 3 GHG emissions 97% per m² completed floor area within the same timeframe.*

* The target boundary includes land-related emissions and removals from bioenergy feedstocks.

FLAG: MJ Gleeson plc commits to reduce absolute scope 1 and 3 FLAG GHG emissions 72% by 2050 from a 2022 base year.*

* The target includes FLAG emissions and removals.

Target year	Baseline 2022	Near-term 2032	Net-zero 2050
Absolute scope 1 and 2 energy and industry emissions			
Reduction from 2022 baseline		50.4%	90%
Target emissions (tonnes CO ₂ e)	3,713	1,842	371
Scope 3 Intensity per m² of homes sold			
Reduction from 2022 baseline		58.1%	97%
Target emissions (tonnes CO ₂ e per m ²)	2.149	0.900	0.064
Absolute FLAG emissions			
Reduction from 2022 baseline		36.4%	72%
Target emissions (tonnes CO ₂ e)	11,029	7,015	3,088

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB

Top 10 CO₂e contributors in the build process

	Tonnes of CO ₂ e	% of total
Cement mortar	7.6	15%
Bricks	3.7	7%
Fuel used on site	3.5	7%
Tarmac/bitumen surfacing	3.0	6%
Concrete blocks	3.0	6%
Ready mix concrete	2.8	5%
Windows and doors	2.4	5%
Radiators	1.9	4%
Cavity wall insulation	0.8	2%
Fibreglass roof materials	0.7	1%
Top 10 contributors	29.4	58%
Other contributors	21.7	42%
Total	51.1	100%

CO₂e to build a Gleeson home

51 tonnes

An average Gleeson home takes 51 tonnes of CO₂e to build – without further action this will rise to 54 tonnes under the Future Homes Standard due to the increase in size of properties, thermal insulation and increased embodied carbon of alternative heating systems.

CO₂e to live in a Gleeson home

89 tonnes

The average Gleeson home adds 89 tonnes of CO₂e of in-use emissions over 60 years. The installation of air source heat pumps and the decarbonisation of the grid is expected to reduce in-use emissions to 40 tonnes of CO₂e over 60 years once implemented in all homes. We have reduced average in-use emissions from 106 tonnes last year by installing air source heat pumps in 23% of our homes sold.

Energy used on site & offices
7%

Other (including waste)
13%

Foundations and substructure
12%

Roof
5%

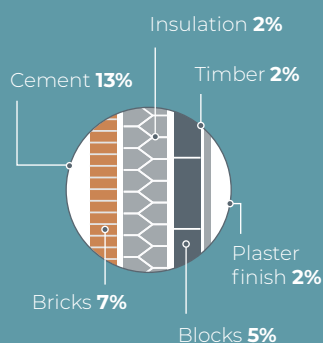
Kitchen & bathrooms
7%

Heating & plumbing
10%

Roads & infrastructure
10%

Windows & doors
5%

Internal & external walls
31%





Committed to cutting our **carbon footprint**



Establishing our targets

We have continued to enhance our understanding of the greenhouse gas emissions throughout our operations over the last four years and are constantly developing our models and assessments. Unlike many of our competitors, who use a spend based approach, we have carried out detailed assessments of each of our house types using their bill of materials and relevant supplier EPDs, or closest available information using a life cycle assessment, to determine the emissions generated in building each house and its related infrastructure.

This more in-depth approach has allowed us to model the emissions we expect in future periods, taking into account growth in volumes anticipated and house type mix. In doing so, it allows us to more accurately identify the areas we want to target to reduce our overall emissions.

Our validation by the SBTi is based on modelling of our projected emissions to 2050 along with proposed reduction initiatives to reach our targets. Our GHG transparency is supported through external assurance of baseline and current emissions, with assurance provided by Grant Thornton as set out on page 73.

The rigorous process for validation presented challenges that we had not expected and, as a result, we revised our targets and boundary to include Forestry, Land and Agriculture (FLAG) emissions, and set additional separate targets. FLAG emissions, in the context of Gleeson, result from direct land use change (DLUC), which is FLAG scope 1, and upstream emissions associated with the timber commodities we procure, which is FLAG scope 3. The difficulty across the built environment arises from the fundamental fact that, to construct a home, land is required, therefore land use change emissions will only ever increase. Additionally, this area of carbon accounting is still emerging, which means that there is limited data and emission factors available for calculating land use change emissions. As part of the validation process we have committed to no deforestation by December 2025. We continue to operate in compliance with this commitment.

We have joined over 5,000 companies taking direct climate action whilst continuing with our mission of changing lives by building affordable, high-quality homes, for those who need them the most.

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB

Achieving our targets

Our decarbonisation pathway is set out in our detailed carbon forecasts. Some of the initiatives needed to achieve our targets have already been initiated, with air source heat pumps being one of the key steps needed to meet both near-term and net-zero targets. Other initiatives are dependent on supply chain decarbonisation, and therefore engagement with our suppliers will also be key to reducing our footprint. Our plans are also partially dependent on other factors outside of our control, such as the decarbonisation of the electricity grid, and the availability and viability of new technologies.

More information on the measures being taken is set out on pages 70 to 72.

Progress against our targets

Scope 1 and 2 emissions

It remains a key priority to reduce our scope 1 and 2 emissions, and our Science Based Targets validation sets out an absolute reduction target for scope 1 and 2 emissions for near-term and net-zero targets. We have already implemented some of the measures to be taken as set out on pages 70 to 72.

For the year, our absolute scope 1 and 2 emissions (excluding FLAG) decreased to 3,510 tCO₂e (2024: 3,575 tCO₂e). This is a reduction of 2% from the prior year, and 5% from the baseline year. Emissions are higher than the

straight line target of 3,120 tCO₂e, but are in line with our initial forecasts, which take into account the timing of changes to newer technologies and decarbonisation of the grid. The decrease in the year reflects the reduction in car fuel as a result of the gradual switch to electric vehicles, and reduction of gas due to air source heat pumps as an alternative to gas on site. Electricity use has increased as a result of this switch, and holding periods of show homes and stock plots, but at a lower conversion factor as the grid decarbonises. Fuel use on site is up marginally, with an increase in the conversion factor of diesel increasing the emissions in the year.

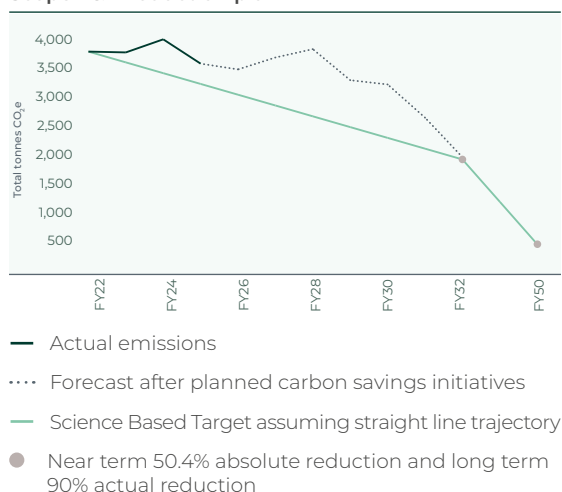
Scope 3

We are continually looking at ways to improve the efficiency of our homes in use, and reduce the embodied carbon of the materials we use to build them. We will continue to increase the proportion of homes incorporating existing initiatives, such as air source heat pumps, as well as putting in place new technologies and actively engaging with our supply chain to identify lower carbon alternatives.

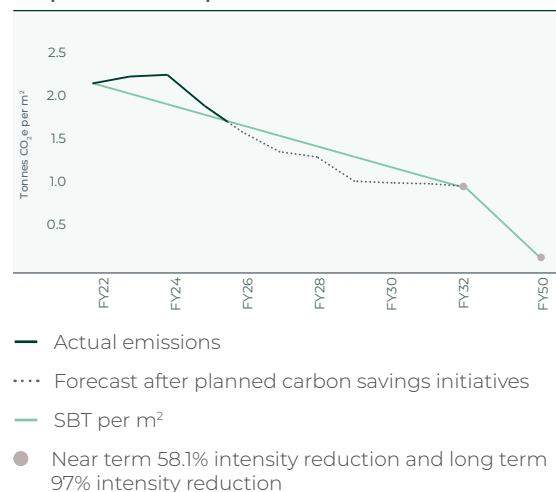
For the year, our scope 3 intensity decreased to 1.831 tCO₂e per m² (2024: 2.073 tCO₂e per m²), a reduction of 12%. This reduction has been achieved through the use of ASHPs as expected, along with the use of concrete bricks. We are tracking slightly behind our straight line target of 1.728 tCO₂e per m², however we expect to be tracking below the straight line target by next year.

Reduction pathways

Scope 1 & 2 reduction plan



Scope 3 reduction plan





Building towards our targets

Air source heat pumps

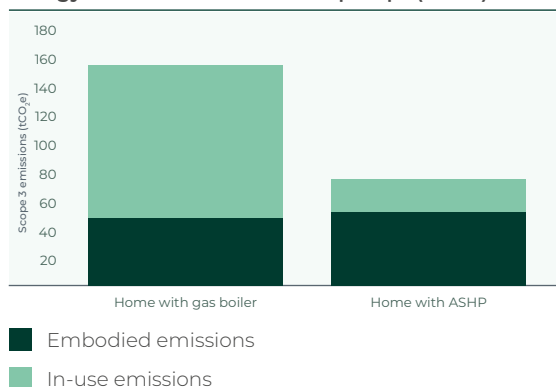
The most significant carbon impact comes from scope 3 emissions in building our homes and from the emissions of our homes in use over their life. For in-use emissions the single biggest contributor is the heating system of the home, which has typically been from gas boilers.

A key element of our transition pathway is the installation of air source heat pumps in all of our homes. We began this transition in June 2023, with all homes started after that date having an Air Source Heat Pump (ASHP), making them net-zero ready in preparation for the UK grid being fully decarbonised by 2035, or where our customers move to a verifiable 'green tariff' with their energy supplier. This transition has continued throughout the year, with us installing 418 ASHPs compared to 44 last year, giving a carbon saving of 34,463 tonnes CO₂e over the life of the homes built. As we report on completions, we continue to sell some homes with a gas boiler, but this will be phased out far in advance of our near-term scope 3 reduction targets.



 Air Source Heat Pump at Harriers Croft, Lincolnshire

Energy efficient air source heat pumps (ASHP)



Energy efficiency and EPC ratings

Our homes are already designed to be highly energy efficient and 96% of our homes achieve an EPC rating of B or above. In assessing the 2025 building regulations and the introduction of air source heat pumps, we changed our insulation methods to make further improvements to energy efficiency. This will reduce both the carbon emissions and the heating costs of the home throughout its life.

Supply chain decarbonisation

The transition to lower carbon materials will be pivotal in our plans to decarbonise. We are conscious of the efforts being undertaken across the clay brick industry to decarbonise, and clay bricks remain a key construction material. We have embraced lower carbon materials including concrete bricks and reconstituted stone, and over the past few years we have increased the use of these, which provide a significant reduction in embodied carbon over a traditional clay brick. This year we have sold 554 homes built using concrete bricks or reconstituted stone. We continue to engage with our supply chain to explore other lower carbon products or alternative suppliers to enable us to offer continuing quality whilst lowering embodied emissions.

Supply Chain Sustainability School



Since 2022 we have been partners of The Supply Chain Sustainability School ("the School"). This enables us to upskill colleagues and work collaboratively with other housebuilders, subcontractors and

suppliers in the construction industry to achieve common goals in delivering a sustainable future. Throughout the year we engaged with the School to help develop our fairness, inclusion and respect (FIR) and equity, diversity and inclusion (EDI) strategies. We are pleased to have retained our Gold level of engagement with the School.

We continue to engage with the School by being involved with and contributing to various working groups across sustainable development themes:

- Reviewed supply chain engagement targets to focus on and set targets for those supply chain partners who have a direct impact on site efficiencies, for example groundworkers. See targets and actions on page 81
- Maintained Gold level of engagement
- Maximised the FIR and EDI resources
- Achieved a partner value of £120,340
- Delivered 44 hours of training to staff and subcontractors

In order for us to decarbonise to meet a 1.5°C scenario, it is critical that our supply chain decarbonises its operations. Through direct liaison with suppliers and through the School, we are trying to influence and work with our supply chain partners to improve our understanding of how we can 'design out' carbon from the homes we build in transition to a lower carbon future.

In terms of direct action with our supply chain partners, we are fully engaging with those suppliers who provide products and materials with the largest carbon impact to convey our requirements for lower carbon products, environmental product declarations and to innovate. We feel that the housebuilding sector can be really influential in supply chain decarbonisation.

During the year, we launched our Supplier Code of Conduct, which clearly sets out our expectations of all supply chain partners across key environmental, social and governance issues. All existing suppliers and contractors must sign acceptance to adhere to this and all new suppliers must do the same as part of the onboarding process.



Environment CONTINUED Emissions and targets

Reducing build emissions



 Tulip Fields, Holbeach, Lincolnshire is a green site

Generators and grid connection

One of the largest opportunities within our scope 1 and 2 reduction initiatives is gaining early grid connections for our developments and limiting the use of diesel generators on site. Our electricity is purchased on REGO-backed green tariffs. Combined with the UK Government's commitment to decarbonise the grid by 2035, energy transition from burnt fuels using generators to 'mains' electricity provides significant carbon emissions savings. As part of our processes, we target getting sites connected to the grid at the earliest opportunity.

One of our sustainability actions this year is to trial the use of LPG generators. We hope to benefit from lower carbon emissions, less noise and an improvement in local air quality by emitting far less NO_x, SO_x and particulate emissions when compared with diesel. See pages 81 for our sustainability targets and actions.

HVO fuel

As part of our scope 1 emissions reduction initiatives, we previously identified the use of hydrotreated vegetable oil (HVO), which provides a significant carbon saving over regular 'white' diesel. However, the demand for HVO and the impact of the continued energy and fuel pressures have resulted in the cost of HVO soaring, making it commercially unviable on certain sites. As a result, HVO accounted for less than 1 % (2024: 1%) of total liquid fuels that we used on site during the year. We are continuing to monitor fuel costs and our fuel policy continues to favour HVO over white diesel where it is commercially viable and where we are confident that the HVO supplied is truly sustainable, ideally from certified UK feedstocks. There have been various media reports and investigations questioning the true sustainability of HVO, including deforestation impacts on developing countries, so this remains an area that we are closely monitoring.

Reduce gas on site

The change to ASHPs eliminates the need for gas on site, reducing emissions throughout the build stage and in future show homes from the use of gas. Whilst electricity will increase as a result, ASHPs are more energy efficient, and as the grid continues to decarbonise emissions will continue to reduce.

Greener car fleet

We have increased the electric and hybrid car offering on our fleet and encouraged employees to take these up. We are reviewing our policy around company cars and car allowance to further reduce emissions in future years.

Other initiatives

We continue to explore and assess other initiatives, including the use of alternative plant and machinery, reduction of energy waste and the improved positioning of site compounds as ways of reducing our emissions on sites.

▶	Sustainability Pillars
▶	Sustainability Targets
▶	TCFD
▶	SASB

Our GHG emissions in detail

The table below shows the energy usage and carbon emissions for the Group in line with the Streamlined Energy and Carbon Reporting ("SECR") requirements. Energy efficiency actions taken in the year are set out on pages 70 to 72. All energy consumption and carbon emissions originate in the UK. Our carbon emissions are calculated in accordance with the Greenhouse Gas Protocol – a Corporate Accounting and Reporting Standard.

Greenhouse gas emissions		2025 ¹	2024 ¹	2022 ^{1,2} (baseline)
Scope 1 – combustion of fuel	tCO ₂ e	3,096	3,080	3,202
Scope 2 – electricity purchased for own use (market method)*	tCO ₂ e	264	256	234
Scope 2 – electricity purchased for own use (location method)*	tCO ₂ e	414	495	511
Scope 1 and 2 GHG emissions – combustion (market method)	tCO₂e	3,360	3,336	3,436
Total Scope 1 and 2 GHG emissions – combustion (location method)	tCO₂e	3,510	3,575	3,713
GHG intensity per home sold (location method)	tCO₂e	1.96	2.02	1.86
Total Scope 1 and 2 GHG emissions – including FLAG (location method)*	tCO₂e	10,634	10,544	11,459
Scope 1 energy consumption	kWh	13,495,346	13,817,027	14,197,513
Scope 2 energy consumption	kWh	2,340,835	2,387,771	2,640,108
Scope 1 & 2 energy consumption*	kWh	15,836,181	16,204,798	16,837,621
Scope 3 (Category 1a: Purchased goods and services- product)	tCO ₂ e	83,126	79,492	87,166
Scope 3 (Category 1b: Purchased goods and services – non-product)	tCO ₂ e	207	307	489
Scope 3 (Category 2: Capital goods)	tCO ₂ e	821	923	1,346
Scope 3 (Category 3: Fuel and energy use)	tCO ₂ e	1,163	873	935
Scope 3 (Category 4 Upstream transportation and distribution)	tCO ₂ e	639	637	685
Scope 3 (Category 5: Waste generated in operations)	tCO ₂ e	48	52	114
Scope 3 (Category 6: Business travel)	tCO ₂ e	423	342	246
Scope 3 (Category 7: Employee Commuting)	tCO ₂ e	599	598	1,284
Scope 3 (Category 11: Use of sold products)	tCO ₂ e	159,124	187,474	215,145
Scope 3 (Category 12: End-of-life treatment of sold products)	tCO ₂ e	1,962	1,779	2,661
Total Scope 3	tCO₂e	248,112	272,477	310,071
Scope 3 – GHG intensity per m² of floor area	tCO₂e	1.831	2.073	2.149
Total Scope 3 (including FLAG)*	tCO₂e	251,056	275,386	313,354
Total Scope 1, 2 and 3 (excluding FLAG)	tCO₂e	251,622	276,052	313,784
Total Scope 1, 2 and 3 per m²	tCO₂e	1.857	2.100	2.175
Total Scope 1, 2 and 3 per home sold	tCO₂e	140.34	155.79	156.89
Scope 1 and 2 FLAG emissions – direct land use change	tCO₂e	7,124	6,969	7,746
Scope 3 FLAG emissions – timber	tCO₂e	2,944	2,909	3,283
Total FLAG emissions	tCO₂e	10,068	9,878	11,029

¹ We engaged Grant Thornton UK LLP to provide independent limited assurance over selected 2025 data highlighted in the above table with a * symbol using the assurance standards ISAE 3000 (Revised) and ISAE 3410. The Group's full GHG Reporting Methodology can be found at www.migleesonplc.com/sustainability

² 2022 and 2024 figures have been restated for changes suggested by the SBTi during their validation process.



Environment CONTINUED Emissions and targets

Biodiversity, waste and water

We recognise the impact that housebuilding can have on the environment. In addition to the 'carbon cost' of building and running a home, there is also the impact on the land on which a home is built. House building generates waste, consumes water and can impact biodiversity. The occupants of homes consume water and send their wastewater to the sewer system for treatment, and produce greenhouse gases through heating and power.

Our long-standing core alignment with the UN SDGs, alongside our established strategic approach to build favouring brownfield land or areas of higher deprivation, means we have already made inroads in our sustainability strategy over many years. We also increasingly utilise more innovative and sustainable solutions as they become available, both within and adjacent to our operations, to ensure we build and operate as responsibly as possible.

This year, we have placed further emphasis on improving environmental management and have recruited an Environmental Manager whilst supporting their professional development to become a Registered Practitioner through the Institute of Environmental Management and Assessment (IEMA), the global professional body for anyone working in environment and sustainability.

Waste

In the year, we diverted 98.8% (2024: 99.4%) of waste generated away from landfill through recycling or conversion to energy. We continue with our target of zero waste to landfill and we will achieve this by engaging with specialist waste management providers and implementing initiatives such as pallet repatriation, reuse of waste materials on site and engaging with our upstream supply chain to minimise incoming waste such as packaging. Over the past two years we transferred our waste services to one of the UK's largest waste service providers to provide improved waste tracking and enable us to establish waste intensity reduction targets.

Whilst we feel that diversion from landfill rates are important and is something we will continue to track, reducing waste in the first instance is more important. Therefore, for 2026, we have set a target to reduce waste generated by 10% per notional build. We continue to work with our waste service provider and supply chain partners to reduce incoming waste and maximise reuse and recycling opportunities.

During the year, our total waste amounted to 7,200 tonnes (2024: 9,622), a waste intensity of 4.0 tonnes (2024: 5.4) per home sold.

Absolute waste has decreased by 25%, and our waste intensity has decreased by 26%.



Site tour at Manor Fields,
Pinxton, Nottinghamshire

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB

Timber

We source 99.9% of the timber we use in construction from FSC or PEFC certified sources.

Water

Water stress

We typically acquire sites and build in areas of relatively low water stress, being located in the North of England and Midlands. For the year to 30 June 2025, 51% of the homes sold were in areas of high water stress. In total, 37% of plots in the Gleeson Homes land pipeline are classified as being in an area of high water stress. We do not undertake any water abstraction from ground or surface waters.

Water usage

We recognise that water is a valuable resource. This year we developed our water strategy to address our water demand and aim to reduce our reliance on licenced water supply. During the year, we undertook a water and energy efficiency campaign across the Group explaining how colleagues can help to reduce water and energy consumption, both at home and in the workplace.

We are continuing to evaluate the feasibility of incorporating grey water usage into our operating activities including rainwater harvesting and the use of surface water during construction for site processes such as dust suppression. We are working to establish the tracking of water consumption across the business with actual usage data, rather than estimates, which will aid in targeting areas of high water usage.

Water consumption	2025	2024
Cubic metres of water consumed	49,716	71,991
Cubic metres of water consumed per home sold	28	41
Cubic metres of water consumed per build site	654	911

Last year we reviewed and commenced rollout of new water fittings and sanitaryware, providing homes with dual flush toilets, low flow taps, water efficient showers and baths and water meters. As such we managed to improve water efficiency further from an average of 104 litres per person per day to 94 litres per person per day. This is 25% lower than the maximum allowance of 125 litres per person per day specified by building regulations.

We have considered the consultation to Part G of the Building Regulations to align with Defra's 'Plan for Water' to reduce water consumption in new build dwellings. The proposal is a staged reduction towards 2025, 2030 and 2035 to reduce water consumption to 105, 100 and 90 litres per person per day respectively, with a further reduction to 80 litres per person per day in water stressed areas. This means that we already satisfy the 2030 water efficiency proposals and are well on the way to satisfying the 2035 efficiency proposals.

Regenerating land

Our developments are typically located in areas where there is a need for regeneration, including areas of higher deprivation or brownfield sites that would otherwise remain unused. Four out of five of our homes sold are in the most deprived areas of the country or on brownfield land.

Our developments are sympathetic to the surrounding community, regenerating the area and providing open space for nature, amenity and wellbeing, and our biodiversity strategy and BNG commitments help to ensure that the built environment does not leave a negative impact on biodiversity and nature. The use of Sustainable urban Drainage Systems (SuDS) helps to alleviate flooding by reducing the burden on traditional drainage infrastructure whilst naturally removing pollutants (in vegetated SuDS) and providing a habitat for nature.



Homes in **harmony with nature**

Biodiversity and ecology

Our focus on building affordable, quality homes where they are needed, means that we are often building on brownfield land, which can be biologically diverse. We are mindful of the ecological impact that the clearance of land and use of natural resources in building new homes has; however, we also recognise the opportunity for nature. Nearly 5% of land use in England is for residential gardens. This provides a real, tangible opportunity to create mosaics of land to help biodiversity by planting and creating habitats for nature to thrive.

Legislative requirements

Biodiversity Net Gain requirements came into force in February 2024. From this date, our developments are required, via the Environment Act 2021, to create a measurable 10% gain to biodiversity, either through habitat retention, enhancement or creation on site, or by the funding of habitat creation offsite, and safeguard it for at least 30 years. This is referred to as Biodiversity Net Gain (BNG).

When we acquire land for development, these sites are often brownfield, including land contaminated with non-native, invasive plant species. The land has often been left for many years to naturally colonise and rewild, so it can sometimes have a high biodiversity baseline. Clearing land for remediation in readiness for construction can have an initial short-term detrimental impact on nature at the site but provide a long-term benefit and legacy. We consider biodiversity on our developments from the design stage, considering each site individually to try to retain valuable habitats as well as considering our impacts on protected species and habitats in the surrounding area. Through planning regulation and our own enhancements, we leave a net gain to biodiversity and manage any protected species, which have either been identified during ecological surveys at the pre-planning stage or during construction.

Our biodiversity strategy

Enhancements



Planting and landscape regime focused on invertebrates and pollinators. We plant trees, hedgerows and shrubs prioritising the use of native species. We only plant non-native species when they have a benefit to wildlife such as providing berries for birds or nectar for insects, or providing habitat for shelter, breeding or hibernation.



To ensure hedgehogs do not lose valuable foraging resource, we will be incorporating hedgehog highways into all new developments. Hedgehog highways are holes or gaps in fences to allow hedgehogs to pass through otherwise enclosed gardens.



Minimum 30% of homes include a bird box or bat box. We try to retain features that are of value to bats such as hedgerows and large trees, and provide insect beneficial planting.

Engaging



To ensure the work we are doing is meaningful, consistent and beneficial to nature and biodiversity, we continue our partnership with Buglife, the only organisation in Europe devoted to the conservation of all invertebrates.



We provide a bug hotel and wildflower seeds to new homeowners with their welcome pack.



An electronic guide "Attracting Wildlife to Your Garden" is provided to all customers and the wider public via our website, providing hints, tips and advice for attracting wildlife.



Environment CONTINUED Regenerating land

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB

CASE STUDY

Brownfield site



Transforming a challenging brownfield site

Macaulay Park in Grimsby showcases Gleeson Homes' ability to revitalise disused and complex land. The development was built on a large brownfield site adjacent to the former Macauley Lane landfill, long considered unsuitable for residential use. The site, previously seen as a "dead end" on Grimsby's locally renowned "road to nowhere," was transformed into a thriving community of 220 affordable homes, bringing new life to an area that had been dormant for decades.

Comprehensive land remediation and engineering solutions

Due to its proximity to the former landfill, extensive land remediation was essential. Specialist contractors removed ground contaminated with arsenic, lead and PAHs and installed gas membranes to prevent the migration of harmful gases. The site also faced significant flood risk and soft ground conditions, requiring substantial engineering interventions. Ground levels were raised using large volumes of material, and parts of the site underwent surcharging for up to 24 months to ensure stability before construction could begin. These efforts ensured a safe and sustainable foundation for new homes.



Community and environmental impact

The development was welcomed by the local council and community, who were pleased to see the land repurposed to its full potential. The adjacent former landfill was remediated as a 17-acre country park in 2014, creating a green buffer and recreational space for residents.

Macaulay Park has since become a well-regarded neighbourhood, contributing positively to the local housing supply and enhancing the surrounding environment.

Delivering affordable homes through regeneration

With a total investment of £90 million, Macaulay Park demonstrates how thoughtful planning and remediation can unlock the potential of previously unusable land. Gleeson Homes' approach not only addressed the environmental and engineering challenges, but also delivered affordable housing in a location once deemed unviable. The success of Macaulay Park highlights the value of regeneration in creating sustainable and inclusive communities.



Sustainability Materiality Assessment

In 2021, the Group undertook its first assessment to understand the most material sustainability issues relevant to our business and engaged with a number of stakeholders including shareholders, customers, employees and banks. The Group has this year re-engaged with stakeholders to understand their latest views.

The findings helped shape our sustainability strategy and enabled us to set targets and actions against our most material sustainability issues across health and safety, employee engagement, customer service and carbon emissions. Since 2021, we have shown an improvement in health and safety performance, a more engaged workforce, increased focus on customer satisfaction and we have developed a robust decarbonisation plan across scopes 1, 2 and 3 with targets validated by the SBTi to achieve near-term and net-zero carbon reduction targets.

During FY2025 we committed to undertake a new assessment to identify whether there had been any significant changes since 2021 and whether the company, and its stakeholders, identified other issues for prioritisation.

For the 2025 materiality assessment, we took a five-step approach:

1. Identify material sustainability issues

We identified 16 sustainability issues relevant to the Group. Based on an internal assessment, these were then ranked in terms of relevant importance to the Group.

2. Stakeholder engagement

Stakeholders, including shareholders, customers, employees, banks, local authorities, partnerships, suppliers and subcontractors were asked to share their views and rank the 16 identified sustainability issues. Follow-up calls with selected stakeholders were also undertaken.

3. Prioritisation and selection

Based on our internal assessment and findings from the stakeholder engagement process, five sustainability issues were identified as most material to the Group and its stakeholders:

1. Health & safety
2. Build quality
3. Affordability
4. Customer satisfaction
5. Land

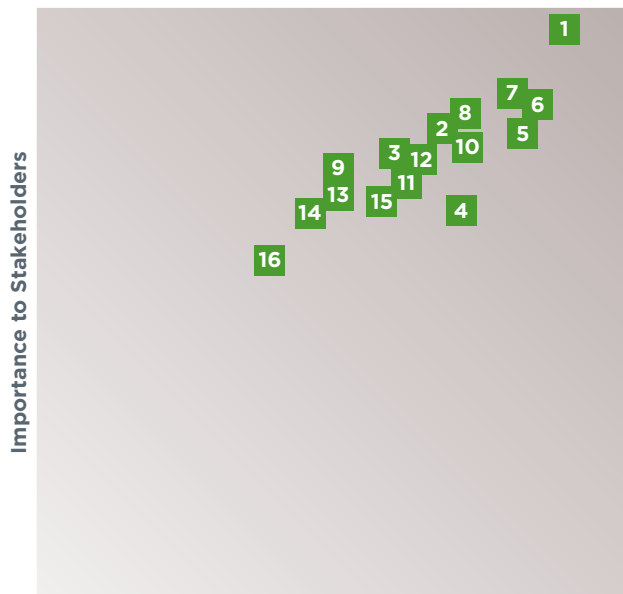
4. Integration

The five most material sustainability issues form part of the Group's sustainable business strategy and strategic priorities, approved by the Sustainability Committee and the Board.

5. Review

The importance and relevance of the five most material sustainability issues will be adjusted as necessary in response to future changes and stakeholder views.

Materiality matrix



- | | | | |
|---|------------------------------|----|---|
| 1 | Health & safety | 10 | Training & skills |
| 2 | Carbon emissions | 11 | Equality & diversity |
| 3 | Planning & government policy | 12 | Climate change adaptation & resilience |
| 4 | Land | 13 | Waste & resource management |
| 5 | Affordability | 14 | Innovation and sustainable supply chain |
| 6 | Build quality | 15 | Biodiversity |
| 7 | Customer satisfaction | 16 | Water resilience |
| 8 | Employee engagement | | |
| 9 | Wellbeing | | |

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ TCFD
- ▶ SASB

Changes from 2021

For the 2025 assessment, there has been a slight shift in priority from the 2021 assessment results. Health and safety has replaced affordability as the most material issue. Carbon emissions has dropped out of the top five material issues, which we believe is due to the progress made on our decarbonisation pathway. Land has dropped from fourth place in 2021 to fifth place in 2025. Customer satisfaction now features in the top five material issues. Further context to the top five issues is provided below.

Rank	2025	2021
1	Health & safety	Affordability
2	Build quality	Build quality
3	Affordability	Health & safety
4	Customer satisfaction	Land
5	Land	Carbon emissions

RISKS

Health & safety	Health and safety is a priority across our business and unsafe working practices, policies or procedures could result in harm to employees, subcontractors or site visitors, causing personal injury, delays in construction, additional cost, reputational damage and potentially criminal prosecution or civil litigation.	Through enhancing our health and safety monitoring and reporting, we will use this information to tackle areas that pose the highest health and safety risks. We have the opportunity to continually improve our health and safety performance.
Build quality	Our customers expect a high-quality product. If we fail to build homes that meet their expectations then it could result in defect claims, damage to brand reputation and poor sales. Maintaining a high level of build quality has a positive impact on environmental and health and safety performance, for example less waste, lower resource use and human intervention through remediation.	Through our absolute focus on quality and regular inspection processes, we are able to reduce the number of defects and any rectification work required. We see opportunity in achieving the five star HBF score as we transition to the new HBF scoring criteria based on "Build Quality" and "Service After" criteria and providing a high-quality product and service to our customers.
Affordability	Affordability is one of the main reasons our customers buy a Gleeson home. If we do not ensure our homes remain affordable it would impact on our business model and our ability to sell new homes to those who need them most, predominantly first-time buyers, lower income, or young families as well as home movers and downsizers who can benefit from our lower price points. This could impact our brand and lead to a loss of sales as customers look elsewhere.	The need for affordable housing across the UK continues to grow, which supports our unique model and sustainable business strategy. We have a significant opportunity to open more sites and expand our geographical reach to provide more people with access to safe, affordable, high-quality homes in pleasant spaces.
Customer satisfaction	A failure to build new homes to the standard and quality that our customers expect, to not treat our customers fairly, or not respond adequately to complaints or rectify defects in a timely and professional manner. Adverse publicity from perceived poor build quality would damage our reputation, lead to lower sales and impact future revenue and cash flows.	Satisfied customers are more likely to recommend Gleeson to families, friends and colleagues, which is key in the protection and strengthening of the Gleeson brand, and increasing sales. Providing additional focus on quality will help reduce defects that may occur in the first instance. However, when issues do arise, we need to deal with them promptly and professionally. We have the opportunity to continually improve the customer experience. Moving into a new home is a significant event in any person's life and can be stressful. We need to ensure that this process is as smooth and as pleasant as possible, guiding the buyer along the way into their new Gleeson home.
Land	Land is a fundamental component of our business and the risk of new sites not being available to acquire at a low cost and in areas in need of regeneration could impact the success of the Gleeson Homes' model and its ability to open new sites. The availability of high-quality, well-located land in the South of England is also fundamental to the success of Gleeson Land, without which future sales would be restricted.	Through continued focus on low-cost land opportunities in areas often not viable for other housebuilders, we keep our land costs low and ensure that our homes remain affordable. We see continued low-cost land opportunities in our target geographical areas. We have proactive land searching capabilities and continue to identify new land opportunities across the South of England for promotion by Gleeson Land.

Sustainability Targets

PROGRESS AGAINST OUR 2025 IMPROVEMENT TARGETS

In our Annual Report last year, we set out a number of ambitious sustainability targets. Our progress against these targets and actions is set out below.

Health and safety incident rate (“AIIR”) will be lower than 220 (HBF average last three years)

NOT MET

Our AIIR for the year to 30 June 2025 was 240, which is above the HBF three year average AIIR of 220.

2025 ACTIONS	UPDATE	RESULT
We will achieve an average SHE Site Inspection score of at least 85%.	The average SHE site inspection score was 89%.	
We will launch a digital Contracts Manager site SHE audit tool to focus on emerging risks, using our SafetyCulture platform, and implement this across all regions.	During the year the SHE audit tool was launched and fully implemented across the business.	
Each regional office will deliver a trade specific supply chain H&S seminar every three months covering groundwork, scaffold, joinery, roofing.	Unfortunately this action is only part completed. We have provided seminars to two of the trades, groundworks and joinery. Scaffolding and roofing will be undertaken in FY2026. This action will be carried over for 2026 actions.	
Spill response refresher training will be undertaken by all Gleeson site management and site telehandler operators.	Unfortunately, this action has not been completed. Therefore this action will be carried over as a 2026 action.	
We will implement JCB Livelink across all sites, to provide real-time health, safety and energy efficiency monitoring across the forklift truck fleet.	During the implementation process, we experienced technical and connectivity issues which compromised real time data accuracy and timings. We therefore reverted to working from the data updates provided by JCB to monitor health, safety and environmental factors.	

We will maintain our five-star status with a 90% or above customer recommendation score

NOT MET

We achieved an independently assessed customer recommendation score of 89% (four star equivalent) (2024: 95%). This performance was measured using a combined score taken from four week surveys, and the newly introduced seven month survey. The seven month survey was introduced for 2025 in preparation for the HBF/NHBC scoring changes which see the NHBC scoring extended to take into account customer sentiment over a longer period post completion.

Whilst the combined score is marginally below the 90% target, for the four week score in isolation (equivalent to our FY2024 measure) we did achieve a five star equivalent score of 92%, but this was negatively impacted by the seven month surveys which scored 84%.

2025 ACTIONS	UPDATE	RESULT
We will improve defects closed within 30 days to above 80%.	Despite improving year on year, we failed to meet this target achieving only 76% (2024: 73%) within 30 days.	
We will improve CML to Legal Compliance (21 days) by 10% to support final finish quality.	CML to legal compliance completion improved by 11%.	
We will implement a digital Quality Control Plot Book to all sites and regions during the year to drive quality control improvements.	Our digital Quality Control Plot Book has been implemented across all developments. This is an important tool in monitoring the quality of our homes.	
In order to drive improved quality and service, we will deliver a focused incentive scheme.	A focused incentive scheme has been implemented to help improve focus on quality and service.	
We will implement a tracker focused on build quality KPIs, to collate, monitor and share performance across the regions.	Our build quality performance tracker was implemented to share performance across all regions.	

- ▷ Sustainability Pillars
- ▷ Sustainability Targets
- ▷ TCFD
- ▷ SASB

Our employee engagement will be maintained in the upper quartile of all companies

MET

Our independently assessed employee engagement score was 84% this year. This places Gleeson in the upper quartile of all UK companies surveyed.

2025 ACTIONS	UPDATE	RESULT
We will maintain four stars on Glassdoor employer ratings.	Our Glassdoor rating has remained consistently above four star throughout the year and we finished the year at 4.4 stars.	✓
We will achieve voluntary staff turnover rate of less than 22%.	Despite improved engagement across the business to understand and address any issues raised, our voluntary attrition rate for the year was 23%. Therefore this action has not been met.	✗
We will undertake a full review of gender and ethnic diversity across the Group and deliver a strategy to ensure a greater representation of the communities in which we operate.	We have reviewed our gender & ethnic diversity and communicated this to all employees at our Annual Roadshow along with our plans to improve diversity. We launched an EDI strategy and trained our senior leaders.	✓
More than 10% of roles in the workforce will be apprenticeships, trainees or graduates.	During the year, Gleeson had 11.8% of the workforce on 'earn and learn' schemes consisting of apprentices and sponsorships.	✓
All employees will receive an average of three training days per annum.	We are pleased to have provided 3.3 days per employee during the year, which helps to upskill and retain talent.	✓

We will achieve Science Based Targets validation by 2025 for near-term and net-zero targets

MET

We received successful validation of near-term (2032) and net-zero (2050) targets against a 2022 baseline year in May 2025.

2025 ACTIONS	UPDATE	RESULT
We will finalise and publish our science based roadmap to achieve near-term and net-zero targets.	Our decarbonisation roadmap to achieve SBTs has been completed, resulting in validation of SBTs. This can be found on page 66.	✓
We will deliver an energy and water efficiency awareness campaign across the Group and investigate and maximise efficiency opportunities.	During the year, we delivered a 'Power down, save up' campaign to conserve energy and water across the business by creating desktop infographics on computers and smartphones, and strategically placed posters.	✓
We will deliver 250 hours of sustainability-themed training during the year.	We have fallen short on this target, but have still delivered 206 hours through webinars and targeted professional development.	✗
We will engage with and provide learning pathways for ten of our largest groundworkers, covering all regions, to upskill and become Bronze members of the Supply Chain Sustainability School.	We have developed learning pathways for our ten largest groundworkers, however with only limited uptake. This will be carried over and become a key area of focus for FY2026.	✗
Working with our waste partner and supply chain we will develop a waste optimisation programme across operations and establish waste intensity reduction targets.	Significant progress has been made with our waste service provider along with the improvement of many internal control procedures.	✓
We will develop a transition plan for company cars to phase out ICE vehicles by 2032.	We have worked with our company car provider to develop a revised company car offering and transition plan. We are well on track to phase out ICE vehicles from our fleet by 2032.	✓

Sustainability Targets CONTINUED

OUR SUSTAINABILITY TARGETS FOR 2026

Health and safety incident rate ("AIIR") will be lower than 214

(HBF average last three years)

ACTIONS:

- We will introduce revised performance parameters for our HomeSafe Site Inspection reporting across the business, with improved root-cause and close-out process for all inspection findings.
- We will develop and roll-out specific HomeSafe campaigns across the group to provide increased focus on scaffolding, pedestrian & traffic management, and housekeeping.
- We will provide additional health and wellbeing support by providing medical assessments for all Gleeson telehandler operators.
- We will implement a revised drug and alcohol policy and, throughout the year, undertake random drug and alcohol testing across 10% of the workforce.
- We will deliver an enhanced environmental auditing process utilising our SafetyCulture platform which will help in reducing risk and ensuring compliance with environmental policies and procedures.
- All Gleeson Homes Executive Leadership Team members will complete CITB Directors Role for H&S training.

We will reduce scope 3 emissions by >20% over the next three years to 1.393 tonnes per m² floor area of homes sold by FY2028

ACTIONS:

- We will reduce waste intensity by 10% per m² of notional/equivalent completions.
- We will deliver a waste and resource management programme throughout the year to optimise waste and increase recycling.
- We will trial an LPG generator for use in site offices to reduce scope 1 carbon emissions and reduce the potential for noise and air pollution.
- We will deliver 250 hours of sustainability themed training throughout the year.
- We will undertake a site-based environmental risk campaign to reinforce early risk identification and risk management/mitigation (graphics campaign & learning sessions).
- We will engage with our top ten largest groundworkers to complete their allocated learning pathways, which were established in 2025, and become minimum Bronze members of the Supply Chain Sustainability School.

Our employee engagement will be maintained in the upper quartile of all companies within the construction and civil engineering sector

ACTIONS:

- We will maintain 4 stars or above on Glassdoor employer ratings.
- We will achieve a voluntary staff turnover rate of less than the industry average.
- We will continue to deliver a comprehensive Equity, Diversity and Inclusion strategy to create a greater representation of the communities in which we operate.
- More than 10% of roles in the workforce will be apprenticeships, trainees or graduates.
- Employees will receive an average of 3 training days per annum.
- We will continue to deliver a comprehensive campaign and implement a working group to improve financial, physical, mental and workplace wellbeing.

We will achieve an inaugural four star HBF score as we transition to the new HBF scoring criteria (based on "Build Quality" and "Service After" criteria)

ACTIONS:

- We will update and deliver refresher training on "Customer First", our internal guide to delivering a 5* customer experience, to all key build, sales and customer care staff.
- Review the groups "Customer Care" model and processes to free up site time to deliver high quality of build.
- We will achieve 80% of defects closed out within 30 days.
- We will deliver incentive schemes to include HBF response rates as a criteria and maximise happy customer response rates.

 SUDs Basin
at Harriers Croft, Lincolnshire



Task Force on Climate-Related Financial Disclosures (TCFD)

The Financial Stability Board created the Task Force on Climate-related Financial Disclosures ("TCFD") to improve and increase reporting of climate-related financial information.

Responding to the TCFD requirements, we aim to continually enhance our disclosures in line with its recommendations and market practice. We also disclose climate-related governance, strategy, risk management and metrics as part of the Carbon Disclosure Project ("CDP"). In preparing this statement, we have used the TCFD framework in line with the Financial Conduct Authority requirements for listed companies (Listing Rule 6.6.8R).

The Company is consistent with paragraph 8(a) of Listing Rule 6.6.6R, which requires that listed companies must include in their annual financial report a statement setting out whether the listed company has included climate-related financial disclosures consistent with the TCFD Recommendations and Recommended Disclosures in that financial report.

Timeline on climate progress

First included Waste management, Timber policy and Greenhouse gas reporting in the Corporate Social Responsibility section of the Annual Report		Appointed Group Sustainability Manager and created a Sustainability Action Team and Climate Action Team. First public disclosure of detailed analysis on Climate Scenarios		Obtained assurance over our GHG baseline year. Submitted our near-term and net-zero targets to the SBTi for validation		SBTi near-term target	
2014	2021	2022	2023	2024	2025	2032	2050
	First public disclosure of TCFD. First disclosure of scope 3 emissions. Implemented first trials of air-source heat pumps and 100% of electricity used in show homes, sales offices and site cabins was sourced from zero carbon sources		Submitted our letter of commitment to the Science Based Targets initiative. Appointed a Senior Ecologist to further develop our biodiversity and ecology strategies		Validation of SBTi targets. Future Homes Standard introduced		SBTi net-zero target. Paris agreement and UK target for net-zero

Governance

The organisation's governance around climate-related risks and opportunities.

Board

The Board has ultimate responsibility for climate-related risks and opportunities, with day-to-day control over responding to climate-related risks and wider sustainability targets managed by the Executive Directors.

Any amendments to business strategy, or significant changes to day-to-day operations of the business, require approval from the Board. In addition, long-term targets and external commitments require Board approval before announcement and becoming part of the ordinary course of business.

The Board receives information on a regular basis covering business performance, health and safety, customer satisfaction and sustainability. Updates also include any technical specification changes, including changes to house designs to comply with building regulations and/or improve environmental performance.

The Executive Directors, and the Board above certain set limits, have responsibility for the approval of all land purchases. As part of the investment appraisal process, climate-related considerations are presented as part of the approval process and included in the cost plan for the development. These include factors such as land remediation, flood mitigation, biodiversity requirements, landscaping and other environmental impacts.

- ▷ Sustainability Pillars
- ▷ Sustainability Targets
- ▷ TCFD
- ▷ SASB

Governance

The organisation's governance around climate-related risks and opportunities.

Audit Committee

The Audit Committee is responsible for reviewing and approving the content of the Annual Report including the TCFD, SASB and GHG disclosures. In addition, the Audit Committee reviews and approves the Group's CDP climate submission, which outlines what we are doing as a Company to address climate-related risks and opportunities.

The Audit Committee are regularly updated with amendments to disclosure requirements on financial reporting and disclosure considerations in respect of climate change.

The Group's sustainability disclosures, including TCFD and SASB, are reviewed as part of the external audit, the results of which are reported to the Audit Committee. Additional assurance over GHG disclosures has been obtained over the 2022 baseline year and our 2025 GHG emissions.

Sustainability Committee

The Sustainability Committee is responsible for assessing the sustainability aspects of the business strategy and ensuring that the Group's sustainability targets align. The Sustainability Committee also makes recommendations to the main Board on strategic developments that address sustainability risks and opportunities, in particular those relating to climate change.

The Sustainability Committee meets regularly throughout the year to ensure that sustainability risks and opportunities are reviewed regularly, emerging risks and opportunities are identified, and mitigation plans are developed where needed.

The Group Sustainability Manager is responsible for maintaining the environmental risk register and reports any updates to the Sustainability Committee as part of the Group's risk management framework.

The Sustainability Committee monitors performance against sustainability targets and approves the targets and actions used for measuring performance on an annual basis.

Remuneration Committee

The Remuneration Committee is responsible for determining remuneration policy and targets including how sustainability metrics are taken into consideration when determining incentive decisions.

The Committee contributes to setting the targets of the Executive and operational directors throughout the business and, where appropriate, these are linked to performance against sustainability targets.

ESG performance indicators are used to measure performance against these targets and, subsequently, remuneration is awarded in relation to performance against these targets. For more information on how sustainability factors are considered in Executive remuneration, refer to the Annual Report on Remuneration on pages 140 to 151.

Nomination Committee

The Nomination Committee is responsible for ensuring that the Board structure, size and composition (including the skills, knowledge and experience of Board members) is adequate to support the Group in its growth and sustainability ambitions. The Committee considers the risks and opportunities facing the Group, and the skills and expertise that are therefore needed on the Board.

James Thomson notified the Board that he wished to resign as Chair with effect from 23 April 2025. Fiona Goldsmith, Senior Independent Director, adopted the role of Chair, as well as Chair of the Nomination Committee. For more information on the Board of Directors, refer to pages 110 and 111.

Task Force on Climate-Related Financial Disclosures (TCFD) CONTINUED

Strategy

The actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.

Climate change has the potential to significantly impact our business strategy through changes in regulation, government policy, stakeholder expectations (transition impacts) and the direct effects of climate change such as more frequent adverse weather events, loss of developable land and the impact on biodiversity and the wider natural environment (physical impacts).

Our commitment to align our carbon reduction targets with the SBTi and a 1.5°C climate scenario is reflected in our review of the resilience of the Company's strategy towards climate-related risks. Included within our carbon reduction modelling, we have considered the reliance on emerging technologies, engagement with supply chain and market expectations whilst balancing the risks of emerging regulations and failure to adapt to a low carbon economy. Despite the transitional challenges associated with committing to a carbon reduction target aligned to a 1.5°C scenario, these are likely to be lesser than the potential impact of the physical effects of climate change in a 4°C scenario.

During the year, we have used the process of scenario planning to aid our assessment of climate-related risks and opportunities and the potential impact on the Group, its strategy and any financial impacts. Details of the scenarios analysed can be found on pages 88 and 89.

Risk definitions

When assessing climate-related risks and opportunities we use the following criteria to ensure that the assessment is reflective of the operating activities of the Group.

Risk term	Impact	
Short term: 0–3 years	Low impact: £0.5m	The risk term is aligned to the majority of climate-related frameworks, in particular the Science Based Targets initiative (SBTi). The impact is aligned to the risk assessment methodology used by the Group for all principal and emerging risks as set out in Risk Management on pages 38 to 43. Impact is combined with likelihood to give an overall risk score.
Medium term: 4–10 years	Moderate impact: £1.5m	
Long term: 10+ years	High impact: £10m Catastrophic: £30m	

With a low appetite for climate-related risks, the Board prioritises minimising the environmental impact of the Group's operations, carefully balancing this goal with cost considerations. The Group also invests in a strong control framework to ensure consistent and high-level compliance with environmental regulations.

Impact on financial statements

Transition costs for the latest building regulations, such as Part L (Conservation of heat and power), have been included in the valuation of inventory and subsequently reported within cost of sales. Similarly, Biodiversity Net Gain costs are integrated into initial site budgets and subsequent valuations. If estimated completion costs change and affect a site's margin forecast, the adjustment is applied to all remaining plots (see note 1 – accounting policy for Inventories on page 185 for further details).

For every potential development site, a flood risk assessment is conducted. Where mitigation measures are necessary, the associated costs are factored into the site valuation and the estimated costs to complete. This inclusion affects the forecast site margin and is reflected in the cost of sales as plots are completed over the life of the site. As the owned land bank within Gleeson Homes covers a period of four years, we have assessed that it is unlikely that the flood risk of these sites will change in this timeframe and therefore no impairment of owned land has been identified.

Within the Gleeson Land division, the land portfolio is more strategic and therefore flood risk can change over a longer period of time as regional flood models are updated, including from the effects of climate change. Each site is individually reviewed at the period end based on its planning prospects and viability. Where these have been adversely impacted by a change in flood risk or any other impact, then a provision is recorded to write down the value of inventory in line with the Group's accounting policy.

Strategy

The actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material.

Going concern and viability statements

In preparing the Annual Report, the Group is required to assess whether there are any material uncertainties over its ability to operate as a going concern (see note 1 – Going concern on page 183 for further details). In addition to this, the Group is required to assess the potential impact on the operations of the Group over the longer term for disclosure in its viability statement on page 117. To meet these requirements, the Group has sensitised its financial forecast to incorporate the potential impacts of a severe but plausible downturn over the three years to June 2028.

The Group's forecasts, used for going concern and viability assessments, fully incorporate the anticipated costs of transitioning to meet government policies for Future Homes Standards and Biodiversity Net Gain, as well as the cost of identified lower carbon technologies outlined in the scenario analysis. The impact of the climate-related risks identified have been considered, but would not have a material impact over the viability period on the Group's ability to continue in operation.

Risk Management

How the organisation identifies, assesses, and manages climate-related risks.

The Board has overall responsibility for the Group's management and assessment of risks, supported by the Audit Committee. The Group risk register is formally reviewed by the Audit Committee at the majority of its meetings, including consideration of emerging risk areas or changes to existing risks. Climate change and sustainability have been identified as principal risks for the Group. Find out more on page 43.

The Group's risk management framework includes a separate environmental risk register, which includes key climate-related and other environmental risks for the business. The environmental risk register identifies both principal and emerging risks and informs a formal risk assessment process that considers the likelihood and impact of the identified risks together with any mitigating controls that are already in place or planned. This position is reviewed by the Sustainability Committee as part of its review of the environmental risk register.

Any changes to risk scores on the environmental risk register are considered in the context of the Group risk register in respect of the principal risks of climate change and sustainability. Proposed changes are reported to the Audit Committee and Board as part of its monitoring of principal and emerging risks at a Group level.

We determine climate-related risks using our risk management framework outlined on page 38. The risk assessment process considers both the quantifiable and qualitative aspects to determine the estimated impact of each identified risk or opportunity. Quantitative materiality thresholds are established based on the range defined by our external auditors and our internal risk management framework. Risks and their potential impacts are assessed according to their expected timeframe.

Sustainability Committee

The Sustainability Committee met three times in the year and the review of the environmental risk register is a standing agenda item for each meeting.

The Committee members are responsible for reviewing the risks and opportunities identified, along with their inherent risk scores, any mitigating actions and the mitigated risk scores. The Group Sustainability Manager is responsible for the day-to-day maintenance of the environmental risk register, which identifies risks covering key climate-related and other environment risks for the business.

Task Force on Climate-Related Financial Disclosures (TCFD) CONTINUED

Key climate-related risks

Risk	Scenario analysis
Changes to government policies Adapting our home specifications to comply with new building regulations or planning policies may result in higher technical, design, and/or build costs.	Potential impact: £15m – £30m cost of sales over life of developments The scenario modelled has taken the increase in cost of recent changes in building regulations (including Part F, L, O, S and Z) and extrapolated over forecast unit sales.
Emerging technologies Our long-term carbon reduction strategy depends on the advancement of new technologies and modern methods of construction. For these to be effectively integrated into our business model, they must be readily accessible, cost-effective and supported by a suitable skilled workforce within the industry.	Potential impact: £15m – £30m cost of sales over life of developments The scenario modelled has taken the increase in cost of identified low carbon alternatives to traditional building materials and applied this to forecast unit sales.
Supply chain A key component of our carbon reduction strategy is the contribution of our supply chain in reducing the embodied carbon of materials and the emissions generated during construction. Failure of our supply chain to decarbonise could potentially result in us not achieving our scope 3 carbon reduction targets. There is also likely to be an increase in cost for using lower carbon alternatives.	Potential impact: £15m – £30m cost of sales over life of developments The scenario modelled has taken our current supplier spend split between materials and subcontractors and uplifted this to incorporate the increase in costs for lower carbon materials, fuels and more efficient plant and machinery.
Carbon pricing Government legislation designed to encourage industries to take climate action and reduce their carbon footprint can, directly or indirectly, increase material costs and our cost base.	Potential impact: £10m – £15m cost of sales over life of developments The scenario modelled has used a carbon price between £50–100 per tonne and applied this to projected scope 1 and 2 emissions and embodied scope 3 emissions.
Stricter planning requirements Government and local authorities are more stringent in their planning and site infrastructure requirements. This includes requirements around biodiversity net gain, which could make land development opportunities, in particular brownfield sites, which have been rewilded, economically unviable.	Potential impact: up to £5m cost of sales over life of developments The scenario modelled was performed by reviewing our current pipeline of sites for their estimated biodiversity credit requirements, combined with an average cost per biodiversity credit for forecast site acquisitions.
More frequent adverse weather events Increased frequency of adverse weather, including heat, cold, rain and storm risks disrupting our on-site build activities, potentially leading to safety issues, site damage and delays in our growth plans.	Potential impact: £15m – £30m cost of sales over life of developments The scenario modelled assumes adverse weather events to become more frequent, the cost of build disruption to increase as a result of more storm damage and considers the delay in house sales and other associated costs.

Key – Risk rating

L Low

M Medium

H High

▶ Sustainability Pillars
 ▶ Sustainability Targets
 ▶ TCFD
 ▶ SASB

Mitigating actions	Risk rating	Timeframe
Our Group Technical Director sits on the Home Builders Federation ("HBF") Technical Committee and the Future Homes Hub, and attends NHBC Building for Tomorrow events to ensure we are aware of upcoming regulatory amendments and to share industry perspectives on potential challenges.	H 1.5°C – 2°C scenario	Short – Long term
Our proactive approach to reducing carbon emissions in our homes includes the continuous review of materials used in their design, achieved through the engagement with our supply chain and participation in housebuilding industry conferences to identify lower carbon alternatives. We review our on-site activities to identify significant sources of emissions and create action plans aimed at reducing them. We frequently pilot carbon-saving initiatives on our sites to evaluate their effectiveness before implementing them as "best practice" across the Group.	M 1.5°C – 2°C scenario	Medium–Long term
We inform our supply chain about our carbon reduction plans to work together in identifying lower carbon alternatives, fuel conservation methods and strategies for reducing waste. When onboarding new suppliers, we request sustainability reports and carbon reduction strategies so that we can collaborate on identifying more sustainable sourcing options. Our partnership with the Supply Chain Sustainability School provides us with additional tools to engage with our supply chain and raise awareness of sustainable practices in the industry.	M 1.5°C – 2°C scenario	Medium–Long term
By committing to targets validated by the SBTi and aligned to the 1.5°C scenario we are able to demonstrate our carbon reduction commitments and mitigate the impacts of carbon pricing.	M 1.5°C – 2°C scenario	Medium–Long term
The process of acquiring land for development includes thorough due diligence to ensure that sites comply with relevant regulations and government policies as well as meeting our internal rates of return. Financial forecasts include the costs associated with complying with planning requirements such as biodiversity net gain, mitigating flood risk and planning specific requirements such as electric vehicle charging points and lower water usage technologies, particularly in areas of high water stress.	M 1.5°C – 2°C scenario	Medium–Long term
In severe weather, warnings about potential risks are issued, along with instructions to follow company adverse weather procedures. Equipment and temporary structures are checked to ensure they are secure and stored to prevent any damage. Where weather is extreme, sites may be closed until the site returns to suitable working conditions. In cases of extreme rainfall, we implement mitigation procedures to comply with environmental regulations regarding water run-off and its effect on the local environment.	M 4°C scenario	Medium–Long term

Task Force on Climate-Related Financial Disclosures (TCFD) CONTINUED

Key climate-related opportunities

Opportunity	Category	Timeframe	Actions
Energy-efficient homes By designing homes with high thermal efficiency, we ensure that running costs remain affordable for our customers. Our homes' energy efficiency enables customers to qualify for green mortgages, potentially offering them lower interest rates.	Transition opportunity	Short-term	We highlight the benefits of buying our energy-efficient new build homes to our customers. Using actual energy consumption data, we compare the typical energy usage of our homes against that of existing housing stock to illustrate the potential for energy savings. We communicate with our customers to explain how their new home can support them living a sustainable lifestyle.
New technologies We regularly review the specification of our homes to ensure that our offering meets the needs of our customers. We aim to incorporate the latest technologies into our homes wherever possible, so our customers can benefit from stylish, modern living.	Transition opportunity	Short-medium-long term	We actively seek new technologies that empower our customers to live sustainably by continuously reviewing home design materials in collaboration with our supply chain and by attending relevant house building conferences. We review the specification of our homes and optional extras on a regular basis so that customers can tailor their home to their needs.
Supply chain By engaging with our supply chain to align sustainability strategies, there is the opportunity to unlock benefits for both us and our supply chain in reducing operational costs as well as carbon emissions.	Transition opportunity	Short-medium-long term	We engage our supply chain in discussions about our carbon reduction plans to collaboratively explore lower carbon alternatives, fuel conservation methodologies and waste reduction strategies. As we onboard new suppliers, we request their sustainability reports and carbon reduction strategies to explore opportunities for more sustainable sourcing together. Our partnership with the Supply Chain Sustainability School provides us with additional tools to engage with our supply chain and raise awareness of sustainable practices in the industry.
Stakeholder engagement Setting carbon reduction targets strengthens our relationships with stakeholders and enhances our reputation as a responsible housebuilder. There may be an opportunity to benefit from cheaper finance based on our sustainability performance through sustainability-linked finance.	Transition opportunity	Short-medium term	As we develop our long-term carbon reduction targets and have these validated by the Science Based Target initiative, it will support our reputation as a sustainable business. This is important to our customers, staff, communities and with government and regulators, suppliers and contractors. There may also be an opportunity to obtain more competitive loans linked to sustainability covenants.

- ▶ Sustainability Pillars
- ▶ Sustainability Targets
- ▶ **TCFD**
- ▶ SASB



The Rowans,
Wigton, Cumbria



Metrics and targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Climate-related metrics and targets

Our climate related metrics and targets are set out in our Environment report on pages 66 to 77, which includes full disclosure of the relevant scope 1, 2 and 3 emissions under the Greenhouse gas protocol, and additional metrics related to waste, water use, energy performance certificates, biodiversity and land use.

These are the key metrics used to assess the risks related to government policies, emerging technologies, supply chain and carbon pricing. These are monitored alongside new building regulations, including through our participation in the Future Homes Hub and work with the Supply Chain Sustainability School.

Metrics around stricter planning requirements are monitored on a site by site basis, with biodiversity assessments carried out on each site. Whilst we don't monitor specific weather events, build programmes are constantly monitored, and we track data related to water stress, energy performance certificates, flood zones and site design through our SASB reporting as set out on pages 92 to 97.

We set climate related targets, and have submitted near-term and net-zero targets to the SBTi which we will report against in future periods. Progress against our climate related targets is set out on page 81 and targets for the coming year are set out on page 82.

Sustainability Accounting Standards Board (SASB)

Land use and ecological impacts

SASB CODE/ CRITERIA

OUR APPROACH

IF-HB-160a.1

Number of (1) lots and (2) homes delivered on redevelopment sites

In the year to 30 June 2025, we added 1,259 (2024: 1,450) brownfield land plots to our land pipeline. This accounted for 30% (2024: 32%) of plots acquired in the year. The total number of brownfield plots held at 30 June 2025 was 6,401 (33%) (2024: 6,518, 34%).

In the year to 30 June 2025, we had 704 (2024: 793) home sales on brownfield sites. This accounted for 39% (2024: 45%) of our total annual completions.

Notes: We consider brownfield land to include sites upon previously developed land, below ground disturbance (including mining or waste disposal) or land that contains contamination from previous use.

IF-HB-160a.2

Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress

In the year to 30 June 2025, we acquired 1,297 plots in regions of serious water stress. This accounted for 31% of plots acquired in the year (2024: 1,287 plots, 28%). The total number of plots in areas of serious water stress at 30 June 2025 was 7,242, 37% of the pipeline (2024: 7,160, 37%).

In the year to 30 June 2025, we had 920 (2024: 795) home sales in areas of serious water stress. This accounted for 51% (2024: 45%) of our total annual completions.

To report the figures above, we use reports produced by the Environment Agency ("EA") who present the classification of areas of water stress on a "Serious" or "Not Serious" scale.

Notes: Serious water stress is defined as "the current household demand for water is a high proportion of the current effective rainfall which is available to meet that demand; or, the future household demand for water is likely to be a high proportion of the effective rainfall which is likely to be available to meet that demand".

The water stress method takes a long-term view of the availability and demand for public water supply, rather than a snapshot of shorter or peak periods. It accounts for future population growth, climate change, environmental needs and increased resilience. It reflects and supports the commitments that water companies have made to reduce leakage and water consumption.

IF-HB-160a.3

Total amount of monetary losses as a result of legal proceedings associated with environmental regulations

We incurred no monetary losses in relation to environmental matters in the year.

IF-HB-160a.4

Discussion of process to integrate environmental considerations into site selection, site design, and site development and construction

Site selection

We operate a "gateway" procedure in our site acquisition process to ensure that each site meets our hurdles at various stages throughout the purchase. At the earliest step, gateway 1, a site will be reviewed at a high level to ensure that it meets our guiding core principles and requirements; of particular importance at this stage is our objective to bring forward development of affordable homes on mostly brownfield sites or sites in areas of deprivation, in a manner which safely and sustainably returns sites back into meaningful use, whilst simultaneously alleviating any environmental issues which may have been left behind by previous landowners. On clearing this hurdle, further due diligence is carried out by our in-house teams including the production of an appraisal document, which carries a checklist to prompt consideration of all factors affecting sustainable development including matters of contamination, noise, odour, impact on ecology and biodiversity, proximity to transport links and local facilities.

- ▷ Sustainability Pillars
- ▷ Sustainability Targets
- ▷ TCFD
- ▷ SASB

Land use and ecological impacts

SASB CODE/ CRITERIA

OUR APPROACH

IF-HB-160a.4 CONTINUED

Site design

We work with a panel of partner architects to ensure that our designs accord with National and Local Planning Policy and Guidance, whilst providing a development where our customers want to live, and which is sympathetic to existing constraints including existing local infrastructure. Through the planning process we will procure the expertise of third-party consultants in various technical disciplines including all aspects of environmental assessment to ensure that any constraints are appropriately integrated into our designs, or appropriate mitigation measures are identified in order to bring forward appropriate and sustainable development.

When designing the layout for our sites we undertake an initial assessment of development schemes using the generic Dwelling Emission Rates in order to improve energy efficiency of each type through orientation and plotting. This assessment considers landform, layout, building orientation, landscaping and other surrounding features of each home. All of our homes have driveways for off-street parking and outdoor garden space for customers to enjoy.

An ecology assessment is performed at the design stage, with our in-house ecologist feeding into designs and making recommendations for areas to be retained, protected and enhanced to integrate biodiversity into the development.

Site development and construction

Material selection is carefully considered during the construction of our homes as the specification and quality of build materials can directly influence the projected CO₂e emissions. All of our properties are currently built with traditional cavity wall construction, thermally-efficient light aggregate blocks and high-performance insulation within the cavity.

We are working with our suppliers to identify low carbon alternatives to the traditional construction materials in our commitment to reducing the embodied carbon emissions of our homes. As we develop our long-term carbon reduction strategy we are reliant on modern construction materials that can support our sustainable growth ambitions whilst reducing our carbon footprint.

Where contractors are required to source materials for key building elements, we stipulate that they use suppliers capable of demonstrating certification to high tier levels in the Chain of Custody certification process, e.g. FSC & PEFC sourced timber. Our supplier code of conduct requires all supply chain partners to adhere to various requirements relating to good governance, environmental protection, and human rights and workers rights, underpinned by the ten principles of the United Nations Global Compact.

We engage with our supply chain using the tools from the Supply Chain Sustainability School to raise awareness of environmental and climate-related issues and how we can collectively achieve best practice.

We take waste management very seriously and the segregation of all waste materials is paramount in reducing the amount of waste taken to landfill. This is managed by having the following procedures in place:

- Target benchmarks for resource efficiency set in accordance with best practice.
- Procedures and commitments to minimise non-hazardous construction waste at design stage.
- Procedures for minimising hazardous waste.
- Monitoring, measuring and reporting of hazardous and non-hazardous site waste production according to the defined waste groups.
- Diversion of waste from landfill should adhere strictly to the principles of the waste hierarchy of prevent; reuse; recycle; recover; disposal.

Our site operations report their fuel consumption by type of plant and machinery on a monthly basis so we can identify and target any inefficiencies within our construction activities. In response to capturing this data we replaced our entire fleet of forklift trucks with newer, more efficient models, which incorporate start-stop technology and telematics reporting for further data capture.

We also have a number of initiatives ongoing in order to reduce the environmental impact of our sites, with further details on pages 70 to 72.

Sustainability Accounting Standards Board (SASB) CONTINUED

Workforce health and safety	
CODE/SASB CRITERIA	OUR APPROACH
IF-HB-320a.1 (1) Total recordable incident rate ("TRIR"); and (2) fatality rate for (a) direct employees and (b) contract employees	We measure health and safety performance using an Annual Injury Incidence Rate ("AIIR") metric. Our AIIR for reportable injuries per 100,000 employees and contractors was 240 in 2025 (2024: 166). The industry average for the house building sector was 222 (2024: 183) (Source: Home Builders Federation). In the year we reported four RIDDOR incidents (2024: three RIDDOR incidents). Further details are set out on page 80. There were no fatalities. Notes: Reportable injuries are aligned to the UK's Reporting of Injuries, Diseases and Dangerous Occurrences Regulations ("RIDDOR"). The figure reported is the consolidated figure for all direct employees and contractors. AIIR measures RIDDORs per 100,000 employees and is the UK equivalent to TRIR.
Design for resource efficiency	
CODE/SASB CRITERIA	OUR APPROACH
IF-HB-410a.1 (1) Number of homes that obtained a certified residential energy efficiency rating and (2) average score	The Energy Performance Certificate ("EPC") is the UK residential energy efficiency rating. Of our homes, 96.1% achieve an EPC rating of B or higher due to efficient design and build characteristics in each of our standardised house types (2024: 95.4%).
IF-HB-410a.2 Percentage of installed water fixtures certified to a water efficiency standard	All our homes are fitted with dual-flush toilets, low-flow taps and showers and water meters. They are designed to achieve an internal water use of less than 100 litres per person per day; the specification for sanitary ware and fittings to be used throughout the homes has been modified to suit this requirement. This is 12% lower than the maximum allowance specified by building regulations, saving both natural resources and our customers' money on their water bills. We continue to collaborate with our supply chain to identify innovative products that reduce the water consumption of our homes.
SASB CODE/ CRITERIA	OUR APPROACH
IF-HB-410a.3 Number of homes delivered certified to a third-party multi-attribute green building standard	All of our homes are subject to UK building regulations, which include standards for energy and water efficiency as detailed in criteria IF-HB-410a.1 and IF-HB-410a.2. There are no widely-adopted green building standards that outline specification or sustainability credentials of homes in the UK. The historic Code for Sustainable Homes was withdrawn by the Government with the view that these requirements would be embedded into the latest building regulations.

SASB CODE/ CRITERIA

OUR APPROACH

IF-HB-410a.4

Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers

Throughout the design stage of our homes, we apply a 'fabric first' approach to energy efficiency by bringing together a house type range and specification designed to reduce the consumption of energy by the homeowner. An energy consultant is appointed on every site to provide site and plot-specific energy ratings. Testing regimes and certification is issued to assist in the control of the quality of construction, which in turn reduces the carbon emissions of each home by ensuring we build a thermally-efficient, well-insulated building with low heat losses.

In order to further improve on building regulation compliance, the following are also incorporated into the design of our homes:

- energy-efficient boiler or air source heat pump with efficient cylinder (thermal store);
- time and temperature zone control for boiler systems;
- air permeability rating of five or better; and
- natural/positive input ventilation.

Reviews are carried out to monitor forthcoming changes to building regulations and consider optional extras that can be offered to customers in line with trends and expectations. These often lead to updates in specification and design, allowing improvements to be made where practicable. Any proposed changes are carefully considered as we balance the impact of changes with the need to keep our homes affordable, which is fundamental to our sustainable business strategy.

As part of our shift to ASHP, we have also changed other gas appliances such as ovens and hobs to fully electrify our homes. This transition to a fully electrified home ensures that our homes are net-zero ready. During the year, we sold 418 homes heated using an ASHP. We have engaged with customers and external consultants to complete trials on the in-use performance of the heating system to ensure it works efficiently and effectively in our homes.

Smart meters are provided as standard where available, so that our customers can easily keep track of their energy usage and efficiencies.

We use sustainable materials where possible, such as introducing concrete bricks to our build material specification. Concrete bricks have significantly lower embodied carbon emissions compared to a traditional kiln-fired clay brick, allowing us to reduce our scope 3 emissions.

These benefits are communicated to customers as part of the handover process, in our new home handbooks and our Gleeson first-time buyer podcast. This explains to customers what to expect when they become homeowners, how to get the most out of their new home and minimise their running costs.

Sustainability Accounting Standards Board (SASB) CONTINUED

Community impact of new developments

SASB CODE/ CRITERIA	OUR APPROACH
IF-HB-410b.1 Description of how proximity and access to infrastructure, services, and economic centres affect site selection and development decisions	We always consider matters such as access and proximity to existing infrastructure and services, as well as economic and employment centres when selecting our sites. We aim to bring forward developments which are in close proximity to existing services, with good access to services and facilities. This often comes hand-in-hand with our objective to develop brownfield sites, in areas of deprivation, which often have a high provision of surrounding rental properties, as these target site typologies are already well served. Where access to facilities is more limited, we work with consultants and the local authority to identify mitigation measures that might be taken to improve services and access. Often this will form part of a Transport Assessment and Travel Plan, which might identify improvements to local public transport infrastructure to improve the sustainability of the site, or ways in which other sustainable (non-car) transport methods can be promoted. Notes: The UK Government's National Planning Policy Framework ("NPPF") also requires consideration of the opportunities presented by existing or planned investment in infrastructure.
IF-HB-410b.2 Number of (1) lots and (2) homes delivered on infill sites	At 30 June 2025, 84% of our developments were infill sites (2024: 88%). In the year to 30 June 2025, we completed the sale of 1,634 (2024: 1,621) homes on infill sites representing 91% (2024: 91%) of total homes sold. Notes: Infill sites are sites served by existing infrastructure such as roads, power lines, sewerage and water, and other necessary facilities.
IF-HB-410b.3 (1) Number of homes delivered in compact developments and (2) average density	We consider all of our sites to be cluster developments, which meet the definition of a "compact development". As a result, we delivered 1,793 homes on such developments in the year to 30 June 2025 (2024: 1,772 homes). Gleeson Homes typically builds low-density developments delivering on average 100–150 homes per site. The average density of our developments is 14 homes per net acre with some developments having a density as low as 11 homes per net acre. Notes: A cluster development is defined as a development that "produces very attractive and marketable communities and makes it easier for developers to preserve environmentally sensitive lands such as wetlands and forests by allowing lots to be grouped on certain portions of a site, rather than spread uniformly across a site, so that other areas of the site may remain undisturbed as open space".

Climate change adaptation

SASB CODE/ CRITERIA	OUR APPROACH
IF-HB-420a.1 Number of lots located in 100-year flood zones	In the year to 30 June 2025, we acquired 473 plots in regions within flood zone 3. This accounted for 11% of plots acquired in the year (2024: 919 plots acquired, 20% of plots acquired). The total number of pipeline plots within areas of flood zone 3 at 30 June 2025 was 3,243 (17%) (2024: 3,041 pipeline plots, 16% of total pipeline). In the year to 30 June 2025, we had 333 home sales within areas of flood zone 3. This accounted for 19% of our total annual completions (2024: 249 home sales, 14% of total completions). Notes: As per the Environment Agency, flood zone definitions are set out below: ■ Flood Zone 1 – land assessed as having a less than 1 in 1,000 annual probability of river or sea flooding (<0.1%) ■ Flood Zone 2 – land assessed as having between a 1 in 100 and 1 in 1,000 annual probability of river flooding (1–0.1%), or between a 1 in 200 and 1 in 1,000 annual probability of sea flooding (0.5–0.1%) in any year ■ Flood Zone 3 – land assessed as having a 1 in 100 or greater annual probability of river flooding (>1%), or a 1 in 200 or greater annual probability of flooding from the sea (>0.5%) in any year These flood zones refer to the probability of river and sea flooding, ignoring the presence of defences.

- ▷ Sustainability Pillars
- ▷ Sustainability Targets
- ▷ TCFD
- ▷ **SASB**

Climate change adaptation

SASB CODE/ CRITERIA

OUR APPROACH

IF-HB-420a.2

Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks

Climate risk has been identified as a principal external risk for the Group as set out on page 43. The Group risk register is formally reviewed by the Audit Committee at the majority of its scheduled meetings, including any changes to risk ratings and any mitigations.

The Group has identified climate risk as having a medium level of residual risk. This is assessed based on the physical aspects of climate change and the impact on our business strategy as well as the transition risks associated with climate-related advancements such as emerging technologies, government policy and regulation.

An environmental risk register is maintained to identify the key risks associated with our sustainability themes "Communities, Environment and People" and managed by the Group Sustainability Manager. The risk register review is a standing item on the agenda of the Sustainability Committee to ensure focus is applied to developing mitigating actions of these risks.

Climate-related risks are identified and reported to the Committee and are considered for further analysis, which forms part of our TCFD reporting.

Further analysis of the climate risks we have identified are reported within our disclosures in accordance to TCFD on pages 84 to 91.

Activity metrics

SASB CODE/ CRITERIA

OUR APPROACH

IF-HB-000.A

Number of controlled lots

At 30 June 2025, our owned land pipeline stood at 7,511 plots (2024: 7,420 plots).

IF-HB-000.B

Number of homes delivered

In the year to 30 June 2025, we completed 1,793 homes (2024: 1,772 homes).

Notes: Completions mean all legally completed sales to customers during the year.

IF-HB-000.C

Number of active selling communities

In the year to 30 June 2025, we were actively selling from an average of 63 sales sites (2024: 65 active sales sites).

Notes: Active sales sites are sites which are actively selling homes and with at least five homes remaining to sell.

Section 172 Statement

The Board recognises the impact that the business of the Company has on its stakeholders as well as the wider social environment, and it strives to give proper consideration to stakeholder interests when making decisions.

The Board of Directors can confirm that for the year ended 30 June 2025 it has acted in good faith to promote the Company's long-term success for the benefit of its members as a whole whilst having due regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

Board decision making

To make informed decisions, and support the long-term sustainable success of the business, the Board considers the differing needs and priorities of all relevant stakeholders, understanding that these will evolve over time. Effective communication and interaction is therefore critical to ensure that the business is both "doing the right thing" and aligned to stakeholder values.

The Board undertakes significant levels of engagement with relevant stakeholders and has considered feedback and responses from this as well as the need to maintain a reputation for high standards of business conduct and to act fairly between the members of the Company. Details of our engagement with respective stakeholders and key examples of principal decisions, which we define as those that are both material to the Group and are significant to any of our stakeholder groups, made by the Board during the year are disclosed below and in the Strategic Report.

How We Engage

Our key stakeholder groups and the way we engage with them is detailed below.

Shareholders

- Investor roadshows held twice annually, hosted by the Chief Executive Officer and Chief Financial Officer.
- Formal invitations to engage with the Chair and/or other Non-Executive Directors to discuss strategy and shareholder priorities.
- Engagement with the Gleeson family and other major shareholders.
- Attendance by whole Board at the AGM to meet shareholders and answer questions they raise.

Customers

- Engagement through digital media including portals and organic search.
- Enquiries made through website with sales team making direct contact with customers.
- Programme of ambassadors to promote brand and homes.
- Independent surveys to collect customer views and satisfaction ratings.

Banks

- Regular dialogue with our banks on strategy, trading performance and other matters.
- Proactive discussion on future working capital needs.
- Seeking the views of lenders or approval, where required, for material transactions including land acquisitions.
- Quarterly reporting of results and covenants in line with our facility agreement.

Government and Regulators

- Senior management attendance at various HBF working groups including technical, design, IT and legal.
- Regular meetings with Homes England at local and national level attended by Executive Directors and Senior Management.
- Responding to government consultations on key industry topics, including planning reforms.
- Hosting MP and MHCLG visits to our sales and build sites.

Employees

- Board member attendance at the annual Gleeson Homes Roadshow.
- Board meetings held in regional locations with site visits and a dinner for the Board and regional senior management team.
- Board member attendance at the Company's employee forum whereby key issues and observations are aired by a committee of employee representatives.

Suppliers and Subcontractors

- Quarterly meetings with all suppliers on group purchasing agreements.
- Ad hoc visits to supply chain factories and facilities.
- Attendance at conferences and exhibitions hosted or attended by our supply chain.
- Hosting annual "meet the developer" events for subcontractors and suppliers.
- Meetings held with key contractors to discuss programme and resourcing.

Local Authorities

- Attendance at developer forums within local planning authority areas.
- Regular senior management meetings with local planning authorities in the areas we develop.
- Responding to local policy guidance consultations and making Local Plan representations.
- Engagement with local councillors and key individuals within a local authority.

Partners

- Regular engagement with housing association and single-family housing investment partners.
- Annual partner open days held regionally and attended by Senior Management.
- Attendance at industry events such as:
 - UKREiF
 - Single Family Housing UK Conference
 - Housing 2025 Leadership Symposium
 - The Housing Community Summit 2025

Key Strategic Decisions

DECISION	DISCUSSION TOPICS WITH, AND FEEDBACK FROM, STAKEHOLDERS	ACTION TAKEN BY THE BOARD AS A RESULT OF STAKEHOLDER FEEDBACK
Ensuring continued compliance with the Building Safety self-remediation terms and signing the Government's joint plan to accelerate developer-led remediation and improve resident experience	Engagement with government departments, landlords, management companies and residents in fulfilling our contractual obligations under the self-remediation terms, which commit developers to remediating mid-rise and high-rise buildings with life-critical fire-safety defects, and upon signing the Government's 'joint plan' to accelerate remediation.	The Board received and reviewed regular reports on progress of actions to comply with the self-remediation terms, approving a Board policy that sets out its commitment and responsibilities. The Board considered the Government's 'joint plan' and gave its full support to ensure that remediation works are carried out without undue delay in a manner which will ensure the wellbeing of residents.
Changes to management structure in Gleeson Homes	Project Transform implemented organisational and management changes designed to shorten reporting lines, empower divisional leadership teams, and strengthen regional management as well as reinforcing controls and driving local ownership and accountability. Engagement with advisers, brokers and relevant employees was undertaken in assessing the impact of these changes.	The Board reviewed and approved the changes proposed under Project Transform, which are expected to lead to a marked improvement in performance and delivery, improving pace and quality of build, and management and control of costs.
Migration from InHouse surveys to the industry recognised HBF star rating system for quality	Engagement with customers and regional sales and site teams on the focus that the new system would give to getting it right first time and driving quality in the Gleeson Homes product. Engagement with senior management on linking the scores to annual bonus schemes, to align the whole business with the outcomes.	The Board resolved to move to the HBF scoring system, for which scores will be made publicly available from March 2026. The Remuneration Committee reviewed and approved Director and workforce bonus schemes factoring in HBF scoring.
Development of Partnerships	Directors considered the implications of this strategic decision on current and future customers as well as employees and shareholders, and considered key input from legal and financial advisers given both the size and nature of the ongoing strategy.	The Board approved the partnership strategy and subsequently agreed the terms of the partnership agreements entered into in the period.
Setting our transition plan to net zero and submission of targets to the SBTi	Engagement with relevant employees across the business, external consultants and suppliers were all considered in setting out our transition plan and ensuring robust targets were submitted to the Science Based Targets initiative (SBTi) for validation including on Forestry, Land and Agriculture (FLAG) emissions.	The Board reviewed and approved the transition plan and submission to the SBTi, including the addition of FLAG emissions. These were validated in May 2025. This marks another important milestone for the Group, demonstrating our commitment to direct climate action.

Section 172 Statement

CONTINUED

Key examples as to how the Board has regard for the s172 factors can be found in the table below:

FACTOR CONSIDERED	HOW THIS FACTOR HAS BEEN CONSIDERED IN THE YEAR	ACTIONS TAKEN BY THE BOARD AS A RESULT
Long-term consequences of any decisions	■ The Group undertakes future planning of up to seven years in critical areas and develops a strategy which will enable it to deliver its long-term objectives. ■ The Group invests in information technology and cyber security, which will ensure it is able to meet new technological demands and protect the business against cyber incidents. ■ The Group considers Board, Executive and management succession planning and the development of its pool of talent throughout the business. ■ The Group undertakes projections of our greenhouse gas emissions in order to set out a pathway to near-term and net-zero emissions targets.	■ Extensive analysis and forecasts were reviewed and presentations from key professional advisers received by the Board to support the Group's strategic plans and development. ■ Continued investment in and development of information technology to improve the customer journey, increase productivity, streamline processes and mitigate the risk of cyber incidents. ■ Development of succession planning strategies and early talent pathways to grow future talent for the long-term benefit of the business. ■ Review and approval of targets for submission to the Science Based Targets initiative.
Interests of our employees	■ The Group commissions an independent annual employee engagement survey called Your Voice. ■ The Group conducts an annual pay and benefits benchmarking exercise. ■ Directors carry out regular site and office visits and undertake roadshows to communicate with all employees, including interactive question and answer sessions. ■ Six-monthly career conversations are held between all employees and management to discuss performance, career progressions and training and development needs. ■ An open-door culture is reinforced.	■ Review and response to the findings and actions arising from the Your Voice surveys. ■ Investment in recruitment, training and development, including the Gleeson Leadership Programme, and graduate and apprenticeship schemes. ■ Gleesave platform giving colleagues access to savings and discounts from third parties. ■ Provision of a Share Incentive Plan using an online platform to enable employees to actively manage their shareholding within the business. ■ Introduced a new personal development structure involving enhanced career discussions. ■ Operation of "Gleestar", a monthly employee recognition scheme. ■ Achievement of the Investors in People Gold accreditation.

FACTOR CONSIDERED	HOW THIS FACTOR HAS BEEN CONSIDERED IN THE YEAR	ACTIONS TAKEN BY THE BOARD AS A RESULT
Interests of our suppliers, customers and others	■ Attention is focused on our customers and prioritising the customer journey. ■ The Group conducts supplier and subcontractor roadshows. ■ The Group holds open discussions with our supply chain about productivity, quality and health and safety. ■ Customer feedback is obtained through surveys conducted by a third party. ■ Target to be a five-star HBF builder across all divisions.	■ Became an early signatory to the New Homes Quality Code. ■ Moved away from in-house scoring to the industry recognised HBF scoring. ■ Accelerated payment runs and made improvements to our purchase-to-pay process. ■ Signed-up to the Government's First Homes scheme. ■ Set ambitious targets for people, environment, and communities as part of our sustainability goals. This included actions for improving customer satisfaction and restoring our five-star customer recommendation score.
Impact on our community and environment	■ Submission of SBTi targets. ■ Tracking progress against sustainability targets set in the year. ■ Preparing the business for building regulation changes. ■ Striving to reduce the Group's impact on the environment. ■ Organising Gleeson's inaugural charity gala.	■ Developed new sustainability policies and procedures. ■ Set ambitious sustainability targets for the short and medium term, including the reduction of carbon emissions. ■ Installation of air source heat pumps and EV charging points in new homes. ■ Delegated sustainability targets to senior management and linked to Executive reward.
Maintaining a reputation for high standards of business conduct	■ The Group ensures adherence to the highest standards of conduct. ■ Our employees are paid at least the Real Living Wage and we ask our subcontractors to do the same. ■ The Group achieved accreditation from the Fair Tax Foundation for paying its fair share of taxes, for the fourth year running. ■ Zero tolerance on violations of human rights, slavery, bullying and harassment. ■ Responsibility for overseeing compliance is delegated to senior management.	■ Compulsory online compliance training modules undertaken across the business, including Whistleblowing, Bullying and Harassment, Modern Slavery and Anti-Bribery and Corruption. ■ Group Human Rights policy. ■ Due diligence checks are completed on our supply chain to ensure they uphold our standards. ■ Regular reporting on governance and compliance matters to the Audit Committee.
Need to act fairly between members of the Company	■ The Company has one class of shares in issue so all shareholders benefit from the same rights as set out in the Company's Articles of Association.	■ Regular engagement with major shareholders by Executive Directors through combination of personal contact, formal presentations and roadshows. ■ The Chair and Senior Independent Director undertake an annual engagement programme. ■ Availability of all Directors to shareholders at the AGM.

Non-financial and Sustainability Information Statement

The following table summarises our approach to internal and external stakeholder engagement to comply with Sections 414CA and 414CB of the Companies Act 2006 requirements regarding non-financial reporting:

STATEMENT	WAYS WE ENGAGE	READ MORE
Employees We are committed to ensuring that all of our colleagues and stakeholders are treated fairly and equitably. We have a culture that values passion, collaboration and respect.	■ Employee policies on diversity, recruitment, equality and all significant life events ■ Anti-Harassment and Bullying Policy, Health and Safety Policy, Equal Opportunities Policy ■ Approach to employee relations and the involvement of our Workforce Representative ■ Health and safety reporting and improving the safety and welfare of colleagues and visitors to our sites and offices ■ Commitment to employing local people, training and developing all of our colleagues, especially apprentices, raising awareness about mental health and promoting women in construction ■ Gender pay reporting	Page 120 www.mjgleesonplc.com Page 137 Pages 48 and 80 Pages 49 and 55 Pages 54 and 137
Anti-bribery and corruption We are committed to the highest standards of ethics, honesty and integrity and expect the same from all parties we engage with.	■ Whistleblowing Policy and monitoring of malpractice reporting ■ Approach to anti-bribery and corruption ■ Anti-Bribery Policy, Anti-Money Laundering Policy and Corporate Criminal Offence Policy. ■ Reporting of registers of gifts and hospitality given or received by Directors and employees of the Group	Page 127 Page 127 www.mjgleesonplc.com Page 127
Human rights and social matters We are committed to upholding human rights across our business and with all our stakeholders. Our employee policies cover all aspects of human rights and our grievance and fair treatment at work policies ensure anyone connected with our business can speak up about concerns without fear of retribution.	■ Human Rights Policy, Anti-Slavery and Human Trafficking Policy ■ Payment terms and performance in relation to payment practices ■ Accredited by the Real Living Wage Foundation, paying employees the real Living Wage or higher, and expecting our subcontractors to do the same ■ Data Protection Policy	Page 128 and www.mjgleesonplc.com gov.uk ; and www.mjgleesonplc.com Page 55 www.mjgleesonplc.com

STATEMENT	WAYS WE ENGAGE	READ MORE
Environmental matters and community We are committed to creating more sustainable ways of undertaking our operations to conserve energy, reduce waste and minimise our impact on the environment. We also invest in the communities, local areas and the supply chain around our development sites.	■ Monitoring and reporting of carbon emissions (scope 1, 2 and 3) related to our homes ■ Submission of Science Based Targets for validation ■ Focus on more efficient and more sustainable materials ■ Sustainable Procurement Policy, Timber Sourcing Policy Climate and Environmental Policy, Waste Policy, Packaging Policy ■ Investment in the communities, schools and areas in which we operate ■ Biodiversity Policy	Pages 66 to 73 Page 66 Pages 70 to 72 www.mjgleesonplc.com Pages 60 and 61 Pages 74 to 76
Other information Additional non-financial information required under the Companies Act.	■ Our Business Model ■ Principal risks affecting the Group and mitigating actions undertaken ■ Sustainability and operational key performance indicators	Pages 24 and 25 Pages 38 to 43 Pages 32 and 33
Climate and sustainability We are committed to monitoring our climate-related risks and opportunities. Our Sustainability Committee assesses and manages climate-related risks and opportunities. Our approach to climate and sustainability is set out in our TCFD statement.	■ Our Business Strategy ■ Risk Management ■ Task Force on Climate-related Financial Disclosures statement (TCFD) ■ Sustainability Committee Report	Pages 30 and 31 Pages 38 to 43 Pages 84 to 91 Pages 130 and 132

Strategic Report approval statement

The Strategic Report, contained in pages 02 to 103 has been approved by the Board of Directors and is signed on its behalf by:

Graham Prothero
Chief Executive Officer

15 September 2025



Corporate

Governance



Maria and Sulley, Cork,
Sands Reach, East Yorkshire

Contents

Corporate Governance

Chair's Introduction	106
Corporate Governance Framework	108
Board of Directors	110
Corporate Governance Report	112
Nomination Committee Report	118
Audit Committee Report	122
Sustainability Committee Report	130
Remuneration Committee Report	134
Implementation of the Remuneration Policy	138
Annual Report on Remuneration	140
Remuneration Policy Report	152
Directors' Report	161
Statement of Directors' Responsibilities	165

Chair's Introduction



Fiona Goldsmith
Chair



I am extremely proud of all colleagues throughout the Group for their hard work in what has been a challenging year.”

I am pleased to introduce our Governance Report for the year ended 30 June 2025 which sets out the Group's governance framework and how the Board, and its Committees, have discharged their duties and applied the principles of good corporate governance in support of the Group's strategy and delivery of long-term sustainable success for the benefit of our stakeholders.

We remain committed to addressing environmental, social and governance matters, recognising the strategic benefits of doing this, with sustainability a core focus for the Board and wider business. I am pleased that our Science Based Targets have been validated by the SBTi, which is a clear demonstration of our real intention to deliver positive action on decarbonisation. Details of our progress on delivering against this commitment are found in the Strategic Report and Sustainability Committee Report on page 66 and pages 130 to 132.

Board changes

James Thomson stepped down from the Board in April 2025. On behalf of the Board I would very much like to take this opportunity to thank James for the part he played, both as Chief Executive Officer and Chair, in building MJ Gleeson into the business that it is today.

Having served as interim Chair, and following a comprehensive process, I was delighted to be appointed to the role of Chair from 4 July 2025. It is a great honour to accept the role and be the first female Chair in the Company's long and illustrious history since it was founded in 1903.

Nicola Bruce was appointed Senior Independent Director from 4 July 2025. Nicola, who joined the Board in March 2023, remains Chair of the Remuneration Committee and continues to sit on the Audit and Nomination Committees.

A search for a new Non-Executive Director has commenced, which will further strengthen and diversify the Board. It is intended that the new Non-Executive Director will assume the role of Chair of the Audit Committee on appointment.

Governance best practice

Effective governance requires a culture of open and honest communication, together with mutual trust and respect between colleagues, which I am pleased to confirm underpins our Board discussions and interaction, with all Directors providing constructive challenge and debate. Furthermore, the Board's composition provides an appropriate balance of skills, experience, independence, and knowledge required to take the business forward and deliver sustainable value. Over the year ahead, the Board will continue to work with external advisers to continually assess and improve our governance arrangements in line with the expectations of our stakeholders, the needs of the Group, and best practice principles.

Board effectiveness

In June 2025 we completed an internal evaluation to review the effectiveness of the Board and its Committees. Details of this review and the Board's proposal for future years is set out in the Nomination Committee Report on page 121.

Culture and people

The Board acknowledges the need to 'set the tone from the top', and as Chair, one of my key roles is to ensure that the culture and values that underpin our focus on delivering low-cost, quality homes are maintained as we deliver the Group's strategy.

The Board continues to promote and implement our vision, mission and values, which are more fully described on pages 03 and 49. The results of our latest employee engagement survey, Your Voice, confirmed that employee engagement remains extremely positive with continuing high levels of overall satisfaction. Whilst the role of Workforce Representative has been disseminated between the Non-Executive Directors, we see this as a better way for the Board to engage with our people, which in turn will drive culture.

The Board is also supportive of the work that has been, and is being, undertaken to recognise, nurture and develop talent within the business, with time dedicated to talent-mapping, our leadership training programmes and development pathways are in place to grow future talent for the long-term success of the business.

Diversity

The Board promotes diversity. The proportion of women on the Board is 50%, and the positions of Chair and Senior Independent Director are held by myself, and Nicola Bruce respectively. Current Board female representation satisfies two of the three diversity targets set by the Financial Conduct Authority. The third target, to have at least one Board member from an ethnic minority background, forms part of the Board's recruitment and succession planning.

The Board is also committed to ensuring that the Group provides a diverse and inclusive working environment. This year, the Group has strengthened its focus on equity, diversity and inclusivity, and details of our initiatives and activities are more fully set out in the Strategic Report and Nomination Committee Report. As at 30 June 2025, the proportion of women in employment was 32% (2024: 32%).

Our commitment to engaging with stakeholders

The Board embraces the ethos behind the requirements of Section 172 of the Companies Act, and information on how we engage with our stakeholders, is set out in our Section 172 statement on pages 98 to 101.

Strategy

The Board held a strategy meeting in May 2025 to consider and build upon strategic priorities for the short, medium and long term against the current challenges faced in the sector, receiving presentations from, and discussions with, professional advisers. Throughout the year we have also held deep dive sessions on key strategic and operational topics with senior management to deepen the Board's understanding of these areas.

Code compliance Implementation of the 2018 UK Corporate Governance Code

During the period under review, the Company was subject to the 2018 edition of the UK Corporate Governance Code ("the Code") issued by the Financial Reporting Council ("FRC"). The Board and its Committees are responsible for ensuring that, wherever possible, compliance with the Code is achieved. This is demonstrated throughout this Governance Report, with details of how the Code principles and provisions have been applied disclosed on page 109.

Finally, I would like to thank the Board and management colleagues for their contributions to the governance of the Company and look forward to welcoming shareholders to the AGM in November.

Fiona Goldsmith
Chair

15 September 2025

Corporate Governance Framework

The Board

The Board is responsible to shareholders for the direction, management, performance, and long-term success of the Group.

It sets the Group's strategy and objectives and oversees and monitors internal controls (in conjunction with the Audit Committee), risk management, principal opportunities and risks, governance and viability of the Group.

Committee terms of reference can be found on the Company's website at www.mjgleesonplc.com

Board Committee

NOMINATION COMMITTEE

Fiona Goldsmith
Committee Chair

Key responsibilities

Board and Committee structure, size and composition.

Board, Committee and senior management appointments.

Board and senior management succession and development plans.

Oversight of Equality, Diversity and Inclusion.

Review of the independence of Non-Executive Directors.

Review of employee engagement.

AUDIT COMMITTEE

Fiona Goldsmith
Committee Chair

Key responsibilities

Monitor integrity of the financial statements.

Financial and narrative reporting.

Review significant accounting judgements.

Oversight of the relationship with the external auditors.

Monitor effectiveness of the Group's internal controls and risk management systems.

Monitor effectiveness of the internal audit function.

Review procedures for detecting fraud, preventing bribery and ensuring appropriate whistleblowing procedures are in place.

SUSTAINABILITY COMMITTEE

Elaine Bailey
Committee Chair

Key responsibilities

Determine and monitor performance against appropriate short, medium and long-term sustainability targets.

Ensure that the Group's sustainability policy remains fit for purpose and aligns with the Group's approach to sustainability.

Advise the Audit Committee on sustainability risks.

Assist the Board to ensure that existing and emerging environmental and sustainability regulatory requirements are met.

REMUNERATION COMMITTEE

Nicola Bruce
Committee Chair

Key responsibilities

Ensure that remuneration policy and practices align to the Group's long-term sustainable success.

Set the remuneration of the Chair, Executive Directors, Company Secretary and senior management.

Make recommendations to the Board on the design and application of share incentive schemes.

Executive Leadership Team

The Executive Leadership Team, led by the Chief Executive Officer, is responsible for the day-to-day execution of business strategy, the management of the Group's two core business units, management of HR matters including people, culture, talent and development, and the oversight of legal and regulatory matters. They discuss and consider all important matters that are raised to the Board, or respective Committee of the Board.

The Executive Leadership Team comprises the Executive Directors, the Managing Director of Gleeson Land, the Chief Operating Officer of Gleeson Homes, the Divisional Managing Directors of Gleeson Homes, the Company Secretary and the Group HR Director.

SECTION OF THE CODE	HOW WE HAVE APPLIED THE CODE
Board leadership and Company purpose	The Group is led by an effective and entrepreneurial Board, which promotes the long-term success of the Group and engages with its shareholders and other stakeholders. The Board has established the Group's purpose and strategy and is satisfied that these are aligned with the Group's culture and values. The Board has established and oversees an effective governance and risk framework. The Board promotes effective engagement with the workforce, with open lines of communication where employees can raise matters of both concern and opportunity.
Division of responsibilities	The Chair leads the Board, which includes an appropriate combination of Executive Directors and Non-Executive Directors. Board relations are constructive and Board members are able to demonstrate objective judgement. There is a clear division of responsibility between the leadership of the Board (the Chair of the Board) and the Executive leadership of the Group's business (the Chief Executive Officer and the Chief Financial Officer). The Non-Executive Directors provide constructive challenge, strategic guidance and advice, and have sufficient time to meet their Board responsibilities. There are relevant policies and processes in place for the Board to receive timely and clear information, and function effectively and efficiently.
Composition, succession and evaluation	Board appointments are subject to a formal, rigorous and transparent procedure, based on objective criteria that promote diversity. A comprehensive and tailored induction programme is in place for new Directors joining the Board, led by the Chair, Company Secretary and Executive Directors. The Nomination Committee oversees an effective succession plan, which takes into consideration a desired combination of skills, experience, knowledge and diversity of the Board. The Board is subject to an annual evaluation that considers Group and individual Director performance.
Audit, risk and internal control	The Board has established formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions, and satisfies itself on the integrity of financial and narrative statements. The Board presents a fair, balanced and understandable assessment of the Group's position and prospects. The Board has established procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks of the Group to achieve its strategic objectives.
Remuneration	The Group has designed the remuneration policies and practices to support the Group's strategy and promote long-term sustainable success. Executive remuneration is aligned to the Group's purpose and values and is clearly linked to the successful delivery of our sustainable strategy. There is a formal and transparent procedure for developing the Executive remuneration policy and determining Director and senior management remuneration. The Remuneration Committee is able to exercise independent judgement and discretion when authorising remuneration outcomes, taking into account Group and individual performance.

Board of Directors



Fiona Goldsmith
FCA

Chair



Graham Prothero
MA, FCA

Chief Executive Officer



Stefan Allanson
ACMA, FCT

Chief Financial Officer



Christopher Mills

Non-Executive Director
(non-independent as a
significant shareholder
representative)

Committee membership

A N R

Appointment to the Board

Fiona was appointed to the Board in October 2019, became Interim Chair in April 2025 and was appointed Chair in July 2025.

Background and experience

Fiona previously held Executive finance roles at First Choice Holidays plc and Land Securities Group plc. Fiona was also Non-Executive Director at Walker Greenbank. She qualified as an accountant with KPMG.

Key strengths

Accounting, finance and audit. Risk management. Corporate governance. Acquisitions and mergers. Compliance and regulation. Business turnaround. Strategic development.

External appointments

Non-Executive Director and Chair of the Audit and Risk Committee of KCOM Group Limited.

Committee membership

S

Appointment to the Board

Graham was appointed to the Board in January 2023.

Background and experience

Graham has extensive industry experience and was previously Chief Operating Officer at Vistry Group plc and Chief Executive of Galliford Try plc. Graham is a Fellow of the Institute of Chartered Accountants and was previously a partner at Ernst and Young LLP.

Key strengths

Housebuilding and construction. Acquisitions and mergers. Strategy development. Business growth. Risk management. Business continuity. Operations.

External appointments

Senior Independent Director and Chair of the Audit Committee of Marshalls plc, and on the Board of The Jigsaw Trust.

Committee membership

S

Appointment to the Board

Stefan was appointed to the Board in July 2015.

Background and experience

Stefan was previously Deputy Chief Financial Officer of Keepmoat Homes. He qualified as an accountant in 1994, following which he held senior finance roles at Honda Motor Co Limited, BTP plc, The Skills Market Limited, The Vita Company Limited and Tianhe Chemicals.

Key strengths

Housebuilding and construction. Public limited companies. Accounting and finance. IT. Business continuity. Risk management. Strategy development. Commercial.

External appointments

Non-Executive Director and Chair of the Audit & Risk Committee of Norcros plc.

Committee membership

Appointment to the Board

Christopher was appointed to the Board in January 2009.

Background and experience

Christopher is the founder of Harwood Capital Management Group and, previously, Chief Investment Officer of J O Hambro Capital Management Limited with an extensive background in investment management.

Key strengths

Public limited companies. Accounting, finance and audit. Acquisitions and mergers. Strategy development. Risk management. Business development.

External appointments

Managing Director of Harwood Capital Management Group, Chief Executive Officer of North Atlantic Smaller Companies Investment Trust plc, and a Non-Executive Director of several publicly quoted and private companies.



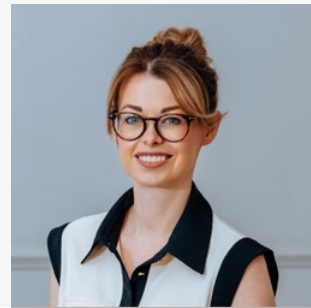
Elaine Bailey

Independent
Non-Executive Director



Nicola Bruce
MA, FCMA

Senior Independent
Non-Executive Director



Leanne Johnson
LLB

Head of Legal and
Company Secretary

Key:

- A** Audit Committee
- N** Nomination Committee
- R** Remuneration Committee
- S** Sustainability Committee
-  Committee Chair

Committee membership

S A N R

Appointment to the Board

Elaine was appointed to the Board in March 2021.

Background and experience

Elaine was previously Chief Executive Officer of the Hyde Group housing association and held a number of senior roles at Serco. Elaine has extensive experience in housing, engineering, construction and government services. Elaine is a chartered member of the Institution of Structural Engineers.

Key strengths

Housebuilding and construction. Strategy development. Health and safety. Risk management. Business development. Commercial.

External appointments

Non-Executive roles at Residential Secure Income plc, McCarthy & Stone (Shared Ownership) Limited, Andium Homes, and Trustee for The Greenslade Family Foundation.

Committee membership

R A N

Appointment to the Board

Nicola was appointed to the Board in March 2023.

Background and experience

Nicola has extensive experience in strategy and business development and has previously held senior appointments in a range of private and listed companies. Nicola is an experienced Remuneration Committee Chair, including in the building materials and social housing sectors.

Key strengths

Strategy development. Business development. Corporate governance. Acquisitions and mergers. Public limited companies.

External appointments

Non-Executive Director and Remuneration Committee Chair of Stelrad Group plc and Ibstock plc. Non-Executive Director at OFWAT.

Appointed as Company Secretary in March 2020, Leanne is a qualified solicitor and is Head of Legal for the Company. Leanne trained at Irwin Mitchell and was Legal Counsel for Keepmoat Homes before joining MJ Gleeson plc.

Leanne is also a graduate Chartered Governance Professional.

Key strengths

Housebuilding and construction. Corporate governance. Legal. Regulatory and compliance. IT.

Corporate Governance Report

Division of responsibilities

There is a clear and effective division of responsibilities between Board members. The Chair is responsible for the overall effectiveness of the Board and, in doing so, promotes the highest standards of integrity and corporate governance. The Chair is responsible for setting the Board's agenda, ensuring that there is adequate and appropriate time for each item, and for promoting effective discussion, challenge and debate to facilitate the contribution of all Board members in the decision-making process. The Chief Executive Officer leads the business in delivering the Group's overall strategy and works closely with the Chair and the Chief Financial Officer. The Non-Executive Directors provide constructive challenge and strategic guidance and hold management to account. To ensure that the Directors maintain control over strategic, financial, operational and compliance matters, the Board meets regularly during the year and has formally adopted a schedule of matters that are reserved to it for decision.

Board balance and composition

The Board comprises a Chair, two independent Non-Executive Directors, one non-independent Non-Executive Director, the Chief Executive Officer and the Chief Financial Officer. The Board considers that it has a suitable balance of skills, knowledge and experience in order to discharge its duties effectively. This includes a combination of backgrounds and experiences, which enable it to function effectively and to have a dialogue that is both constructive and challenging.

Board meetings

There were six scheduled Board meetings held during the year, together with a scheduled review of the Group's strategy. Detailed papers are circulated in advance of meetings and provide reports on the Group's current trading performance, its financial position and achievement against its budget and forecasts, and against prior year. Agenda items include updates on health and safety, operational performance, risk management, governance, and corporate strategy. Members of the senior management team are invited to update the Board on their responsibilities both at formal Board meetings and at separate 'deep dive' meetings on key strategic and operational matters. Information, including the latest financial and trading performance, is circulated to all Directors between meetings. Minutes of all meetings of the Board, and its Committees, are taken by the Company Secretary, who records decisions taken and any queries and unresolved concerns raised.

Matters reserved for the Board

Certain matters are reserved for the Board, or its Committees, including:

- To determine the Board's structure and composition, including Board appointments, removals and succession planning.
- Agree the Group's strategy, business plan and financial policy.
- Approve banking and financing arrangements.
- Approve the interim and annual financial statements and circulars.
- Agree and oversee risk management and internal control policy.
- Agree major capital expenditure, material investments or the acquisition or disposal of land.
- Entering into, and amending, pension arrangements.
- Approve contractual arrangements that fall outside the authority delegated to Executive Directors.
- Approve dividend policy and annual dividend payments.
- Pledging security over assets and providing Parent Company guarantees.

In addition, the Board receives updates on sustainability, governance, regulatory and legal matters to assist it in maintaining compliance with existing and emerging legislative requirements and best practice. The Board has established the following Board Committees to assist it in meeting its responsibilities, which meet regularly and have formal written terms of reference:

Nomination Committee	Page 118
Audit Committee	Page 122
Sustainability Committee	Page 130
Remuneration Committee	Page 134

These Committees play an important governance role through the work they carry out to fulfil the responsibilities delegated by the Board.

Board independence

The Group recognises the importance of having a well-functioning Board that can exercise objective judgement and hold management to account. The Board is cognisant that following the resignation of James Thomson, and appointment of Fiona Goldsmith to Chair, the Board does not meet the independence provisions of the Code and has therefore initiated a search for a third independent Non-Executive Director.

The independence of Non-Executive Directors is kept under review and the Board is satisfied that two of the Non-Executive Directors are considered independent.

TOPIC	KEY ACTIVITIES IN FINANCIAL YEAR ENDED 30 JUNE 2025
Financial and risk	■ Approved the Annual Report and Accounts and interim financial statements. ■ Considered the Group's long-term viability and approved the going concern assessment. ■ Reviewed monthly business updates and trading performance. ■ Approved the budget and plan for financial year ending 30 June 2026 and the medium-term targets for financial years ending 30 June 2027 to 30 June 2032. ■ Recommended the payment of a final dividend in November 2024 and approved the payment of the interim dividend in April 2025. ■ Approved the Group's tax strategy for financial year ended 30 June 2025. ■ Approved the Group's insurance policies for financial year ended 30 June 2026. ■ Reviewed the Group's accounting manual. ■ Undertook a comprehensive review of the business under the banner of Project Transform in response to issues identified with margin and cost to complete.
Controls and governance	■ Received regular reports from Board sub-committees. ■ Development of the Group's risk management maturity and control environment including the Group's internal material controls. ■ Reviewed and approved an updated modern slavery statement. ■ Reviewed and approved a new fraud prevention policy. ■ Reviewed cyber risk across the Group. ■ Reviewed legal and regulatory updates.
Strategy	■ Monitored progress against the Group's strategic priorities. ■ Reviewed and approved the Group's sustainability targets. ■ Undertook a strategy meeting to review the business plans for Gleeson Homes and Gleeson Land. ■ Oversaw an internal management restructure.
People and employee engagement	■ Undertook regular workforce engagement via the Executive Directors and senior management. ■ Review of results from, and plan to address matters raised in, the employee engagement survey 'Your Voice'. ■ Oversight, via the Nomination Committee, of development of policies on equity, diversity and inclusion. ■ Attended employee roadshows, hosted by the Executive Directors, giving employees an insight into the Group's performance and strategy. ■ Chair and Non-Executive Directors engaged with the Group HR Director. ■ Board members undertook site and office visits to engage with our colleagues.
Sustainability	■ Approved submission of a robust and verifiable carbon reduction plan that meets the Science Based Target initiative criteria and recommendations. ■ Oversight of sustainability-led Group policies. ■ Reviewed progress against sustainability targets and actions undertaken. ■ Reviewed the Group's sustainable business strategy. ■ Reviewed the Group's materiality assessment. ■ Implementation of the sustainability targets that are linked to Executive remuneration. ■ Oversight of the Group's legal and regulatory compliance on sustainability and environmental issues.

Corporate Governance Report

CONTINUED

Board activities

Attendance at scheduled Board and Committee meetings:

	Board	Audit	Remuneration	Nomination	Sustainability
Scheduled:	6	4	6	2	3
Fiona Goldsmith	6	4	6	2	n/a
Graham Prothero	6	n/a	n/a	n/a	3
Stefan Allanson	6	n/a	n/a	n/a	3
Christopher Mills	6	n/a	n/a	n/a	n/a
Elaine Bailey	6	4	6	2	3
Nicola Bruce	6	4	6	2	n/a
Former Directors					
James Thomson (Chair)*	5	n/a	n/a	1	n/a

* Resigned on 23 April 2025.

¹ Other ad hoc meetings took place for the Board and Committees throughout the year as necessary to consider matters of a time-sensitive nature.

² Executive Directors are invited to attend all Committee meetings unless it is deemed inappropriate.

KEY RESPONSIBILITIES

Chair

- Ensuring the effective running of the Board.
- Promoting the highest standards of integrity and corporate governance throughout the Group.
- Chairing Board meetings and setting agendas.
- Ensuring that the Board as a whole plays a full and constructive part in the development and determination of the Group's strategy and overall commercial objectives.
- Ensuring that the Board receives accurate, timely and clear information on:
 - a. the Group's performance;
 - b. the issues, challenges and opportunities facing the Group; and
 - c. matters reserved to it for decision.
- Ensuring compliance with the Board's approved procedures, including the schedule of matters reserved to the Board and each Committee's terms of reference.
- Engaging with the Board outside of formal meetings on a group or individual basis, as required.
- Initiating change and succession planning in Board appointments to build and maintain a highly effective Board.
- Ensuring effective communication between the Group and its shareholders and ensuring that members of the Board develop an understanding of the views of the major stakeholders.
- Ensuring that there is a properly constructed induction programme for new Directors.
- Ensuring that the performance of the Board as a whole, its Committees, and individual Directors is formally, and rigorously, evaluated at least once a year.

KEY RESPONSIBILITIES

Chief Executive Officer	■ Diligently performing such duties and exercising such powers as may, from time to time, be assigned by the Board for the successful running of the Group's business. ■ Proposing and developing the Group's strategy and overall commercial objectives in close consultation with the Chair and the Board. ■ Maintaining relationships with major stakeholders. ■ Ensuring effective dialogue with the Chair on the important and strategic issues facing the Group. ■ Ensuring that the Executive Directors give appropriate priority to providing reports to the Board, which contain accurate, timely and clear information. ■ Ensuring that the Executive Directors comply with the Board's approved procedures, including the schedule of matters reserved to the Board and each Committee's terms of reference, and providing input on appropriate changes to the same. ■ Keeping the Board alerted to forthcoming complex, contentious or sensitive issues affecting the Group. ■ Providing information and advice on succession planning to the Chair, the Nomination Committee, and to members of the Board, particularly in respect of Executive Directors and senior management. ■ Setting the Group's culture and values from the top.
Chief Financial Officer	■ Devising and implementing the Group's financial strategy and policies. ■ Managing the finance, tax, IT, legal, internal audit, and treasury functions. ■ Monitoring the Group's investor relations activities. ■ Developing budgets and financial plans. ■ Principal owner of the Group's risk register. ■ Managing the Group's insurance strategy and policies. ■ Managing the Group's relationship with the external auditors. ■ Devising and implementing the Group's sustainability strategy, policies and actions.
Senior Independent Director	■ Chairing Board and Nomination Committee meetings in the absence of the Chair. ■ Leading the annual evaluation of the Chair's performance. ■ Leading the succession planning process for the Chair. ■ Acting as a sounding board for the Chair on Board and Nomination Committee matters. ■ Being available to shareholders, or other stakeholders, if they have concerns about the Chair, Chief Executive Officer or Chief Financial Officer, and to intervene in any circumstances arising from such concerns. ■ Intervening in, and leading on, settlement discussions relating to any disagreements between the Chief Executive Officer and the Chair. ■ Calling a meeting of the Non-Executive Directors if, in their reasonable opinion, it is necessary in relation to any of the matters above or otherwise.
Non-Executive Directors	■ Effectively scrutinising and holding to account the performance of the Executive Directors. ■ Evaluating and appraising the performance of the Executive Directors and senior management against agreed targets and agreeing remuneration in line with the remuneration policy. ■ Monitoring the financial information, risk management and control processes of the Group to make sure that they are sufficiently robust. ■ Ensuring a rigorous process for the appointment and removal of Executive Directors.

Corporate Governance Report

CONTINUED

KEY RESPONSIBILITIES

Company Secretary

- Supporting the Chair and Chief Executive Officer in fulfilling their duties, especially in respect of Board agendas, induction, training and the evaluation of Board and Committee effectiveness.
- Available to all Directors for advice and support.
- Keeping the Board regularly updated on governance matters and best practice.
- Ensuring Group policies and procedures, including those related to conflicts of interest, are maintained and updated on a regular basis.
- Attending and maintaining a record of the matters discussed and approved at Board and Committee meetings.

Code compliance statement

The Company has complied with all principles of the Code for the year ended 30 June 2025 and, except for Provision 11 and Provision 24 as explained below, all of its provisions.

The Code recognises that good governance can be achieved by other means and the Board believes the approach taken is the most appropriate for the Group and its shareholders, whilst remaining consistent with the spirit of the Code.

Provision 11

The Code requires that at least half the Board, excluding the Chair, should be Non-Executive Directors whom the Board considers to be independent. Christopher Mills represents a major shareholder, Harwood Capital LLP, and is therefore not considered to be "independent" within the definition of that term contained in the Code. As a result, following the resignation of James Thomson, and appointment of Fiona Goldsmith as Chair, less than half of the Board, excluding the Chair, are Non-Executive Directors who are considered to be independent under the terms of the Code. This position has been reviewed and the Board has commenced a search for an additional independent Non-Executive Director.

Provision 24

The Code requires that the Chair of the Board should not be a member of the Audit Committee. The Audit Committee is currently chaired by Fiona Goldsmith who is the Chair of the Board. Fiona's role was considered during the process of her appointment as Chair, and the Board is satisfied that she is able to demonstrate a sufficient degree of independence and understanding to fully discharge her duties. Fiona will continue to chair the Committee until the Company's search for a new independent Non-Executive Director, to chair the Audit Committee, is concluded.

Risk management and internal control

The Directors acknowledge their responsibility for the Group's risk management procedures and systems of internal controls and for reviewing their effectiveness. Further details on the Group's risk management procedures and systems of internal controls, and how the Board and Audit Committee review their effectiveness, are included in the Audit Committee Report on pages 122 to 128 and in the Strategic Report on pages 02 to 103.

It should be recognised that all such systems and procedures are designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, rather than absolute, assurance against material misstatement or loss. Risk management and internal control within the Group's operating functions is delegated to senior management, with the Board retaining ultimate responsibility.

During the year being reported, and in making this statement, the Board carried out a robust assessment of the principal risks and uncertainties facing the Group, including those that would threaten the Group's business model, future performance, solvency or liquidity. The Board is of the view that there are adequate processes for identifying, evaluating and managing the Group's principal risks. These processes take the form of a formal risk management policy supported by financial and management controls, which are operated Group-wide and are subject to both internal review by the Chief Financial Officer and Group Internal Audit, and external review as part of the statutory audit carried out by the external auditors.

Viability statement

In accordance with the Code, the Directors have assessed the viability of the Company and the Group over a period longer than the 12 months required by the going concern principle. This takes account of the current position and circumstances of the Group, and the potential impact of its principal risks.

The Directors conducted their assessment for a period of three years to 30 June 2028, which is covered by the Group's financial budget and plan approved by the Board in July 2025. It is also aligned to the operational period of a number of Gleeson Homes' developments. This has enabled a meaningful assessment of viability to be undertaken, utilising detailed Board-approved financial budgets that incorporate individual site cash flow forecasts.

The Directors have considered sensitivities from the impact of a severe but plausible downturn in the housing and land markets. For Gleeson Homes, this included the impact of a downturn in both volumes and selling price. For Gleeson Land, the Directors have considered the impact of delays to the completion of land sales combined with a reduction in land values. Further details can be found in note 1 of the financial statements on page 183.

Additionally, the Directors have considered the measures that would need to be taken to mitigate the impact of these sensitivities, including the ability of the Group to curtail expenditure on new land purchases, new site starts, reduce overheads and cut discretionary spend. This would include reducing future dividend payments in response to a severe but plausible downturn.

A core principle of the Group is to maintain a cautious approach to debt funding. The Group has a committed bank facility of £135m available until October 2027, with a further one-year extension option provided by two banks. At the balance sheet date, the Group held cash and cash equivalents of £6.5m (2024: £12.9m) net of an overdraft of £2.3m (2024: £nil), together with borrowings of £5.0m (2024: nil). Borrowings net of cash, therefore, was £0.8m (2024: £12.9m) and the total unused facility was £127.7m (2024: £135m).

Based on these facilities, the Group continues to have a high level of liquidity including under the severe but plausible scenario, to continue in operation, meet its liabilities as they fall due and remain in compliance with its financial covenants over the three-year viability period. The mitigating actions required do not disrupt the Group's ability to grow over the long term.

Based on the results of this assessment, the Directors have a reasonable expectation that the Company and the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year viability period.

Assessing the Group's prospects beyond the viability period, the Directors consider that demand will remain strong due to the fundamental under-supply of affordable, high-quality new homes in the market. The Group maintains a well-capitalised balance sheet and operates a sustainable business model that will continue to deliver growth.

Nomination Committee Report



Committee members

Fiona Goldsmith (Chair)
Elaine Bailey
Nicola Bruce

“

I am pleased to be appointed as Chair of the Committee and we have already commenced an external process to appoint a further Non-Executive Director to the Board with the requisite skills and expertise to chair the Audit Committee.”

Fiona Goldsmith
Chair

KEY ACHIEVEMENTS FOR 2025

- The appointment of Fiona Goldsmith as Chair of the Board (process led by Nicola Bruce).
- Review and implementation of recommendations from the 2024 external board evaluation.
- Executive and senior management development and succession planning.
- Oversight of the Company's developing Equity, Diversity, and Inclusion strategy.
- Oversight of the Company's Graduate and Apprenticeship Schemes.

AREAS OF FOCUS FOR 2026

- The appointment of a new independent Non-Executive Director to chair the Audit Committee.
- Executive and senior management development and succession planning to meet medium and long-term requirements.
- Continued focus on, and monitoring of, the Company's strategy on Equity, Diversity, and Inclusion.

Dear shareholder,

I am pleased to present the Nomination Committee Report for the year ended 30 June 2025.

Operation of the Committee

The Committee comprises the Chair and two independent Non-Executive Directors. The Chief Executive Officer, Chief Financial Officer, Group HR Director and Company Secretary attend meetings at the invitation of the Committee.

During the year, the Committee met formally twice to consider a range of matters, and held a number of unscheduled meetings in relation to the appointment of the Board Chair and new Senior Independent Director.

Committee changes

Following the resignation of James Thomson, Fiona Goldsmith was appointed Chair of the Committee in April 2025.

Activities during the year

The Committee's main activities included:

- The appointment of Fiona Goldsmith as Chair of the Board (with the process led by Nicola Bruce), and of Nicola Bruce as Senior Independent Director.
- Board and senior management development and succession planning.
- Oversight of the Company's talent development programme including the Graduate and Apprenticeship Schemes.
- Consideration of the Company's annual people survey results and oversight of action plans for the following year.
- Development of the Company's Equity, Diversity, and Inclusion strategy.
- A review of the annual Board and Committee evaluation.
- An annual review of the Committee's terms of reference.

Board appointments

Chair: The Committee, led by Nicola Bruce, undertook a comprehensive process to appoint a new Board Chair following the resignation of James Thomson in April 2025.

On 23 April 2025, the Committee recommended to the Board that Fiona Goldsmith be appointed to the role of interim Chair, whilst the process for finding a permanent Chair was commenced. The Committee undertook an appropriately structured governance process for the appointment, including discussions with leading board-level recruitment agencies and professional advisers. On 4 July, the Committee was pleased to recommend to the Board that Fiona Goldsmith be appointed as Chair with immediate effect. The Committee is confident that Fiona has the qualities, credentials and capabilities to lead the Board successfully.

Senior Independent Director: The Committee was pleased to recommend to the Board that Nicola Bruce replace Fiona Goldsmith as Senior Independent Director, effective from 4 July 2025.

Re-election of Directors

In accordance with the requirements of the 2018 UK Corporate Governance Code, all Directors will retire and offer themselves for re-election at the AGM in November 2025.

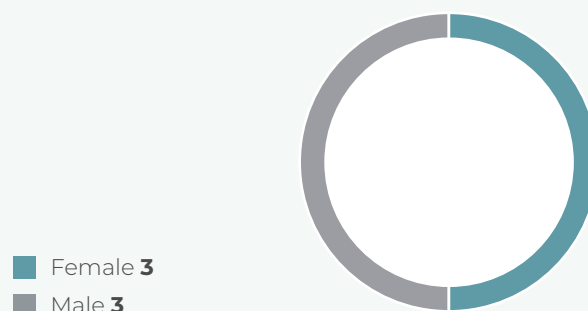
Length of service on Board

Fiona Goldsmith	●●●●●● 6 years
Graham Prothero	●● 2 years
Stefan Allanson	●●●●●●●●●● 10 years
Christopher Mills	●●●●●●●●●● ●●●●●● 16 years
Elaine Bailey	●●●● 4 years
Nicola Bruce	●● 2 years

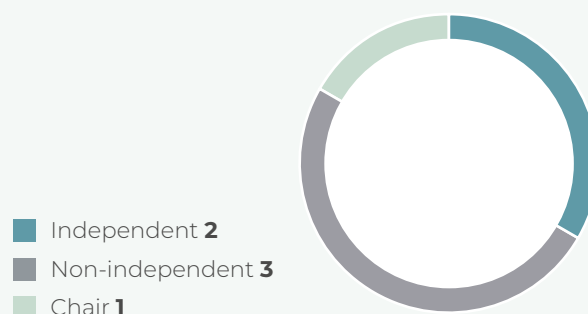
Board attendance

100%

Gender representation



Board independence



Nomination Committee Report

CONTINUED

Diversity and inclusion

The Board Diversity Policy, which was reviewed during the year, sets the framework to ensure that candidates for Board appointments are considered on merit against objective criteria, with due regard to the benefits that can arise from diversity of background, gender, ethnicity, skills and knowledge, which does not place any candidate at a disadvantage.

We believe that the composition and quality of the Board should be in keeping with the size of the Group, its sector, culture, and status as a listed company. We understand that a diverse Board with a range of views and backgrounds enhances decision making, which is beneficial to the Group's long-term success and in the interests of the Company's stakeholders.

While the Board does not currently set specific targets for boardroom diversity, it is compliant with two of the three targets set out in the Listing Rules with the number of women on the Board representing 50% and Fiona Goldsmith and Nicola Bruce being the Chair and Senior Independent Director respectively.

The Board is aware that it does not currently meet the target that at least one member of the Board is from a minority ethnic background and will keep its composition under review ensuring that all future appointments, which will continue to be made on merit, have due regard to this target.

Numerical diversity data as at 30 June 2025 in the format required by the Listing Rules is set out below.

Gender diversity	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, and Chair)	Number in Executive management ¹	Percentage of Executive management ¹
Men	3	50%	2	6	75%
Women	3	50%	2	2	25%
Not specified/prefer not to say	–	0%	–	–	0%

¹ The Company is treating the Executive Leadership Team as 'executive management' for the purpose of this data set. The Executive Leadership Team consists of the Executive Directors, the Managing Director of Gleeson Land, the Chief Operating Officer of Gleeson Homes, the two Divisional Managing Directors of Gleeson Homes, the Company Secretary and the Group HR Director.

Ethnic background	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, and Chair)	Number in Executive management ¹	Percentage of Executive management ¹
White British or other white	6	100%	4	8	100%
Minority ethnic background	–	0%	–	–	0%
Not specified/prefer not to say	–	0%	–	–	0%

¹ The Company is treating the Executive Leadership Team as 'executive management' for the purpose of this data set. The Executive Leadership Team consists of the Executive Directors, the Managing Director of Gleeson Land, the Chief Operating Officer of Gleeson Homes, the two Divisional Managing Directors of Gleeson Homes, the Company Secretary and the Group HR Director. This disclosure is based on data disclosed by the relevant individuals and held in the HR system.

The Group also implements an equality and diversity policy in respect of its wider workforce, with further details set out on page 52.

Nomination Committee priorities in 2025

PRIORITIES	WORK CARRIED OUT	OUTCOME
Priority 1 Appointment of a new Chair.	The Committee undertook an appropriately structured governance process for the appointment, including discussions with leading board-level recruitment agencies, professional advisers and other stakeholders.	On 4 July 2025 the Committee recommended to the Board that Fiona Goldsmith be appointed as the Chair with immediate effect.
Priority 2 Oversee implementation of Equity, Diversity and Inclusion initiatives for both gender and ethnicity.	The Committee received and reviewed details of the Company's policy and strategy on EDI.	Approval of the Group's EDI policy and continued development and implementation of the strategy with the Committee's oversight.

Succession planning and Board appointments

We recognise that succession planning is an important contributor to the Group's long-term sustainable success. For the Board, this is monitored through regular discussions in Nomination Committee meetings, bi-annual skills matrices, and through the Board's annual performance evaluation.

The Group's EDI policy and strategy is embedded in Board recruitment and succession planning and is overseen by the Committee.

The Board appointment process identifies a recruitment need by looking at the tenure of each individual Director, the background, knowledge and skills of each Director, and Board composition, including gender and ethnicity, as a whole. This process enables the Nomination Committee to develop and implement plans for the short, medium, and long term, which supports a diverse pipeline of potential candidates.

External advisers

The Nomination Committee uses external advisers, where required, to assist with the recruitment process.

Board performance evaluation Process

Following the external evaluation of the Board and its Committees facilitated by Bvalco during 2024, the Board deemed it appropriate to carry out an internal evaluation of the Board and its Committees in 2025. The evaluation was facilitated by the Company Secretary and required all Directors to complete questionnaires covering the same thematic areas as those used in the 2024 evaluation. Other individuals who are regular attendees and contributors to some Committee meetings were invited to participate in the evaluation.

The new Chair's appointment was confirmed in July 2025 further to Board consideration of her qualities, credentials and capabilities. A formal review of the Chair's performance will be carried out in the next financial year.

Outcome

The findings and recommendations from these evaluations were reviewed and discussed by the Board and it was concluded that the Board and its Committees continue to perform effectively, with no significant issues of concern and all Directors providing constructive contribution and challenge.

Areas reported positively include the level of communication between Board members, the communication and working relationship between the main Board and its sub-committees, and the Board's understanding of the Company's business purpose, values and strategy.

Areas identified for further development include how the Board is perceived by its internal stakeholders (such as the workforce), Board succession planning and the current size and composition of the Board.

Progress against all observations and recommendations will be monitored during 2026 as an item on the Board agenda.

Looking to 2026

The Committee has commenced a search for a new independent Non-Executive Director who has the requisite skills and expertise to chair the Audit Committee. The Board is also focused on overseeing the development of appropriate succession planning for the Board, Executive Directors and senior leaders.

With the Group's EDI strategy now launched, the Committee is keen to oversee progress on promoting greater diversity and inclusion across the business.

Fiona Goldsmith Chair of the Nomination Committee

15 September 2025

Audit Committee Report



Committee members

Fiona Goldsmith (Chair)
Elaine Bailey
Nicola Bruce



This has been a busy year for the Committee as the Group prepares for changes under the revised Code as well as responding to other legislation such as ECCTA. The Committee continues to support the Board in ensuring that effective systems of risk management and control are maintained in response.”

Fiona Goldsmith
Chair of the Audit Committee

KEY ACHIEVEMENTS FOR 2025

- Monitoring of costs to complete in order to assess the integrity of profit and margin recognition and valuation of work in progress.
- Monitoring progress of the Group's work over risk management and controls being carried out in preparation for changes to the Corporate Governance Code.
- Review of internal audit findings and implementation of actions identified, including any follow-up.
- In conjunction with the Board, monitoring the Group's exposure to the Building Safety Act, progress to date, and adequacy of provisions, including consideration of legacy issues arising in the year.
- Review of the Group's response, policy and fraud risk assessment under ECCTA regulations.

AREAS OF FOCUS FOR 2026

- Further work to enhance the Group's risk management and controls including embedding a strong 'controls culture' within the business.
- Further development of the Group internal audit plan and resources.
- Continued focus on commercial processes, cost management, profit and margin recognition.
- Ongoing assurance over the financial and operational controls, regulatory compliance and risk management processes of the Group.
- Competitive tender process for the external audit in respect of the 2027 financial year onwards.

Dear shareholder,

I am pleased to introduce the Audit Committee Report for the financial year ended 30 June 2025.

Operation of the Committee

The committee comprises the Chair and two independent Non-Executive Directors. The Board is satisfied that the membership of the Audit Committee meets the requirement for relevant and recent financial experience. The biographies and professional qualifications of the members are shown on pages 110 and 111.

The Chief Executive Officer, Chief Financial Officer, Company Secretary and other senior management are invited to attend meetings, along with the Group's internal and external auditors, when required. The Committee also met with the Group's internal and external auditors without the presence of Executive Directors or senior management on several occasions throughout the year.

Committee meetings

The Committee is required, in accordance with its terms of reference, to meet at least three times a year. During the year, the Committee formally met five times to discharge its duties.

Audit Committee activities in 2025:

ACTIVITY	WORK CARRIED OUT	OUTCOME
Financial reporting – fair, balanced and understandable	The Committee reviewed the integrity of this Annual Report and Accounts and formal announcements made during the year relating to the Group's financial performance. At the request of the Board, the Committee considered whether the 2025 Annual Report and Accounts taken as a whole is fair, balanced and understandable and whether it provides the necessary information for shareholders to assess the Company's performance, business model and strategy.	The Committee was satisfied that, taken as a whole, the 2025 Annual Report and Accounts is fair, balanced and understandable and provides sufficient information for shareholders to assess the Company's and Group's performance, business model and strategy.
Risk management and internal controls	The Committee reviewed progress with the wider programme of risk management and testing of control effectiveness across the Group. This project is focused on improving the maturity of the risk management framework and mitigating controls ahead of changes to the Corporate Governance Code. Key management are responsible for functional risk registers, which identify the operational and compliance risks and controls for their functional area of the business, together with the risk and controls matrices, which set out the financial reporting controls. These have been developed in conjunction with third-party review and support. A summary of principal Group risks and any changes during the year is set out in Risk Management on pages 38 to 43.	The Committee and the Board fully understand and manage the balance of risks in the business. The Committee supports the Group in moving to an enhanced risk management and control framework in readiness for changes to the Corporate Governance Code.

Audit Committee Report

CONTINUED

ACTIVITY	WORK CARRIED OUT	OUTCOME
Group taxes	The Committee received regular updates on Group tax matters. These cover all aspects of compliance, including VAT, Corporation Tax, Residential Property Developers Tax, Construction Industry Scheme, and employment taxes, including off-payroll working arrangements. The Committee oversaw the Group's submission of an unqualified Senior Accounting Officer certificate. The Committee reviewed the Group's Tax Strategy statement for the year to 30 June 2025 and recommended its approval to the Board. A copy of the Tax Strategy statement can be found on the Company's website www.mjgleesonplc.com	The Committee satisfied itself that the processes and controls associated with Group taxes remain robust.
Legacy matters and Building Safety	The Committee and Board received updates on progress to date with works to remediate buildings directly identified in respect of the DLUHC Self-Remediation Terms and the Responsible Actors Scheme. The Committee received and reviewed reports on claims associated with the legacy businesses, being the contracting and engineering businesses sold more than ten years ago. This includes those buildings indirectly impacted by the changes brought about by the enactment of the Building Safety Act 2022 and the Government's Self-Remediation Terms.	The Committee is satisfied that the Group is complying with its obligations under the Self-Remediation Terms, and, in conjunction with the Chief Financial Officer, continues to monitor the status of claims and any remaining liabilities.
ECCTA	The Committee reviewed and approved the Group's policy and response in respect of the Economic Crime and Corporate Transparency Act 2023 (ECCTA).	The Committee is satisfied that the Group's response to its obligations under ECCTA is proportionate and appropriate.
Accounting policy	The Committee reviewed the Group's revenue recognition policy for partnerships as well as updates to the Group Accounting Policy Manual.	The Committee is satisfied that the updates to the Group's accounting policies are appropriate, including for partnerships.
Internal audit	The Committee set the internal audit plan for the financial year ended 30 June 2025 at its meeting in September 2024. As covered under "Internal audit", the Committee received and reviewed reports from the internal auditor throughout the year on internal audits conducted across the business. This included commercial site audits and cost reviews, HR controls around new starters and rights to work, and the onboarding of new suppliers and subcontractors.	The Committee remains satisfied with the effectiveness of the internal audit function.
External audit	The Committee received and reviewed the external auditors' Group audit plan at its meeting in February 2025. Following completion of the audit of the Group, the external auditors presented their findings to the Committee in September 2025.	The Committee remains satisfied with the effectiveness of the external auditors and the audit process.

Other activities

During the year, the Committee also reviewed reports on IT and systems, corporate disclosures and MAR, GDPR, credit risk, Corporate Criminal Offence, anti-bribery and malpractice monitoring and whistleblowing.

Financial reporting and significant judgements

ACTIVITY	WORK CARRIED OUT	OUTCOME
Margin recognition	The allocation of inventories to cost of sales on the sale of individual homes is dependent on estimates of total build costs and future selling prices for each site as a whole. These estimates impact on the timing and amount of profit margin recognised on sales of individual homes. The Committee monitors the effectiveness of internal controls exercised over the key processes employed by the Group in site development activities and the forecasting of future costs, revenue and profit. The Committee receives regular reports regarding sales of homes and the costs, and possible future costs, relating to individual sites. The Committee reviewed the assumptions applied by management, supporting the profit margin recognised on the sale of individual homes, and concluded that they remain appropriate.	The allocation of inventories to cost of sales on the sale of individual homes is dependent on estimates of total build costs and future selling prices for each site as a whole. These estimates impact the timing and amount of profit margin recognised on sales of individual homes. The Committee monitors the effectiveness of internal controls exercised over the key processes employed by the Group in site development activities and the forecasting of future costs, revenue and profit. The Committee receives regular reports regarding sales of homes and the costs, and possible future costs, relating to individual sites. The Committee reviewed the assumptions applied by management, supporting the profit margin recognised on the sale of individual homes, and concluded that they remain appropriate.
Carrying value of land and work in progress	The most significant asset carried by the Group is inventory, which includes land and work in progress. The Group carries inventories at the lower of cost and net realisable value, which is dependent on estimates of total build or land promotion costs and future selling prices. There is, therefore, a risk that land and work in progress is held at a value in excess of the lower of cost and net realisable value. The Committee monitors the effectiveness of internal controls exercised over the key processes employed by the Group in site development activities and the forecasting of future costs, revenue and profit. The Committee also receives regular reports on the carrying value of land and work in progress in Gleeson Homes and Gleeson Land. The Committee reviewed these reports and debated them with the internal auditor and with management.	The Committee satisfied itself that the carrying value of land and work in progress remains appropriate. The Committee satisfied itself that the associated processes and controls have continued to operate effectively across the Group and the assumptions applied by management in relation to profit recognition are appropriate.

Audit Committee Report

CONTINUED

ACTIVITY	WORK CARRIED OUT	OUTCOME
Building safety	The Committee and Board reviewed and challenged progress on the remediation of buildings over 11 metres, in which the Group played a part in developing. The Committee remains satisfied with the progress made by the Group in working with subcontractors to carry out works required and the assessment of costs remaining for life-critical fire-safety remediation in respect of any such buildings. More details can be found in note 18 to the financial statements.	The Committee satisfied itself with the work being undertaken by the Group in respect of the identification, assessment and remediation of life-critical fire-safety matters, and that the provisions recognised remain appropriate.
Climate change and environmental risk	The Committee reviewed the risk of climate change impacting the Group as part of the risk register review during its regular meetings. Climate change has the potential to impact the Group through restricted land availability, disrupted build programmes, material and labour shortages and increased costs. This could impact the carrying value of assets, including land held in inventory, or require specific provisions to be made.	The Committee satisfied itself that no provisions or impairment of assets should have been recognised in these financial statements as a result of climate change or environmental risks, and that this remains appropriate.
Going concern and viability reporting	The Committee examined the financial forecasts for the Group including the impact of a severe, but plausible, downturn in the housing and land markets. These were examined by the Committee in conjunction with its review of this Annual Report and Accounts. The Committee satisfied itself and, subsequently, the Board, that the going concern basis of preparation continues to be appropriate in the context of the Group's banking and liquidity position. Further details can be found in note 1 of the financial statements on page 183. In accordance with the provisions of the Code, the Committee considered the time period over which it could reasonably assess the Group's ability to continue to trade, taking into account the Group's financial budget period and operational forecasts. It concluded that this should remain a three-year period, as explained in the viability statement on page 117. The Committee received detailed financial analysis based on the Group's latest budget and plan with a severe, but plausible, scenario applied over the three-year period and determined there was a reasonable expectation that the Group will be able to continue in operation, meet its liabilities as they fall due and maintain compliance with its banking covenants.	The Committee satisfied itself that, based on the financial modelling undertaken, the Company and Group have adequate resources to continue in operation for the foreseeable future and operate in compliance with the Group's bank facilities. The Committee recommended statements to this effect to the Board to approve for inclusion in this Annual Report and Accounts.

The significant financial reporting matters and areas of significant judgement considered by the Committee during the year are those that present a risk of material misstatement to the Group's financial statements, being:

Effectiveness of internal controls and risk management systems

The Committee is responsible for reviewing and monitoring the effectiveness of internal controls and risk management systems on behalf of the Board. The Group's system of internal control includes the following processes:

- The Board has established defined lines of authority to ensure that significant decisions are taken at an appropriate level.
- The Board and management meet regularly to monitor performance against key performance indicators, which include cash management and financial and operational measures. A variety of financial and non-financial reports are produced to facilitate this review process.
- The Group employs individuals of appropriate calibre and provides any training that is necessary to enable them to perform their role effectively. Key objectives and opportunities for improvement are identified through performance and development reviews.
- Each division has defined procedures and controls to identify and minimise business, operational and financial risks. These procedures include segregation of duties, provision of regular performance information and reports, approval procedures for transactions and the maintenance of proper records. The Group's programme of insurance covers the major risks to the Group's assets and business and is reviewed annually.
- Authorities are in place that require divisional management to refer all significant decisions that exceed prescribed limits to either the Executive Directors or the Board for approval.

Regular reviews are undertaken in order to identify any changes in procedure or controls that may be required in the light of changing circumstances.

The effectiveness of the overall internal control framework and risk management process is monitored by both the Audit Committee and the Board. The Risk Management section on pages 38 to 43 sets out details of the principal risks that the business faces and how it manages these risks.

The Committee has satisfied itself that an appropriate system of internal controls and risk management processes has been maintained throughout the year to safeguard shareholder interests as well as the Group's assets in accordance with the requirements of the Code.

Whistleblowing arrangements

The Group has in place a formal whistleblowing policy, an internal whistleblowing mailbox monitored by the Head of Legal and Company Secretary, and an independent external whistleblowing helpline. These enable all employees of the Group to confidentially report any malpractice or matters of concern they have regarding the actions of employees, management or Directors, and any unlawful behaviour or breaches of the Group's policies or practices, without fear of recrimination. The policy includes a process for proportionate and independent investigation of any reports received. This may involve an informal review, an internal inquiry, or a more formal investigation. Whenever possible, feedback is given to the whistleblower on the outcome of any investigation.

The Head of Legal and Company Secretary maintains a register of reports received through both internal and external processes, which is reviewed by the Committee at least every six months.

Employee awareness of the Group's whistleblowing policy is maintained through the induction process, newsletters, posters and reminders that "if you see something, say something". Employees also undertake a mandatory online course, which is designed to raise awareness of reportable issues or incidents upon joining, which is repeated every 12 months.

Anti-bribery and corruption policy

The Group values its long-standing reputation for ethical behaviour and integrity. Conducting its business with the highest ethical standards and a zero-tolerance approach to all forms of corruption is central to these values, the Group's image and reputation. The Group policy sets out the standards expected of all employees in relation to anti-bribery and corruption, and the Board has overall responsibility for ensuring this policy complies with the Group's legal and ethical obligations and that everyone in the organisation complies with it. This policy is also relevant for third parties who supply goods or perform services for, or on behalf of, the Group. We require those parties to adhere to this policy or have in place equivalent policies and procedures to combat bribery and corruption.

All employees also undertake a mandatory online training course, which is designed to raise awareness of bribery and corruption offences and penalties for both individuals and the Group.

The Committee reviews a report on the registers of gifts and hospitality given or received by Directors and employees of the Group at least every six months. No incidents of bribery or corruption involving the Group or its employees were reported to the Committee during the year.

Audit Committee Report

CONTINUED

Human rights and modern slavery

In accordance with section 54(1) of the Modern Slavery Act 2015, the Board reviews, approves and publishes the Group's Modern Slavery Statement on an annual basis. Modern slavery risk is overseen by the modern slavery focus group, led by the Chief Financial Officer and Head of Legal and Company Secretary. Risks are regularly assessed, with the Group's highest risk area, being its supply chain, regularly audited. To ensure there is a full understanding of modern slavery risk throughout the business, all employees receive online training on spotting the signs of slavery within the workplace and are actively encouraged to raise concerns through the whistleblowing lines.

Internal audit

The Committee is responsible for reviewing and approving the annual internal audit plan. This continues to cover a broad scope of activities across the Group, focused on areas of risk and management judgement.

During the year, the Committee received reports from the internal auditor on the findings of internal audits conducted throughout the business, together with proposed recommendations to rectify any issues identified. These reports covered a range of areas including:

- costs to complete on selected Gleeson Homes sites;
- the carrying value of land and work in progress in Gleeson Homes and Gleeson Land; and
- operational and compliance controls including HR controls over new starters and rights to work.

The findings of these reports were actively debated by the Committee with the internal auditor and with management. The Committee monitored the follow up on actions identified.

The Committee reviewed the effectiveness of the internal audit function and concluded that it has operated effectively and provided a suitable level of independent scrutiny across the operations of the Group.

External audit

PricewaterhouseCoopers LLP were first appointed as auditors to the Group in December 2016 following a competitive audit tender, and were most recently reappointed following approval by shareholders at the AGM on 15 November 2024.

In February 2025, the auditors presented their Group audit plan to the Committee, identifying their assessment of key risks in the Group's financial reporting. For the 2025 financial year, as in prior years, the primary risks identified were in relation to inventory valuation and profit recognition in Gleeson Homes, work in progress in Gleeson Land and the building safety provision. Consistent with the prior year, the carrying value of investments in subsidiaries

was also identified as a primary risk in relation to the Company only.

The Committee formulates and oversees the Group's policy on monitoring external auditors' objectivity and independence in relation to non-audit services and is responsible for the approval of all audit and non-audit fees for services provided by the Company's auditors. As a result of the EU Audit Reforms Regulations (as amended 11 June 2016), and the FRC's revised ethical standard (as revised December 2019), the auditors are excluded from undertaking a range of work on behalf of the Group to ensure that the nature of non-audit services performed, or fee income earned relative to the audit fees, do not compromise, and are not seen to compromise, the auditors' independence, objectivity or integrity.

For the year to 30 June 2025, there were no non-audit fees paid to the external auditors. Details of the audit fees incurred are disclosed in note 4 to the financial statements.

The Committee assesses the performance and effectiveness of the external auditors on an annual basis. When making their assessment, the Committee considers feedback from the Chief Financial Officer and other senior finance management, the auditors' fulfilment of the agreed audit plan, and the auditors' objectivity and independence during the process. The Committee also holds private meetings with the auditors on an annual basis. Matters discussed include the auditors' assessment of business risks and management activity thereon, the transparency and openness of interactions with management and confirmation that there has been no restriction in scope placed on them by management.

The Committee concluded that the audit process had been conducted robustly and PricewaterhouseCoopers LLP's performance, as auditors of the Company, was considered to be satisfactory. As the auditors have indicated their willingness to continue in office, a resolution that they be reappointed will be proposed at the next AGM of the Company on 14 November 2025. Under the mandatory rotation of engagement partner rules a new partner, Tom Yeates, was appointed from this date.

Under current regulations, the Company is due to re-tender its audit in 2026 for the 2027 financial year; a formal tender process will be commenced in the current year.

Fiona Goldsmith
Chair of the Audit Committee

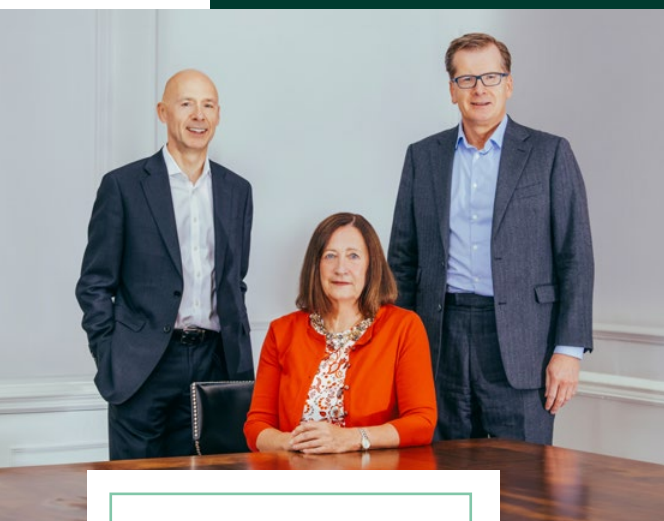
15 September 2025



St Patrick's Vale,
Aspatia, Cumbria



Sustainability Committee Report



Committee members

Elaine Bailey (Chair)
Graham Prothero
Stefan Allanson



We were delighted to have our greenhouse gas reduction targets validated by the SBTi this year. This represents an important milestone for the Group on its pathway to delivering direct climate action.”

Elaine Bailey
Chair of the Sustainability Committee

KEY ACHIEVEMENTS FOR 2025

- Validation from the Science Based Targets Initiative (SBTi) for our near-term and net-zero targets, including ‘FLAC’ emissions.
- Review progress against 2025 sustainability targets and setting of 2026 targets.
- Approval of the appointment of an Environmental Manager to enhance environmental management processes
- Oversight and review of the Group’s climate-related reporting and disclosures, and climate risk scenario modelling for TCFD.
- Review of the Group’s environmental risks and mitigating actions.
- Approval of an enhanced Supplier Code of Conduct Policy to enforce our ESG expectations of our supply chain partners.

AREAS OF FOCUS FOR 2026

- Monitor progress against 2026 sustainability targets and actions.
- Monitor and support the delivery of carbon reduction initiatives against SBT.
- Implement and monitor our refreshed waste and resource management and waste optimisation processes.
- Review the potential implementation of ISO management systems.

Dear shareholder,

I am pleased to introduce our Sustainability Committee Report for the year ended 30 June 2025, which sets out the progress that we have made against our sustainability objectives.

Operation of the Committee

The Committee comprises the Chair, the Chief Executive Officer and the Chief Financial Officer. Other members of the Board, senior management and external advisers are invited to attend for all, or part of, any meeting as and when required.

Committee meetings

The Committee is required, in accordance with its terms of reference, to meet at least three times per year. During the year, the Committee met on four occasions, three of which were scheduled meetings.

Activities during the year

During the year, the Committee dealt with the following key matters:

- Reviewing and recommending to the Board approval of the submission of a robust and verifiable carbon reduction plan that meets the SBTi criteria and recommendations.
- Reviewing progress against 2025 sustainability targets and actions.
- Agreeing new sustainability targets and actions for 2026.
- Reviewing the Group's environmental risk register.
- Approving a new materiality assessment to be conducted with stakeholders.
- Conducting a sustainability deep dive for the Board.
- Reviewing sustainability-related policies.
- Agreeing further steps for the Group in respect of:
 - submitting near-term and net-zero targets across scopes 1, 2 and 3 and gaining validation by the SBTi;
 - enhancing employee engagement;
 - enhancing the customer experience;
 - implementing and enforcing a supplier code of conduct;
 - agreeing a range of climate-related scenarios and reviewing their impact on the Group; and
 - reviewing climate-related disclosures in accordance with the Task Force on Climate-related Financial Disclosures ("TCFD") and the Sustainability Accounting Standards Board ("SASB").

Our aims

Our aim is to ensure that the Group continues to meet its obligations and targets for sustainability, ensuring that all material issues are identified, monitored and reported on. The Group's approach to sustainability is centred around communities, people and the environment. The Committee reviews all aspects of these areas, with a particular focus on the environmental impact of the Group's activities.

The potential impacts of climate change affect not only our business, but also the communities in which we build. These impacts include both 'transitional' risks such as changes to government policy and regulations, and the physical impacts arising from changing weather, flooding and water stress.

For these reasons we committed to setting Science Based Targets, which sets our intention to reduce near-term emissions by 2032, and to achieve net zero by 2050 and which includes Forestry, Land and Agriculture (FLAG) emissions associated with land use change and upstream FLAG commodities (timber procurement). These are supported by a plan to achieve the intended reductions for scope 1, 2 and 3 emissions. Further details on our carbon emissions and carbon reduction plans can be found on pages 66 to 73.

We set sustainability targets and actions that can be quantified and that are, ideally, within the tenure of those who are measured against them. This enables sustainability targets to be linked to performance and remuneration effectively and drives purposeful outcomes, which help to drive the business towards achieving its sustainable business strategy.

To ensure the Group's sustainability strategy and objectives are aligned to our stakeholders' expectations, we undertook a revised materiality assessment during the year. The findings of the assessment can be found on pages 78 and 79.

We also consider wider environmental issues and monitor environmental risks, both current and emerging, and these are set out in our reporting under TCFD. We seek to provide clarity and leadership in our reporting on sustainability, sharing the Group's targets and performance, including where we have not achieved targets and any areas for improvement. We believe that our stakeholders value this honesty in our reporting.

Sustainability Committee Report

CONTINUED

Sustainability Committee activities in 2025

ACTIVITY	WORK CARRIED OUT	OUTCOME
Carbon emissions	Following submission of science-based targets in June 2024, during the year we obtained validation by the SBTi for near-term and net-zero targets including FLAG emissions. The Committee has continued to review the progress made on our carbon emissions reduction plan and the viability of achieving long-term carbon reduction targets, which was validated by the SBTi.	The detailed validation of emissions has enabled us to more robustly develop our medium and long-term carbon reduction pathway and to include FLAG emissions. Based on the projected plans, the Committee recommended to the Board to submit our targets, including FLAG for validation by the SBTi.
Sustainability targets	The Committee received updates on progress against the 2025 sustainability targets published in last year's Annual Report. The Committee challenged where progress was falling short of the targets set and the corrective actions being taken. Progress against our published 2025 targets can be found on pages 80 and 81. The Committee reviewed and approved the targets and actions for 2026. These can be found on page 82.	The Committee was satisfied with progress against the 2025 targets with all four overarching targets being met. The Committee approved the targets and actions proposed for 2026.
Environmental risk register	The Committee reviewed the environmental risk register. This assesses both the inherent and mitigated risks of the environmental issues relevant to the Group. Group risks, including those related to climate change and sustainability, informed by the environmental risk register, are monitored by the Audit Committee and the Board as set out in Risk Management on pages 38 to 43.	The Committee and the Board fully understand and manage the balance of environmental risks in the business.
Climate-related disclosures	The Committee reviewed draft and final disclosures for inclusion in this Annual Report and Accounts, including those based on the recommendations of the TCFD, which can be found on pages 84 to 91, and the relevant SASB Industry Standards, which can be found on pages 92 to 97.	The Committee approved the disclosures for inclusion in this Annual Report and Accounts.

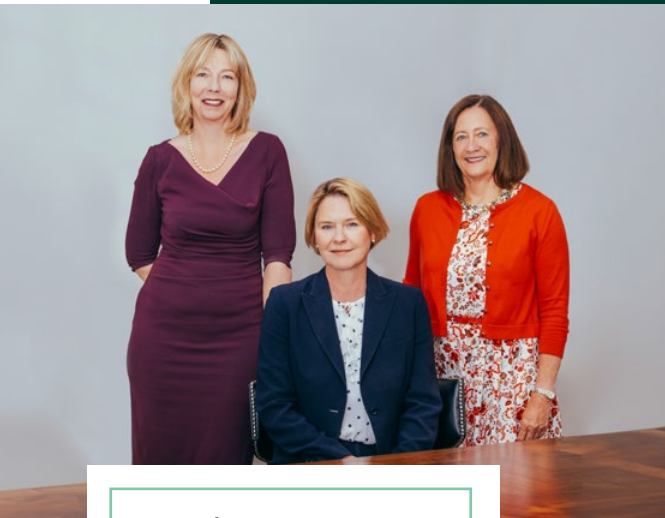
Elaine Bailey
Chair of the Sustainability Committee

15 September 2025



 Alfie

Remuneration Committee Report



Committee members

Nicola Bruce (Chair)
Elaine Bailey
Fiona Goldsmith



A key focus for the Committee this year has been a comprehensive review of our Remuneration Policy."

Nicola Bruce
Chair of the Remuneration Committee

KEY ACHIEVEMENTS FOR 2025



- Reviewing and proposing the new Directors' Remuneration Policy for approval at the 2025 AGM.
- Reviewing, assessing and approving annual bonus and LTIP outcomes for 2025.
- Approving performance targets for annual bonus and LTIP awards for Executive Directors and senior management for 2025.
- Approving salary increases for Executive Directors and senior management for 2026.
- Reviewing proposals for workforce remuneration in support of the Group's growth agenda.

AREAS OF FOCUS FOR 2026



- Reviewing the Group's Long Term Incentive Plan rules and Annual Deferred Bonus Plan rules for shareholder approval at the 2026 AGM.
- Reviewing and considering the current long-term incentive plans for below-board senior management.
- Setting targets for Executive remuneration that align to the Group's business strategy.
- Reviewing wider workforce remuneration and related policies.

Dear shareholder,

I am pleased to present the Directors' Remuneration Report for 2025.

The report is split into three sections:

1. This statement, which provides an overview of the key decisions made within the year.
2. The Annual Report on Remuneration, which provides details of the remuneration earned by Directors during 2025, and how the Committee intends to apply the new Directors' Remuneration Policy in 2026.
3. The proposed new Directors' Remuneration Policy for which we will be seeking shareholder approval at the 2025 AGM.

Our new Directors' Remuneration Policy

Our current Remuneration Policy was approved by shareholders at the 2022 AGM (with 97.5% of votes cast in favour) and is approaching the end of its three-year term. In line with the usual three-year cycle, a new Directors' Remuneration Policy ("Remuneration Policy") will therefore be put to shareholders for approval at the 2025 AGM.

The Committee has undertaken a comprehensive review of the Executive incentive framework. The Committee considered a range of incentive frameworks and has concluded that the current approach, comprising an annual bonus and performance-based long-term incentive, remains aligned to the Group's strategy, supports a performance driven culture and supports the creation of shareholder value. Therefore, no changes are proposed to the incentive framework.

One minor refinement to the Remuneration Policy is proposed in relation to the annual bonus clawback period which will align the Remuneration Policy with the existing annual bonus rules. Therefore, under the new Remuneration Policy, the clawback period for Executive Director annual bonus awards will be extended from two to three years following determination of the bonus.

The Committee considers that the existing Remuneration Policy has been working well and has operated as intended and therefore, save for this minor refinement, no changes are proposed.

As part of the review, the Committee wrote to major shareholders to advise of the proposed refinements and invite further consultation and feedback.

Refinement to annual bonus and LTIP performance metrics

The Committee has also reviewed the annual bonus and LTIP performance metrics alongside the Remuneration Policy and, after careful consideration, has made the following refinements for future awards.

ESG and carbon reduction

An ESG metric with a 5% weighting was included in the 2024 and 2025 annual bonus, relating to the development and SBTi validation of a carbon reduction pathway. Having now achieved SBTi validation of our carbon reduction pathway, we are pleased to be able to introduce a meaningful carbon reduction metric into LTIP awards to be granted to Executive Directors during the year ending 30 June 2026. The Committee believes it is more appropriate to set carbon reduction performance targets over a longer timeframe, and therefore it is more sensible to move the ESG component from our annual bonus plan into our LTIP.

Annual bonus performance metrics

The 2025 annual bonus was based on Group profit before tax (75%), sales site openings (10%), customer experience (10%) and ESG (5%). Noting that we will introduce a carbon reduction metric into future LTIP awards, the 2026 annual bonus will be based on Group profit before tax (80%), sales site openings (10%) and customer experience (10%). The Committee considers that this balance between profit and strategic metrics is appropriate.

Furthermore, the Committee will explicitly consider a reduction in the bonus outcome if health and safety standards have been unsatisfactory in the year or if there has been a major safety failure. This includes where there has been a material deterioration in the Group's annual Accident Injury Incident Rate.

Remuneration Committee Report

CONTINUED

LTIP performance metrics

Executive Director LTIP awards granted over the last five years have been based on Earnings per share (EPS) (50%) and relative Total Shareholder Return (TSR) (50%). The Committee considers that EPS and relative TSR continue to be appropriate performance metrics for MJ Gleeson, rewarding the delivery of stretching bottom-line financial performance and the creation of shareholder value. As noted above, LTIP awards to be granted during the year ending 30 June 2026 will also include a carbon reduction metric. LTIP metrics will be weighted as EPS (50%), relative TSR (40%) and carbon reduction (10%).

The Committee has also considered the appropriateness of the TSR comparator group noting that since relative TSR was introduced as a performance metric (year ended 30 June 2020), performance has been assessed against a bespoke housebuilder comparator group which has reduced in size due to sector consolidation.

When relative TSR was introduced as a performance metric, the comparator group comprised of 11 housebuilder peers. The comparator group for the latest LTIP awards comprises of eight companies (Barratt Redrow, Bellway, Berkeley, Crest Nicholson, Persimmon, Springfield Properties, Taylor Wimpey and Vistry). The Committee is mindful that a smaller comparator group increases the risk of one or two companies having a disproportionate impact on the vesting outcome of the relative TSR element. Therefore, for the LTIP awards to be granted during the year ending 30 June 2026, the Committee will assess the relative TSR element against two comparator groups as follows:

- 50% of the TSR element will be assessed against the bespoke housebuilder comparator group (the same as the LTIP award granted during the year ended 30 June 2025); and
- 50% of the TSR element will be assessed against the constituents of the FTSE SmallCap Index, excluding investment trusts, financial services companies, and mining and extraction companies.

The Committee believes that this is a more balanced approach, where Executive Directors are incentivised to outperform housebuilder peers as well as the broader listed market, noting that the number of listed housebuilder peers has reduced in recent years.

Pay and performance outcomes for 2025 Results for the year

The Group has acknowledged a number of performance headwinds in the year, as has been reported elsewhere. Nonetheless, Gleeson Homes completed the sale of 1,793 homes during the year, as compared to 1,772 homes during 2024. Gleeson Land completed seven land transactions during the year and ended the year with a portfolio of 77 sites with the potential to deliver 18,401 plots for housing development.

Annual bonus

In line with our policy, Graham Prothero and Stefan Allanson were awarded annual bonus opportunities of 150% and 125% of salary respectively for the year ended 30 June 2025. Their bonuses were based on Group profit before tax (pre-exceptional items) with regard to 75% of the potential award, and strategic performance for 25% of the potential award.

The Group achieved profit before tax (pre-exceptional items) of £21.9m for the year ended 30 June 2025 which, although in line with revised market expectations, was below the threshold target for bonus and, hence, the profit-related element of the bonus awards lapsed in full.

The Executive Directors' strategic performance objectives were based on specific and measurable targets relating to customer experience, sales site openings, and the submission of a robust and verifiable carbon reduction plan meeting the SBTi criteria and recommendations.

Based on performance against the strategic performance objectives, Graham Prothero and Stefan Allanson each earned a bonus equal to 5% of their maximum bonus potential (equivalent to 7.5% of salary and 6.25% of salary respectively). Full disclosure of performance against their strategic objectives is set out on pages 141 and 142.

The Committee is conscious of the sensitivity of paying bonuses when financial targets have not been achieved and has reflected on this very carefully. The Committee is aware of the importance of carbon reduction activities in our sector to wider stakeholders. We are pleased to be in a position to include a robust and measurable three-year carbon reduction intensity measure in future LTIP awards for Executive Directors as a consequence of SBTi validation. Moreover, the executive team has implemented structural changes at pace to improve commercial delivery, to ensure that the business is well positioned to deliver its projections for the year ending 30 June 2026 and its further growth plans over the medium-term. The Committee therefore concluded that the formulaic bonus outcome of 5% of maximum is an appropriate reflection of the commitment and performance of the Executive Directors in challenging market conditions. No discretion was applied to adjust the bonus outcomes either upwards or downwards.

2022 LTIP

Stefan Allanson was granted an LTIP award in 2022 equal to 150% of salary. Graham Prothero was granted an LTIP award in February 2023 equal to 250% salary, which, as disclosed in the 2022 annual report was a one-off exceptional award upon appointment. The awards were subject to performance targets based on EPS for 50% and relative TSR for 50% of the awards. These awards will lapse in full based on performance against the EPS and relative TSR targets. The Committee determined that it was not appropriate to adjust the formulaic vesting outcome for these awards in light of the Group's performance.

Reward for our employees

All of our employees contribute to the Group's success and, when making decisions in respect of the Executive Directors, the Committee considers the reward arrangements for, and views of, the wider workforce.

The Group was the first major housebuilder to be accredited by the Living Wage foundation. Other housebuilders have now followed our lead and the Group believes that all employees in all sectors should be paid the Real Living Wage or higher. The only exception is for apprentices, where the Group continues to pay in line with or above the Government's guidelines.

With effect from 1 July 2025 an average salary increase of 3.2% was awarded to the wider workforce. Salary increases were reflective of individual performance as well as being supportive to lower paid employees.

We support employee share ownership and operate a tax-efficient all employee Share Incentive Plan so that our employees may share in the Group's success.

We value opportunities to engage with our employees and the Chair and our Non-Executive Directors (fulfilling a shared workforce representative role) actively engaged with employees during the year on a range of topics of interest to them including Directors' remuneration.

Workforce engagement activities during the year included site and office visits, reviewing the results of the Group's employee engagement survey and discussions with senior management and staff on business performance and matters of concern.

Gender pay reporting

The Group's median 'gender role gap' is 4.8% in favour of men, versus the 2024 national median of 7.0% in favour of men. Whilst the legislation describes this as a 'gender pay gap', the Group unequivocally has an equal pay policy and pays men and women who occupy the same role, the same.

The gap arises as a result, therefore, of men and women occupying different roles in the business, which leads to a gap between the median paid male versus the median paid female. This is not indicative of unequal pay and the Group continues to develop and encourage more women into the industry including into more senior roles.

Details of our equal pay policy and further details on our gender pay report, are set out in the Group's Gender Pay Report, which can be found at www.mjgleesonplc.com

Remuneration in 2026

An overview of how we intend to apply the new Directors' Remuneration Policy during the year ending 30 June 2026 is set out on pages 138 and 139.

Conclusion

I trust the information presented in this report enables our shareholders to understand both how we have operated our Remuneration Policy during the year and our rationale for decision making. We believe that the Remuneration Policy operated as intended and consider that the remuneration received by the Executive Directors during the year was appropriate taking into account Group and personal performance, and the experience of all stakeholders. The Remuneration Committee did not apply any discretion to the Executive Directors' reward outcomes in respect of the year ended 30 June 2025.

We have undertaken a thorough review of our Policy which included a comprehensive shareholder consultation exercise. I do hope we will again receive your support for the resolutions relating to remuneration at the forthcoming AGM, where I will be available to respond to any questions shareholders may have on this report or in relation to any of the Committee's activities.

Nicola Bruce

Chair of the Remuneration Committee

15 September 2025

Implementation of the Remuneration Policy

for the year ending 30 June 2026

Executive Directors

Set out below is a summary of the key elements of the proposed Remuneration Policy for Executive Directors, together with how the Policy is intended to be implemented for the year ending 30 June 2026.

	KEY FEATURES	IMPLEMENTATION FOR YEAR ENDING 30 JUNE 2026
Base salary	Normally reviewed annually taking into account a number of factors including (but not limited to): ■ Personal performance ■ Group performance ■ Inflation and earnings forecasts ■ State of the marketplace generally ■ Pay and conditions elsewhere in the Group	The Executive Directors were each awarded a 2.5% salary increase with effect from 1 July 2025. This compares with the average salary increase of 3.2% for the wider workforce. Salary from 1 July 2025: ■ Graham Prothero: £581,507 ■ Stefan Allanson: £361,600
Benefits	Provision of cash benefits and benefits in kind including (but not limited to): ■ Company car or cash equivalent ■ Private fuel ■ Private medical insurance – family cover ■ Life insurance ■ Permanent health insurance ■ Annual health check	In line with benefits provided in the year ended 30 June 2025.
Pension	Contribution to the Group's defined pension scheme, personal pension arrangements for the Executive Director or cash alternative. The maximum contribution or pension allowance is aligned with the level available to the majority of the wider workforce (currently 6.5% of salary).	Cash pension allowance equal to 6.5% of salary for both Graham Prothero and Stefan Allanson.
Annual bonus	Maximum opportunity of up to 150% of salary in respect of a financial year. Performance metrics are determined annually, reflecting the Group's strategy and key performance indicators. A minimum of 50% of the bonus will be based on financial performance metrics. The Committee has the discretion to override the formulaic outturn of the bonus to determine the appropriate vesting level where it believes the outcome is not truly reflective of underlying performance during the performance period and to ensure fairness to both shareholders and the Executive Directors. Executive Directors are required to defer one-third of any bonus earned into shares for a two-year period. Malus and clawback provisions apply.	The maximum opportunity for Graham Prothero and Stefan Allanson will be 150% of salary and 125% of salary, respectively. 80% of the award will be based on Group profit before tax (pre-exceptional items), 10% based on sales site openings and 10% based on customer experience. The Committee will explicitly consider a reduction in the bonus outcome if health and safety standards have been unsatisfactory in the year or if there has been a major safety failure. This includes where there has been a material deterioration in the Group's annual Accident Injury Incident Rate. Performance targets are considered commercially sensitive and will be fully disclosed in next year's Directors' Remuneration Report.
LTIP	Normal maximum LTIP opportunity of up to 150% of salary in respect of a financial year. Performance metrics are determined annually, reflecting the Group's strategy and key performance indicators. The Committee has the discretion to override the formulaic outturn of the LTIP to determine the appropriate vesting level where it believes the outcome is not truly reflective of underlying performance during the performance period and to ensure fairness to both shareholders and the Executive Directors. Awards will be subject to a two-year holding period following the end of the performance period. Malus and clawback provisions apply.	The maximum opportunity for both Graham Prothero and Stefan Allanson will be 150% of salary. 50% of the award will be based on EPS performance, 40% will be based on relative TSR performance and 10% will be based on carbon reduction performance measured over a period of three financial years ending 30 June 2028. Details of the EPS, relative TSR and carbon reduction performance targets are set out below.

2025 LTIP awards

The targets for the 2025 LTIP awards are set out below. The EPS targets have been set taking into account our ambitious internal plan alongside relevant external benchmarks. The Committee considers that the targets are appropriately stretching against these reference points, and balance the need to set challenging targets whilst motivating our Executive Directors to deliver long-term sustained performance in difficult and uncertain economic conditions. The carbon reduction targets have been set taking into account the milestone targets included in the Group's SBTi validated carbon reduction pathway (see page 66).

	Threshold (20%) of award vests	Maximum (100%) of award vests ⁴
EPS for the year ending 30 June 2028 (50% of award)	50.0 pence	64.0 pence
Relative TSR vs listed housebuilders ¹ (20% of award)	Median	Upper quartile
Relative TSR vs pan-sectoral comparator group ² (20% of award)	Median	Upper quartile
Carbon reduction ³ (10% of award)	1.463 tCO ₂ e/m ²	1.323 tCO ₂ e/m ²

¹ To be compared against a group of listed housebuilders comprising Barratt Redrow, Bellway, Berkeley, Crest Nicholson, Persimmon, Springfield Properties, Taylor Wimpey and Vistry Group. Given the limited number of companies in the housebuilder peer group, to the extent that one or more of these should delist during the performance period, the Committee will consider the ongoing appropriateness of this measure. The Committee reserves the right to move to measuring TSR against a single peer group, being the constituents of the FTSE SmallCap Index (excluding investment trusts, financial services companies and mining and extraction companies)."

² To be compared against the constituents of the FTSE SmallCap Index, excluding investment trusts, financial services companies, and mining and extraction companies.

³ In line with our published Sustainability Targets, to reduce scope 3 emissions (tonnes per m² floor area of homes sold) by >20% over the next three years.

⁴ Straight-line vesting between threshold and maximum performance.

The Committee has discretion to amend the vesting outcome where it considers that it is not a fair reflection of business performance. In particular, the Committee will consider whether there have been any "windfall gains" when determining the vesting outcome, taking into account a number of factors, including:

- share price performance over the performance period on an absolute basis and relative basis against peer companies;
- underlying financial performance of the Group during the performance period; and
- the impact of any significant events during the performance period on the Group's share price or market as a whole.

Non-Executive Directors

Set out below is a summary of the key elements of the proposed Remuneration Policy for Non-Executive Directors, together with how the Policy is intended to be implemented for the year ending 30 June 2026.

KEY FEATURES	IMPLEMENTATION FOR YEAR ENDING 30 JUNE 2026
Fees and benefits Fees may include a basic fee and additional fees for further responsibilities (e.g. chairing Board Committees or acting as Senior Independent Director). Non-Executive Directors may be eligible to receive benefits linked to the performance of their duties, including, but not limited to, the use of secretarial support and travel costs.	The Chair's fee increased by 3% with effect from 1 July 2025. Her fee from that date is £156,825 which is inclusive of the fee for the Chairing of the Nomination Committee. The basic fee for the Non-Executive Directors increased by 2% with effect from 1 July 2025. There was no increase to the additional fees for chairing Board Committees and the Senior Independent Director. The Non-Executive Director fees effective from 1 July 2025 are therefore as follows: Basic fee: £54,381 Additional fee for Chairing a Board Committee: £10,500 Additional fee for the Senior Independent Director: £10,000

Annual Report on Remuneration

The Remuneration Committee's Annual Report on Remuneration for the year ended 30 June 2025 is set out below.

The auditors are required to report on the following information, up to, and including, the Directors' shareholdings and share interests on page 144.

Single total figure of remuneration for each Director for the years ended 30 June 2025 and 30 June 2024 (audited)

	2025								2024							
	Fixed pay				Variable pay				Fixed pay				Variable pay			
	Salary & fees £000	Benefits £000	Pension £000	Subtotal £000	Annual bonus £000	Value of LTIP awards £000	Subtotal £000	Total £000	Salary & fees £000	Benefits £000	Pension £000	Subtotal £000	Annual bonus £000	Value of LTIP awards £000	Subtotal £000	Total £000
Chair																
James Thomson ¹	128	–	–	128	–	–	–	128	150	–	–	150	–	–	–	150
Fiona Goldsmith ²	28	–	–	28	–	–	–	28	–	–	–	–	–	–	–	–
Executive Directors																
Graham Prothero	567	17	37	621	43	–	43	664	556	18	36	610	129	–	129	739
Stefan Allanson	353	19	23	395	22	–	22	417	346	20	22	388	67	–	67	455
Non-Executive Directors																
Elaine Bailey	64	–	–	64	–	–	–	64	63	–	–	63	–	–	–	63
Nicola Bruce	64	–	–	64	–	–	–	64	63	–	–	63	–	–	–	63
Fiona Goldsmith	62	–	–	62	–	–	–	62	73	–	–	73	–	–	–	73
Christopher Mills	53	–	–	53	–	–	–	53	52	–	–	52	–	–	–	52
Total	1,319	36	60	1,415	65	–	65	1,480	1,303	38	58	1,399	196	–	196	1,595

¹ James Thomson stepped down as Non-Executive Chair on 23 April 2025.

² Fiona Goldsmith was appointed as interim Non-Executive Chair on 23 April 2025 and appointed as Non-Executive Chair on 4 July 2025.

Notes to the single total figure of remuneration (audited)

Salary and fees

Details of annual salaries for Executive Directors for the years ended 30 June 2025 and 30 June 2024 are set out below.

	Salary from 1 July 2024 £	Salary from 1 July 2023 £
Graham Prothero	567,324	556,200
Stefan Allanson	352,781	345,865

Details of fees for Non-Executive Directors for the years ended 30 June 2025 and 30 June 2024 are set out below.

	Fees from 1 July 2024 £	Fees from 1 July 2023 £
Chair ¹	153,000	150,000
Non-Executive Director fee	53,055	52,015
Fee for chairing a Committee	10,500	10,500
Fee for Senior Independent Director	10,000	10,000

¹ Includes the fee for chairing the Nomination Committee.

Taxable benefits provided to Executive Directors

The main benefits available to the Executive Directors during the year ended 30 June 2025 (and their associated values) were: car allowance of £13,000 for Graham Prothero and £13,000 for Stefan Allanson; car fuel of £1,000 for Graham Prothero and £3,000 for Stefan Allanson; private medical insurance of £2,000 for Graham Prothero and £2,000 for Stefan Allanson; and matching shares granted under the HMRC tax-qualifying all-employee scheme of £600 for Graham Prothero and £600 for Stefan Allanson.

Pension

During the year ended 30 June 2025, the Executive Directors received cash in lieu of pension contributions of 6.5% of salary. This is aligned to the level available to the majority of the wider workforce.

Determination of annual bonus

Graham Prothero was awarded a maximum bonus opportunity of 150% of salary and Stefan Allanson was awarded a maximum bonus opportunity of 125% of salary. Their bonuses were based on Group profit before tax (pre-exceptional items) for 75% of the award and performance against strategic targets for 25% of the award.

Profit performance

The Group achieved profit before tax (pre-exceptional items) of £21.9m for the year ended 30 June 2025, which, although in line with revised market expectations, was below the threshold bonus target and, hence, the profit-related element of the bonus award lapsed in full.

Target	Profit measure £m	Bonus achievable as percentage of maximum ¹
Threshold	25.8	20%
Target	28.6	50%
Maximum	31.5	100%

¹ Straight-line vesting between points.

Annual Report on Remuneration

CONTINUED

Strategic performance

Performance against the strategic objectives for the year ended 30 June 2025 is detailed below.

Objective	Performance	Weighting	Outcome
Customer experience			
Gleeson Homes regions to achieve scores of at least 90% from customer surveys, which is equivalent to a 5-star rating, as measured by an independent survey company.	Achieved over 90% in 67% Gleeson Homes regions.	10%	0%
Sales site openings			
Target ranges for Gleeson Homes sales site openings for the year ended 30 June 2025.	Target was not achieved.	10%	0%
Sustainability/Environmental			
To have an environmental plan validated by SBTi outlining both medium and long-term targets by 30 June 2025.	This target was achieved.	5%	5%
Total		25%	5%

The Committee is conscious of the sensitivity of paying bonuses when financial targets have not been achieved and has reflected on this very carefully. The Committee is aware of the importance of carbon reduction activities in our sector to wider stakeholders. We are pleased to be in a position to include a robust and measurable three-year carbon reduction intensity measure in the future LTIP awards for Executive Directors as a consequence of SBTi validation. Moreover, the executive team has implemented at pace structural changes to improve commercial delivery, to ensure that the business is well positioned to deliver its projections for the year ending 30 June 2026 and its further growth plans over the medium term. The Committee therefore concluded that the formulaic bonus outcome of 5% of maximum is an appropriate reflection of the commitment and performance of the Executive Directors in challenging market conditions and no discretion was applied either upwards or downwards.

Bonus outcome

The total bonus outcome for each Executive Director is therefore:

	Bonus payable	
	% maximum	£000
Graham Prothero	5%	43
Stefan Allanson	5%	22

In accordance with the Remuneration Policy, one-third of the bonus payable is deferred into shares for two years.

2022 LTIP

The 2022 LTIP awards were subject to performance targets based on EPS (as regards 50% of the award) and relative TSR (as regards 50% of the award).

Details of the performance targets and performance outcome are set out in the table below.

	Three-year performance period ended 30 June 2025		
	EPS for the year ended 30 June 2025	Relative TSR ¹	Total
Threshold – 20% vesting	90.0 pence	Median	20%
Maximum – 100% vesting	103.0 pence	Upper quartile	100%
Actual performance	28.9 pence	Below median	
Outcome	0% vesting	0% vesting	
Total vesting outcome			0% vesting

¹ Compared against a group of listed housebuilders comprising Barratt Redrow, Bellway, Berkeley, Crest Nicholson, Persimmon, Taylor Wimpey and Vistry.

The Committee considered and determined that it was not appropriate to apply discretion to adjust the formulaic vesting outcome for the Executive Directors' 2022 LTIP awards.

LTIP awards granted in the year ended 30 June 2025 (audited)

LTIP awards equal to 150% of salary were granted to both Graham Prothero and Stefan Allanson on 28 October 2024.

The awards are based on the achievement of EPS performance (as regards 50% of the award) and relative TSR performance (as regards 50% of the award) measured over a period of three financial years ending 30 June 2027.

Following the end of the performance period, the Committee will determine whether the performance targets have been satisfied. Eligible awards will vest following a two-year holding period after the end of the performance period.

The Committee has discretion to amend the vesting outcome where it considers that it is not a fair reflection of business performance. In particular, the Committee will consider whether there have been any 'windfall gains' when determining the vesting outcome taking into account a number of factors, including:

- share price performance over the performance period on an absolute basis and relative basis against peer companies;
- underlying financial performance of the Group during the performance period; and
- the impact of any significant events during the performance period on the Group's share price or market as a whole.

Details of the awards are as follows:

Director	Number of shares granted	Face value at grant £000
Graham Prothero	139,964	850 ¹
Stefan Allanson	87,034	528 ¹

¹ Calculated based on the mid-market closing share price as at the date preceding the date of grant (28 October 2024: £6.08).

	Threshold (20%) of award vests	Maximum (100%) of award vests ²
EPS for the year ending 30 June 2027	45.0p	59.5p
Relative TSR ¹	Median	Upper quartile

¹ To be compared against a group of listed housebuilders comprising Barratt Redrow, Bellway, Berkeley, Crest Nicholson, Persimmon, Springfield Properties, Taylor Wimpey and Vistry. Should a housebuilder be removed from the comparator group as a result of ceasing to be listed or otherwise, then such housebuilder may be replaced by another housebuilder, or the basis for measuring TSR may change from a housebuilder comparator group to a broader pan-sectoral comparator group.

² Straight-line vesting between threshold and maximum performance.

Payment made to former Directors and payments for loss of office (audited)

No payments were made to former Directors and no payments for loss of office were made during the year ended 30 June 2025.

Directors' shareholdings and share interests (audited) Shareholding guideline

The Group operates within-employment and post-employment shareholding guidelines for the Executive Directors. The within-employment shareholding guideline requires Executive Directors to build up and retain a holding in shares equivalent to 200% of salary. As at 30 June 2025, Graham Prothero and Stefan Allanson held shares equivalent to 58.7% of salary and 205.1% of salary respectively (calculated using the mid-market closing share price on 30 June 2025 of £3.97). The Executive Directors will continue to build up their shareholdings through shares acquired under vested deferred bonus awards and LTIP awards and through the purchase of shares.

Annual Report on Remuneration

CONTINUED

Share interests

The interests of the Directors serving during the year, and of their connected persons in the ordinary share capital of the Company as at 30 June 2025 (or the date that they stepped down from the Board if earlier), are as shown below.

Director	Scheme	Owned outright	Unvested and subject to performance	Unvested and not subject to performance	Vested and exercised	Total as at 30 June 2025 ¹
Chair						
James Thomson ²	Shares	141,834	–	–	–	141,834
	Deferred bonus share award 2022 ⁷	–	–	–	35,594	–
	Deferred bonus share award 2023	–	–	1,224	–	1,224
Fiona Goldsmith ³	Shares	37,000	–	–	–	37,000
Executive Directors						
Graham Prothero	Shares	74,605	–	258 ⁵	–	74,863
	LTIP 2022 ⁶	–	296,053	–	–	296,053
	LTIP 2023	–	195,845	–	–	195,845
	LTIP 2024	–	139,964	–	–	139,964
	Deferred bonus share award 2023	–	–	8,550	–	8,550
	Deferred bonus share award 2024	–	–	7,887	–	7,887
Stefan Allanson	Shares	178,873	–	381 ⁵	–	179,254
	LTIP 2022 ⁶	–	127,839	–	–	127,839
	LTIP 2023	–	121,783	–	–	121,783
	LTIP 2024	–	87,034	–	–	87,034
	Deferred bonus share award 2022 ⁷	–	–	–	22,341	–
	Deferred bonus share award 2023	–	–	1,296	–	1,296
	Deferred bonus share award 2024	–	–	4,087	–	4,087
Non-Executive Directors						
Elaine Bailey	Shares	–	–	–	–	–
Nicola Bruce	Shares	4,114	–	–	–	4,114
Christopher Mills ⁴	Shares	6,055,000	–	–	–	6,055,000

¹ Or the date the Director stepped down from the Board if earlier.

² James Thomson stepped down as Chief Executive Officer on 31 December 2022. He was appointed as Non-Executive Chairman on 1 January 2023 and resigned from this role on 23 April 2025.

³ Fiona Goldsmith was appointed Interim Non-Executive Chair on 23 April 2025 and was appointed Non-Executive Chair on 4 July 2025.

⁴ Shares are held by funds managed by Harwood Capital LLP of which Christopher Mills is a Member/Director.

⁵ Matching shares granted under the HMRC tax-qualifying all-employee scheme that have not yet vested.

⁶ The 2022 LTIP awards have lapsed in full following the Committee's assessment of the outcome of the performance targets.

⁷ The deferred bonus awards were vested and exercised in the year, and are included in the number of shares held outright.

As at the date of this report the total interests held by Fiona Goldsmith were 37,000 shares, Graham Prothero were 75,033 shares, Stefan Allanson were 179,424 shares, Christopher Mills were 6,055,000 shares, and Nicola Bruce 6,835 shares. The Company has not been advised of any other changes to the interests of Directors and their connected persons to those set out in the table above.

LTIP awards

Additional details of the outstanding LTIP awards held by Executive Directors serving during the year are set out below.

Executive Director	Scheme	30 June 2024	Granted during year	Vested and exercised during year	Lapsed during year	Share price at grant date	Total interests outstanding at 30 June 2025	End of performance period
Graham Prothero	LTIP 2022 ³	296,053	–	–	–	£4.56	296,053	30/06/2025
	LTIP 2023	195,845	–	–	–	£4.26	195,845	30/06/2026
	LTIP 2024	–	139,964	–	–	£6.07	139,964	30/06/2027
Stefan Allanson	LTIP 2019 ¹	16,211	–	(16,211)	–	£8.00	–	30/06/2022
	LTIP 2021 ²	59,498	–	–	(59,498)	£8.14	–	30/06/2024
	LTIP 2022 ³	127,839	–	–	–	£3.94	127,839	30/06/2025
	LTIP 2023	121,783	–	–	–	£4.26	121,783	30/06/2026
	LTIP 2024	–	87,034	–	–	£6.07	87,034	30/06/2027
James Thomson	LTIP 2019 ¹	25,733	–	(25,733)	–	£8.00	–	30/06/2022
	LTIP 2021 ²	94,441	–	–	(94,441)	£8.14	–	30/06/2024

¹ The 2019 LTIP awards were exercised on 17 October 2024.

² The 2021 LTIP awards have lapsed in full following the Committee's assessment of the outcome of the performance targets.

³ The 2022 LTIP awards have lapsed in full following the Committee's assessment of the outcome of the performance targets.

Malus and clawback

The Group's malus and clawback provisions are set out on pages 156 and 157. The Group did not use the malus and clawback provisions during the year ended 30 June 2025.

Annual Report on Remuneration

CONTINUED

TSR performance

We have compared the Company's TSR performance over the last ten years with the TSR for the FTSE SmallCap Index, of which the Company is a member, and a comparator index of listed housebuilders. The peer group consists of a group of listed housebuilders comprising Barratt Redrow, Bellway, Berkeley, Crest Nicholson, Persimmon, Springfield Properties, Taylor Wimpey and Vistry Group.

MJ Gleeson plc TSR comparison to index and peer group 1 July 2015 to 30 June 2025:



Chief Executive Officer's remuneration 2016 to 2025

Year	Chief Executive Officer	Single figure of total remuneration £000	Annual bonus paid against maximum opportunity	LTIP awards vesting against maximum opportunity
2025	Graham Prothero	664	5.0%	n/a
2024	Graham Prothero	739	15.5%	n/a
2023	Graham Prothero (appointed 1 January 2023)	422	25.1%	n/a
2023	James Thomson (stepped down 31 December 2022)	303	3.7%	n/a
2022	James Thomson	1,292	89%	27%
2021	James Thomson	1,173	99%	n/a
2020	James Thomson	769	45%	n/a
2019	James Thomson (appointed 10 June 2019)	31	–	n/a
2019	Jolyon Harrison (stepped down 10 June 2019)	2,482	–	100%
2018	Jolyon Harrison	3,056	100%	100%
2017	Jolyon Harrison	2,816	100%	100%
2016	Jolyon Harrison	873	100%	n/a

Annual percentage change in remuneration of Directors and employees

The table below sets out the annual percentage change in each of the Directors' remuneration compared to the average employee remuneration.

	2024 to 2025			2023 to 2024		
	Salary & fees	Benefits	Bonus	Salary & fees	Benefits	Bonus
Chair						
Fiona Goldsmith ¹	n/a	–	–	–	n/a	n/a
James Thomson ²	n/a	–	–	n/a	n/a	n/a
Executive Directors						
Graham Prothero ³	2.0%	(5.6%)	(66.7%)	3.0%	(43.8%)	26.5%
Stefan Allanson ⁵	2.0%	(5.0%)	(67.2%)	3.0%	5.3%	346.7%
James Thomson ²	–	–	–	–	–	–
Non-Executive Directors						
Elaine Bailey ⁴	1.7%	–	–	(9.0%)	–	–
Nicola Bruce ⁵	1.7%	–	–	n/a	–	–
Fiona Goldsmith ¹	n/a	–	–	2.1%	–	–
Christopher Mills	2.0%	–	–	3.0%	–	–
Average employee⁶	2.4%	(2.0%)	37.8%	4.1%	8.1%	(6.8%)

	2022 to 2023			2021 to 2022			2020 to 2021		
	Salary & fees	Benefits	Bonus	Salary & fees	Benefits	Bonus	Salary & fees ¹	Benefits	Bonus
Chair									
Fiona Goldsmith ¹	n/a	–	–	–	–	–	–	–	–
James Thomson ²	n/a	–	–	–	–	–	–	–	–
Executive Directors									
Graham Prothero ³	n/a	n/a	n/a	–	–	–	–	–	–
Stefan Allanson ⁵	4%	5.6%	(95.7%)	2.5%	5.9%	(8.4%)	7.6%	(4.9%)	n/a
James Thomson ²	n/a	n/a	n/a	2.5%	9.5%	(7.9%)	9.1%	(11.5%)	142.6%
Non-Executive Directors									
Elaine Bailey ⁴	11.0%	–	–	n/a	–	–	n/a	–	–
Nicola Bruce ⁵	n/a	–	–	–	–	–	–	–	–
Fiona Goldsmith ¹	20.3%	–	–	2.2%	–	–	n/a	–	–
Christopher Mills	4.1%	–	–	2.6%	–	–	7.6%	–	–
Average employee⁶	5.1%	15.5%	(53.7%)	4.1%	12.2%	0.2%	2.2%	9.3%	49.9%

¹ Fiona Goldsmith was appointed to the Board on 1 October 2019 and therefore the annual percentage change in remuneration for 2020 to 2021 is not applicable. The increase in 2022 to 2023 was in respect of additional responsibilities as Senior Independent Director. Fiona Goldsmith was appointed as Interim Non-Executive Chair on 23 April 2025, and was appointed Chair on 4 July 2025, therefore the percentage change in remuneration for 2024 to 2025 is not applicable.

² James Thomson was appointed as Chief Executive Officer on 10 June 2019. He then stepped down as Chief Executive Officer on 31 December 2022 and was appointed as Non-Executive Chairman on 1 January 2023. Therefore, the percentage change in remuneration for 2022 to 2023 is not applicable. James Thomson resigned as Non-Executive Chairman on 23 April 2025, therefore, the percentage change in remuneration for 2024 to 2025 is not applicable.

³ Graham Prothero was appointed as Chief Executive Officer on 1 January 2023 and therefore the percentage change in remuneration for 2022 to 2023 is not applicable. The decrease in benefits for 2023 to 2024 relates to one-off relocation costs received following appointment.

⁴ Elaine Bailey was appointed to the Board on 1 March 2021 and therefore the percentage change in remuneration for 2020 to 2021 and 2021 to 2022 is not applicable. The increase in 2022 to 2023 was in respect of additional committee chair responsibilities.

⁵ Nicola Bruce was appointed to the Board on 24 March 2023 and therefore the percentage change in remuneration for 2022 to 2023 and 2023 to 2024 is not applicable.

⁶ The annual percentage change of the average remuneration of the Group's salaried employees, calculated on a full-time equivalent basis.

Annual Report on Remuneration

CONTINUED

Chief Executive Officer pay ratio

The table below sets out the Chief Executive Officer's total remuneration as a ratio against the full-time equivalent remuneration of the 25th, 50th (median) and 75th percentile employees.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2025	Option B	24:1	13:1	9:1
2024	Option B	27:1	16:1	8:1
2023	Option B	29:1	15:1	11:1
2022	Option B	44:1	37:1	20:1
2021	Option B	64:1	40:1	17:1

Option B methodology was selected on the basis that it is an efficient and robust approach. The remuneration figures for the employee at each quartile were determined as at the final day of the relevant financial year. Sensitivity analysis has been performed around the 25th, 50th and 75th percentile employees to ensure that they are reasonably representative, including reviewing the employees either side of the identified individuals to ensure their full year's remuneration is reasonable. No assumptions or estimates were used and no adjustments to pay were made.

A substantial proportion of the Chief Executive Officer's total remuneration is performance related and delivered in shares. The ratios will therefore depend significantly on the Chief Executive Officer's annual bonus and LTIP outcomes and may fluctuate year to year.

The median pay ratio has decreased this year as a result of employee pay increases being above the rate of increase for the Chief Executive Officer and a lower bonus outcome for the Chief Executive Officer compared to the year ended 30 June 2024.

The Board believes that the median pay ratio is consistent with the Group's wider policies on employee pay, reward and progression. The Committee has reviewed the remuneration policies and practices for the wider workforce in conjunction with considering how the Remuneration Policy should be implemented. The Committee is satisfied that there is a good level of alignment in relation to pay policies throughout the Group and that the median pay ratio is consistent with the Group's wider policies on employee pay, reward and progression.

Total pay and benefits used to calculate the ratios

The table below shows the employee percentile pay and benefits used to determine the above pay ratios and the salary component for each figure.

£000	Chief Executive Officer ¹	25th percentile	Median	75th percentile
2025				
Total pay and benefits ²	664	28	50	78
Salary component	567	23	37	59
2024				
Total pay and benefits ²	739	27	45	90
Salary component	556	25	34	65
2023				
Total pay and benefits ²	725	25	50	65
Salary component	527	23	33	50
2022				
Total pay and benefits ²	1,292	29	35	65
Salary component	513	25	33	50

¹ The Chief Executive Officer's remuneration is the total single figure remuneration for the relevant financial year as disclosed on page 140. For 2023, this is the aggregate of Graham Prothero's and James Thomson's single figure remuneration.

² The employee percentile pay and benefits have been calculated based on the amount paid or receivable for the financial year. The calculations are on the same basis as required for the Chief Executive Officer's remuneration for total single figure purposes.

Relative importance of spend on pay

Set out below is the amount spent on remuneration for all employees of the Group (including the Executive Directors) and the total amounts paid in distributions to shareholders over the year.

	2025 £m	2024 £m	Difference in spend £m	Difference as percentage
Remuneration for all employees	49.5	47.4	2.1	4.4%
Total distributions paid	6.4	7.6	(1.2)	(15.8%)

The Remuneration Committee

The Committee comprises Nicola Bruce as Chair, Elaine Bailey and Fiona Goldsmith, each of whom are independent and have no day-to-day involvement in running the business. Potential conflicts which arise from cross-directorships are managed by the Company Secretary and the Board.

Biographical details of the Committee members are shown on pages 110 and 111, and details of their attendance at scheduled meetings of the Committee during the year ended 30 June 2025 are shown on page 119.

Annual Report on Remuneration

CONTINUED

Role and responsibilities of the Remuneration Committee

The Committee's primary purpose is to make recommendations to the Board on the Group's framework for Executive Directors and senior management remuneration. The Board has also delegated responsibility to the Committee for determining the remuneration, benefits and contractual arrangements of the Chair and the Executive Directors. No individual is involved in deciding their own remuneration.

The Committee has written terms of reference available on the Company's website, www.mjgleesonplc.com, and its responsibilities include:

- recommending to the Board the policy for Executive Directors and senior management remuneration;
- agreeing the remuneration of the Chair of the Board;
- agreeing the terms and conditions of employment for Executive Directors, including their annual remuneration and pension arrangements, and reviewing such provisions for senior management;
- agreeing the measures and targets for any performance-related bonus and share schemes;
- ensuring that, on termination, contractual terms and payments made are fair both to the Company and the individual so that failure is not rewarded;
- engaging with shareholders on Executive Directors' and senior management remuneration;
- reviewing wider workforce remuneration and related policies; and
- agreeing the terms of reference of any remuneration consultants that it appoints.

Activities during the year

The Committee met on eight occasions during the year, five of which were scheduled meetings. Papers were circulated in advance of each meeting for all matters considered. The main activities undertaken by the Committee during the year included:

- reviewing and proposing the new Directors' Remuneration Policy for approval at the 2025 AGM;
- approving performance targets for annual bonus and LTIP awards for the Executive Directors and senior management for the year ended 30 June 2025;
- approving the annual bonus and LTIP outcomes of the Executive Directors and senior management for the year ended 30 June 2025 and assessing the fairness of these outcomes;
- approving salary increases for the Executive Directors and senior management with effect from 1 July 2025;
- approving the fee for Fiona Goldsmith as Non-Executive Chair;
- reviewing potential performance metrics and targets for annual bonus and LTIP awards for the Executive Directors and senior management to be granted in respect of the year ending 30 June 2026; and
- reviewing the results of external benchmarking for key roles, and proposals for staff pay and bonuses.

Remuneration Committee – support and advice

The Committee is supported by the Group HR Director and the Head of Legal and Company Secretary.

The Company took advice from Deloitte LLP, who were appointed by the Committee in July 2019 following a tender process. Deloitte LLP is a founder member of the Remuneration Consultants Group and, as such, voluntarily operates under its Code of Conduct in relation to Executive remuneration in the UK. The Committee is satisfied that the appointment of Deloitte LLP is in accordance with the Company's policy on the provision of non-audit services to the Group and that the external advice received is objective and independent. The fees paid to Deloitte LLP for their services to the Committee during the year, based on time and expenses, amounted to £38,725. Deloitte LLP also provided advice to the Company during the year in relation to share plans.

Statement of voting at the Annual General Meeting and shareholder engagement

The following table sets out actual voting in respect of the resolutions to approve the Remuneration Policy and Annual Report on Remuneration at the Company's AGM.

	Votes in favour		Votes against		Total votes cast	Votes withheld
	No.	%	No.	%		
2024 AGM:						
Approval of the Annual Report on Remuneration	43,244,741	99.98	7,115	0.02	43,251,856	16,622
2022 AGM:						
Approval of the Directors' Remuneration Policy	42,575,196	97.53	1,079,604	2.47	43,654,800	650

Approved by the Board and signed on its behalf by:

Nicola Bruce

Chair of the Remuneration Committee

15 September 2025

Remuneration Policy Report

This part of the report sets out the Directors' Remuneration Policy for the Group and has been prepared in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013.

General reward principles

Our Directors' Remuneration Policy (the "Remuneration Policy") is designed to support an effective pay-for-performance culture, which enables the Company to attract, retain and motivate Executive Directors who have the necessary experience and expertise to deliver the Group's objectives and strategy. The Remuneration Policy has been determined based on the following principles, taking into account Provision 40 of the 2018 UK Corporate Governance Code:

- **Clarity and simplicity** – ensure that the remuneration packages are simple and transparent and take into account remuneration and related policies for the wider workforce. Performance targets are set in line with the Group's budget and plan and are reviewed and tested by the Committee.
- **Risk** – to promote long-term sustainable performance through sufficiently stretching performance targets, whilst ensuring that the incentive framework does not encourage Executive Directors to take inappropriate business risks (including environmental, financial, social, health, safety and governance risks).
- **Predictability** – detailed information on the potential values that may be earned through the remuneration arrangements are set out on pages 158 and 159.
- **Proportionality** – to ensure that total remuneration delivered is fair and reflects Group and individual performance. The Committee has discretion to override formulaic outturns where it believes the outcome is not truly reflective of underlying

performance during the performance period and to ensure fairness to both shareholders and participants.

- **Alignment to culture** – when determining the Remuneration Policy, the Committee is clear to make decisions to drive the appropriate behaviours and ensure alignment with the Group's culture and long-term strategy.

Changes to the Remuneration Policy

During the year to 30 June 2025, the Committee conducted a review of the Remuneration Policy and concluded that it continues to align with the principles set out above and supports the delivery of business strategy and the creation of shareholder value. Therefore, with the exception of one minor refinement as noted below, no changes are proposed to the Remuneration Policy.

One minor refinement to the Remuneration Policy is proposed in relation to the annual bonus clawback period to align the Remuneration Policy with the existing annual bonus rules. Such that, under the Remuneration Policy, the clawback period for Executive Director annual bonus awards will be extended from two to three years following determination of the bonus.

In determining the Remuneration Policy the Committee followed a robust process which included discussions on the content of the policy at Committee meetings in addition to input from management and the Committee's independent advisers. The Committee also consulted with major shareholders, representing 68% of the Company's issued share capital.

Components of Executive Directors' remuneration

The key elements of the remuneration package for each Executive Director are set out in the table below:

ELEMENT	BASE SALARY
Purpose and link to strategy	Provide a competitive base level of remuneration to support the recruitment and retention of Executive Directors with the experience and expertise necessary to deliver the Group's strategy.
Operation	Salaries are normally reviewed annually taking into account a number of factors, such as, but not limited to: ■ personal performance; ■ Company and Group performance; ■ inflation and earnings forecasts; ■ state of the marketplace generally; and ■ pay and conditions elsewhere in the Group.

ELEMENT	BASE SALARY
Maximum opportunity	Whilst there is no prescribed maximum salary, increases will normally be in line with increases awarded to the wider workforce. Salary increases above this level may be awarded to take account of individual circumstances such as, but not limited to: ■ an increase in responsibilities or scope of the role; ■ an Executive Director's development or performance in role (e.g. to align a newly appointed Executive Director's salary with the market over time); ■ where there has been a change in market practice; or ■ where there has been a change in the size and/or complexity of the Group. Increases may be implemented over such time as the Committee deems appropriate.
Performance targets	N/A
ELEMENT	BENEFITS
Purpose and link to strategy	Provide a competitive benefits package to support the recruitment and retention of Executive Directors with the experience and expertise necessary to deliver the Group's strategy.
Operation	The Company provides cash benefits and benefits in kind to Executive Directors. These include, but are not limited to: ■ company car or cash equivalent; ■ private fuel; ■ private medical insurance – family cover; ■ life insurance; ■ permanent health insurance; ■ annual health check; ■ holiday and sick pay; ■ professional subscriptions; and ■ reimbursement of expenses incurred on Group matters.
Maximum opportunity	Other benefits may be offered based on individual circumstances (e.g. relocation allowances on recruitment). Whilst there is no prescribed maximum, the value of benefits is based on the underlying cost to the Group, individual circumstances and market practice.
Performance targets	N/A

Remuneration Policy Report

CONTINUED

ELEMENT	PENSION
Purpose and link to strategy	To provide an appropriate level of retirement benefits to Executive Directors.
Operation	The Company will contribute to the Group's defined contribution pension scheme or to personal pension arrangements at the request of the Executive Director. The Company may also consider a cash alternative (e.g. where an Executive Director has reached the HMRC's lifetime or annual allowance limit). Base salary is the only element of the Executive Directors' remuneration that is pensionable.
Maximum opportunity	The maximum Company contribution or pension allowance is aligned with the level available to the majority of the wider workforce (currently 6.5% of salary).
Performance targets	N/A

ELEMENT	ANNUAL BONUS
Purpose and link to strategy	To incentivise the achievement of key financial and strategic targets for the forthcoming year without encouraging excessive risk taking.
Operation	Awards are based on performance metrics set by the Committee (typically measured over a financial year) against financial and non-financial targets. The Committee will determine the bonus to be delivered following the end of the relevant financial year based on performance against these targets. The Committee has the discretion to override the formulaic outturn of the bonus to determine the appropriate level of bonus payable where it believes the outcome is not truly reflective of underlying performance during the performance period and to ensure fairness to both shareholders and participants. Executive Directors are required to defer one-third of any bonus earned into shares for a two-year period. The Committee may, however, decide to pay such bonuses in cash where the amount to be deferred would, in the opinion of the Committee, be so small as to make the operation of deferral burdensome. Amounts equivalent to any dividends or shareholder distributions may be made in respect of deferred bonus awards at vesting, if the Committee so determines. Such amounts will normally be paid in shares. Malus and clawback provisions will apply. Further details are set out on pages 156 and 157.
Maximum opportunity	Maximum opportunity of up to 150% of salary in respect of a financial year. Up to 20% of maximum is earned for threshold performance and up to 50% of maximum is earned for target performance. There will be broadly straight-line vesting between threshold, target and maximum.
Performance targets	Performance metrics are determined annually reflecting the Group's strategy and key performance indicators. A minimum of 50% of the bonus shall be based on financial performance metrics.

ELEMENT	LONG TERM INCENTIVE PLAN ("LTIP")
Purpose and link to strategy	To incentivise and reward Executive Directors for delivering long-term performance and achievement of Group strategy, and provide alignment with shareholder interests.
Operation	Awards may be granted annually to Executive Directors in the form of a conditional share award, nil cost option or such form as has the same economic effect. Vesting of awards will be dependent on the achievement of performance metrics set by the Committee, normally over at least a three-year performance period. The Committee has the discretion to override the formulaic vesting outturn of the LTIP to determine the appropriate level of vesting where it believes the outcome is not truly reflective of underlying performance during the performance period and to ensure fairness to both shareholders and participants. Awards will be subject to a two-year holding period following the end of the performance period, and shares will not typically be released until the end of the holding period. Alternatively, awards may be granted on the basis that shares can be acquired following the end of the performance period but that, other than to cover income tax, national insurance and any exercise price, shares may not be disposed of or otherwise dealt with until the end of the holding period. Amounts equivalent to any dividends or shareholder distributions may be made in respect of awards at vesting, if the Committee so determines. Such amounts will normally be paid in shares. Malus and clawback provisions will apply. Further details are set out on pages 156 and 157.
Maximum opportunity	The normal maximum award is 150% of salary in respect of a financial year. A maximum award of up to 200% of salary in respect of a financial year may be granted in exceptional circumstances (e.g. on recruitment). Awards will vest between 20% and 100% for performance between threshold and maximum, with broadly straight-line vesting between these points.
Performance targets	Performance metrics are determined annually reflecting the Group's strategy and key performance indicators.

ELEMENT	HMRC TAX-QUALIFYING ALL-EMPLOYEE SCHEME
Purpose and link to strategy	The HMRC tax-qualifying all-employee scheme has been designed to encourage all employees to become shareholders in the Company and thereby align their interests with shareholders.
Operation	The Company operates an all-employee scheme in which the Executive Directors are eligible to participate (which is in line with HMRC legislation and is open to all eligible staff).
Maximum opportunity	The maximum set by legislation from time to time.
Performance targets	N/A

Remuneration Policy Report

CONTINUED

Remuneration Policy for Non-Executive Directors

ELEMENT	FEES FOR NON-EXECUTIVE DIRECTORS
Purpose and link to strategy	To support the recruitment and retention of Non-Executive Directors and a Non-Executive Chair with the necessary experience to advise and assist with establishing and monitoring the Group's strategic objectives.
Operation	Fees for Non-Executive Directors are determined by the Non-Executive Chair and the Executive Directors. Fees for the Chair are determined by the Remuneration Committee. Fees may include a basic fee and additional fees for further responsibilities. Fees are set at levels with reference to sector and similar-sized UK listed companies. Time commitment and responsibilities are also taken into account. Non-Executive Directors may be eligible to receive benefits linked to the performance of their duties, such as, but not limited to, the use of secretarial support and travel costs.
Maximum opportunity	Fee increases will normally be in line with increases awarded to the wider workforce. Fee increases above this level may be awarded to take account of individual circumstances such as, but not limited to: ■ an increase in responsibilities, scope or time commitment of the role; ■ where there has been a change in market practice; or ■ where there has been a change in the size and/or complexity of the Group. Overall fees paid to Non-Executive Directors will remain within the limits set by the Company's Articles of Association.
Performance targets	N/A

Application of malus and clawback

Malus and clawback apply to annual bonus, deferred bonus and LTIP awards as follows:

	MALUS	CLAWBACK
Annual bonus	To such time as payment is made	Up to three years following determination of the bonus
Deferred bonus	To such time as the award vests	N/A
LTIP	To such time as the award vests	Up to two years following vesting

Malus and clawback may apply in the following circumstances:

- material misstatement of the Group's audited accounts;
- an error in the information on which the award was granted or vests including an error in assessing any applicable performance metrics;
- fraud or serious misconduct on the part of the participant;
- censure or reputational damage to the Group that is a result of the participant's behaviour or actions; or
- a material corporate failure.

A clawback period of three years following determination of the annual bonus and two years following vesting of LTIP awards is considered appropriate on the basis that:

- it is reasonable to assume that an event relating to the performance period requiring clawback would be discovered within these periods;
- they are considered reasonable periods to support the enforceability of clawback; and
- the periods are broadly aligned with market practice across the FTSE SmallCap.

Selection of performance metrics and target setting

In the selection of performance metrics the Committee takes into account the Group's strategic objectives and short and long-term business priorities. The performance metrics selected reward the delivery of stretching financial performance and key strategic objectives and the creation of shareholder value.

The performance targets chosen are set in accordance with the Group's operating plan and are reviewed annually to ensure they are sufficiently stretching. In selecting the targets the Committee also takes into account analysts' forecasts, economic conditions and the Committee's expectation of performance over the relevant period.

The Committee retains discretion to vary or substitute performance metrics and/or targets if events occur (e.g. a change in strategy, a material acquisition and/or a divestment of a Group business or a change in prevailing market conditions) which cause the Committee to determine that the performance metrics and/or targets are no longer appropriate and that amendment is required so that they achieve their original purpose.

Share awards may be adjusted in the event of a variation of share capital or a demerger, dealing, special dividend or other event that may affect the Company's share price.

Shareholding guidelines

The Committee operates formal within-employment and post-employment shareholding guidelines for Executive Directors.

- **Within-employment** – Executive Directors are required to build up and retain a holding in shares equal to 200% of salary. Until the shareholding guideline is met, 50% of any shares vesting under the Deferred Bonus Plan or LTIP (post payment of income tax and national insurance) must be retained.
- **Post-employment** – Executive Directors are required to retain a holding in "relevant shares" equal to 200% of salary (or their actual shareholding at the point of stepping down from the Board if lower) for two years following them stepping down from the Board.

"Relevant shares" do not include shares that the Executive Director has purchased or that have been acquired pursuant to LTIP awards granted before 1 July 2019. Unless the Committee determines otherwise, an Executive Director or former Executive Director shall be deemed to have disposed of shares that are not "relevant shares" before "relevant shares".

Remuneration Policy for the broader employee population

The Executive remuneration framework set out in this report follows similar principles as that applied to the Group's management team to ensure that management is rewarded on a consistent basis. Any differences that exist arise either because of the Committee's assessment of business need or commercial necessity.

The principles that underpin our Executive remuneration philosophy also cascade throughout the organisation, although quantum will vary by level and the provision of certain components of remuneration (such as benefits, allowances and long-term incentives) will vary by seniority.

The Committee looks closely at market data when it comes to approving employee pay and rewards to ensure that these remain competitive and enable the Group to attract, motivate and retain high-quality staff. The Group operates an HMRC tax-qualifying all-employee scheme in order to encourage share ownership across the wider workforce.

Legacy arrangements

The Committee retains discretion to make any remuneration payment outside of policy:

- where the terms of the payment were agreed before the policy came into effect;
- where the terms of the payment were agreed at a time when the relevant individual was not a Director of the Company, and in the opinion of the Committee, the payment was not in consideration of the individual becoming a Director of the Company; or
- to satisfy contractual arrangements under legacy remuneration arrangements.

Remuneration Policy Report

CONTINUED

Illustration of the application of Remuneration Policy



For the purpose of this analysis, the following assumptions have been made:

- fixed elements comprise base salary, pension and other benefits;
- base salary levels applying on 1 July 2025;
- benefit levels are assumed to be the same as for the year to June 2025;
- minimum performance reflects fixed remuneration as above, and assumes no award under the annual bonus and no vesting is achieved under the LTIP;
- performance in line with expectations reflects fixed remuneration as above, and assumes 50% of annual bonus is earned and 20% of the LTIP vests;
- maximum performance reflects fixed remuneration as above, and assumes full bonus payout and full vesting under the LTIP; and
- the final illustration is based on the same assumptions as the maximum performance illustration, but also assumes, for the purposes of the LTIP, that share price increases by 50% over the performance period.

Service agreements and policy in respect of loss of office

The Chief Executive Officer's service agreement is on a rolling basis and requires 12 months' notice of termination on either side.

The Chief Financial Officer's service agreement is on a rolling basis and requires six months' notice of termination from the Chief Financial Officer and 12 months' notice of termination from the Company.

The dates of the Executive Directors' service agreements are:

Executive Director	Date of service agreement
Graham Prothero	27 April 2022
Stefan Allanson	29 June 2015

Payment in lieu of notice

The Company has discretion to make a payment in lieu of notice. Such payment may include salary and compensation for benefits and pension contributions for the unexpired period of notice.

Annual bonus

The payment of a bonus will be at the discretion of the Committee on an individual basis and will be dependent on a number of factors, including the circumstances of the individual's departure and contribution to the business during the financial year.

Any bonus will normally be prorated for time in service during the performance period and will normally, subject to performance, be paid at the usual time. In exceptional circumstances the Committee may decide that an Executive Director's bonus will be paid early at the time of cessation of employment.

Any bonus earned for the year of departure and, if relevant, for the prior year, may be paid wholly in cash at the discretion of the Committee. There will be no bonus payment in the event of gross misconduct or wilful neglect.

Deferred bonus plan

Awards under the deferred bonus plan will be determined by the Plan rules.

If a participant leaves for any reason (other than summary dismissal in which case their award will lapse) during the deferral period, their award will ordinarily continue to vest at the normal vesting date. In exceptional circumstances, the Committee may decide that the participant's award will vest at the date of cessation of employment.

LTIP

Awards under the LTIP will be determined by the Plan rules.

Unvested awards will normally lapse on cessation of employment. However, if a participant departs under good leaver provisions (i.e. participants who leave early on account of injury, disability, death, a sale of their employer or business in which they were employed, statutory redundancy, retirement or any other reason at the discretion of the Committee), then unvested awards will remain capable of vesting at the normal vesting date. To the extent that awards vest, a two-year holding period would then apply. In exceptional circumstances, the Committee may decide that the participant's awards will vest and be released early at the date of cessation of employment or some other time (e.g. at the end of the performance period). In either case, vesting depends on the extent to which the performance metrics have been satisfied and a pro rata reduction of the awards will be applied by reference to the time of cessation (although the Committee has discretion to disapply time prorating if the circumstances warrant it).

If a participant leaves for any reason (other than summary dismissal in which case their award will lapse) after an award has vested but before it has been released (i.e. during a holding period), their award will ordinarily continue to be released at the normal release date. In exceptional circumstances, the Committee may decide that the participant's award will be released early.

Change of control

Awards under the deferred bonus plan will vest early in the event of change of control or substantial exit. The level of vesting will be determined taking into account such factors that the Committee considers relevant, including, but not limited to, the time served from the grant date to the date of the relevant event.

Awards under the LTIP will vest early in the event of a change of control or substantial exit. The level of vesting will be determined taking into account the extent to which performance metrics are satisfied at the date of the relevant event and, unless the Committee determines otherwise, awards will be prorated for time served from the grant date to the date of the relevant event.

Other payments

In appropriate circumstances, payments may also be made in respect of accrued holiday, relocation and legal fees.

Awards under the HMRC tax-qualifying all-employee scheme may vest and, where relevant, be exercised in the event of cessation of employment or change of control in accordance with the Plan rules. The terms applying to any buy-out awards on cessation of employment or change of control would be determined when the award is granted.

The Committee reserves the right to make any other payments in connection with an Executive Director's cessation of employment where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement of any claim arising in connection with the cessation of employment.

Non-Executive Chair and other Non-Executive Directors' terms of engagement

The Non-Executive Chair and the Non-Executive Directors are engaged under letters of appointment which set out their duties and responsibilities. The dates of each Non-Executive Director's original appointment are as follows:

Non-Executive Director	Date of original appointment	Expiry of current term ¹
Fiona Goldsmith ²	4 July 2025	2 July 2028
Nicola Bruce	24 March 2023	26 March 2026
Elaine Bailey	1 March 2021	29 February 2028
Christopher Mills	1 January 2009	30 September 2027

¹ Subject to re-election at the 2025 AGM.

² Fiona Goldsmith was appointed as a Non-Executive Director on 1 October 2019 and appointed as Non-Executive Chair on 4 July 2025.

Remuneration Policy Report

CONTINUED

All Non-Executive Directors have specific terms of engagement, being an initial period of three years which thereafter may be extended on an annual basis, subject to re-election at each AGM. The appointment of the Non-Executive Chair may be terminated on either side on three months' notice and the appointment of the other Non-Executive Directors may be terminated on either side on one month's notice.

There is no entitlement to compensation in the event of Non-Executive Directors' fixed-term agreements not being renewed or the agreement terminating earlier.

Recruitment policy

The remuneration of a new Executive Director will normally include salary, benefits, pension and participation in the annual bonus and LTIP schemes in accordance with the policy for Executive Directors' remuneration. The Committee may include other elements of remuneration which it considers appropriate, subject to the principles and limits referred to below.

Salary will be set to reflect the skills and experience of the Executive Director being appointed and the market rate for the role.

If it is considered appropriate to appoint a new Executive Director on a below-market salary (for example, to allow them to gain experience in the role) their salary may be increased to a market level by way of a series of above-inflation increases over two to three years.

Although it is not the Company's policy to provide buy-out awards as a matter of course, the Committee may offer additional cash payments and/or share-based awards, on a one-time basis or ongoing, where it considers these to be in the best interests of the Group and shareholders. Such payments or awards will be based solely on remuneration forfeited when leaving the former employer and will reflect the delivery mechanism, time horizons and performance requirement attaching to that remuneration. Such payments or awards are limited to the expected value of the remuneration forfeited. Where considered appropriate, such payments or awards will be subject to forfeiture or malus and clawback provisions on early departure.

The Committee will not offer non-performance-related variable remuneration. The maximum level of variable remuneration which may be granted (excluding buy-out awards) is 350% of salary.

Other elements may be included in the following circumstances:

- An interim appointment being made to fill an Executive Director role on a short-term basis.
- If exceptional circumstances require that the Non-Executive Chair or a Non-Executive Director takes on an executive function on a short-term basis.

- If an Executive Director is recruited at a time in the year when it would be inappropriate to provide an annual bonus or LTIP award for that year. Subject to the limit on variable remuneration set out above, the quantum in respect of the period employed during the year may be transferred to the subsequent year.
- If the Executive Director is required to relocate, reasonable relocation, travel and subsistence payments may be provided.

Any share awards referred to in this section will be granted as far as possible under the Company's share plans. To the extent that this is not possible, share awards may be granted outside of these plans as permitted under the Listing Rules.

In the case of an internal appointment, any ongoing remuneration obligations or variable pay element awarded in respect of the prior role shall be allowed to continue according to its original terms, adjusted as relevant to take into account the appointment.

Fees payable to a newly appointed Non-Executive Chair or Non-Executive Director will be in line with the fee policy in place at the time of appointment.

Statement of consideration of employment conditions elsewhere in the Group

We recognise the benefits of engagement with our employees, and the Non-Executive Chair and our Non-Executive Directors (fulfilling a shared workforce representative role) actively engaged with employees on a range of topics of interest to them including Directors' remuneration.

The Committee regularly reviews the remuneration of the wider workforce to ensure it is attuned to general pay and conditions when considering Directors' remuneration (e.g. in determining salary increases for Executive Directors the Committee reviews salary increases across the Group).

Statement of consideration of shareholder views

The Committee consults with major shareholders and their representative bodies on remuneration matters, particularly if any material changes are proposed to the Remuneration Policy. In these instances the Committee seeks feedback from shareholders and develops and considers its proposals in light of this feedback.

Directors' Report

Statutory, regulatory, and other information

This section contains the remaining matters on which the Directors are required to report each year that do not appear elsewhere in the Annual Report.

Strategic Report

We present a review of the business during the year to 30 June 2025 and of the position of the Group at the end of the financial year together with a description of the principal risks and uncertainties faced by the Group in the Strategic Report on pages 02 to 103.

Business review

The review of the development and performance of the business during the year, any significant events up to the date of this report, and the future outlook of the Group are set out in the Chair's Statement on pages 04 and 05, the Chief Executive's Statement on pages 10 to 15 and the Business Reviews on pages 16 to 19.

The Group's sustainable business strategy is set out in the Strategic Report on pages 30 and 31. The key performance indicators are set out in the Strategic Report on pages 32 and 33.

The Group's policy in respect of financial risk management and financial instruments, details of credit risk, capital risk management, liquidity risk and interest rate risk are given in note 15 to the financial statements.

Dividends

The Company may, by ordinary resolution, declare a dividend to be paid to shareholders, but no dividend shall exceed the amount recommended by the Board. The Board may also agree to pay interim dividends when the financial position of the Company, in the opinion of the Board, justifies it.

During the year, the Company paid a final dividend of 7.0 pence (approved by shareholders at the Annual General Meeting on 15 November 2024) for the financial year ended 30 June 2024, and an interim dividend in respect of the financial year ended 30 June 2025 to shareholders of 4.0 pence per share.

The Board proposes to pay, subject to shareholder approval at the 2025 Annual General Meeting ("AGM"), a final dividend of 7.0 pence per share on 21 November 2025 to shareholders on the register at the close of business on 24 October 2025. The total dividend for the year to 30 June 2025 will be 11.0 pence.

Dividend policy

The current year dividend represents a dividend cover of 2.6 times. The Group has an established policy of targeting a range of three to five times dividend cover relative to full year earnings. Notwithstanding this policy, which remains unchanged, the Board is comfortable recommending a lower level of dividend cover on this occasion, reflecting their confidence in the medium term outlook.

Qualifying third-party indemnity

Directors risk personal liability under civil and criminal law for many aspects of the Company's main business decisions. As a consequence, the Directors could face a range of penalties including fines and/or imprisonment. In keeping with normal market practice, the Company believes that it is prudent, and in the best interests of the Company, to protect the individuals concerned from the consequences of innocent error or omission.

The Company obtains Directors' and Officers' liability insurance in order to indemnify Directors and other senior officers of the Company and its subsidiaries. This insurance policy does not provide cover where the Director or officer has acted fraudulently or dishonestly.

In addition, subject to the provisions of and to the extent permitted by relevant statutes, under the Articles of Association ("Articles"), the Directors and other officers are indemnified out of the assets of the Company against liabilities incurred by them in the course of carrying out their duties or the exercise of their powers. A deed of indemnity was approved by the Board in November 2020. These qualifying indemnity provisions were in place throughout the year and up to the date of approval of these financial statements.

Directors' Report

CONTINUED

Substantial shareholdings

The Company's major shareholders with voting rights representing 3% or more as at 30 June 2025 and the subsequent position at 31 August 2025 are shown below:

	As at 30 June 2025		As at 31 August 2025	
	Number of shares	% of voting rights	Number of shares	% of voting rights
Funds managed by Harwood Capital LLP	6,055,000	10.36	6,055,000	10.36
Black Rock	5,228,472	8.95	Less than 3%	
Aberforth Partners	4,257,473	7.29	5,289,175	9.05
Schroder Investment Management	3,670,000	6.28	3,770,000	6.45
Fidelity International	2,563,199	4.39	5,135,590	8.79
Artemis Investment Management	1,967,232	3.37	2,489,190	4.26

Governance statement

The Disclosure Guidance and Transparency Rules require certain information to be included in a governance statement in the Directors' Report. Information that fulfils these requirements, including how the Group has complied with the UK Corporate Governance Code and our internal control and risk management systems, can be found in the Corporate Governance section on pages 112 to 117.

Political donations

The Company made no political donations in the year or in the previous year.

Directors and Directors' interests

The Directors of the Company, as of the date of this report, and during the year, together with their biographical details, are shown on pages 110 and 111.

Details of any related party transactions with Directors of the Company are disclosed in note 27 to the financial statements.

The beneficial interests of the Directors and their connected persons in the shares of the Company at 30 June 2025 are disclosed in the Annual Report on Remuneration on pages 140 to 151. Details of the interests of the Executive Directors in share options and awards of shares can be found on page 143 within the same report.

Environmental policies and disclosures

Details of our focus on sustainability and the environment can be found in the Strategic Report on pages 02 to 103, the Sustainability Committee Report on pages 130 to 132, and our reports under the Task Force on Climate-related Financial Disclosures ("TCFD") and the Sustainability Accounting Standards Board, as set out on pages 84 to 91 and 92 to 97 respectively.

Employment policies

We are committed to ensuring that all employees, potential recruits, and other stakeholders are treated fairly and equitably. The principles of equality and diversity are important to us and advancement is based upon individual skills and aptitude irrespective of race, gender identity, sexual orientation, disability, age, religion or beliefs or any other protected characteristics.

Our policy for selection and promotion is based on an assessment of an individual's ability and experiences; we consider all applicants on their merits and have processes and procedures in place to ensure that individuals with disabilities are given fair consideration.

Every effort is made to retain and support employees who become disabled whilst in the employment of the Group.

We are committed to developing our employees so they can maximise their career potential, and our aim is to provide rewarding career opportunities in an environment in which equality of opportunity is paramount. We seek to improve employee retention by providing benefits that employees value, including a Group stakeholder pension (including life assurance arrangements), private medical insurance and income replacement arrangements.

Employee share scheme

Employee share ownership continues to be encouraged through participation in the Group Share Purchase Plan under which the Company contributes one share for every three shares purchased.

Employee involvement

Our people are at the heart of our business and are involved in decision making across the business in a variety of ways. More details on employee engagement can be found on pages 81 and 100.

Stakeholder engagement

Details regarding our stakeholder engagement, including suppliers, customers, local authorities and shareholders, and the effect on the principal decisions made in the year, can be found on pages 98 to 101.

Shareholder additional information

The Company is required to disclose certain additional information where not covered elsewhere in this Annual Report:

Share capital

The Company has one class of share in issue, being ordinary shares with a nominal value of 2 pence each, with no right to fixed income.

At 30 June 2025, the Company had issued share capital of 58,428,126 ordinary shares, with a nominal value of £1.2m. Further details are given in note 23 to the financial statements.

Rights and obligations attaching to shares

Subject to the Companies Act 2006 and other shareholders' rights, any share may be issued with such rights and restrictions as the Company may by ordinary resolution decide or, if no such resolution has been passed or so far as the resolution does not make specific provision, as the Board of the Company may decide. Subject to the Companies Act 2006, the Articles and any resolution of the Company, the Board may deal with any unissued shares as it may decide.

Amendment to the Articles of Association

Any amendments to the Articles may be made in accordance with the provisions of the Companies Act 2006 by way of special resolution.

Voting

Under and subject to the provisions of the Articles and subject to any special rights or restrictions as to voting attached to any shares, on a show of hands, every shareholder present in person at a general meeting of shareholders shall have one vote and on a poll every shareholder who is present in person or by proxy shall have one vote for every share of which they are the holder. Under the Companies Act 2006, shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at a general meeting or class meeting.

Voting on all resolutions proposed at the 2025 AGM will be conducted by way of a poll rather than a show of hands.

Restrictions on voting

A shareholder shall not be entitled to vote at any general meeting or class meeting in respect of any shares held by them unless all calls and other sums presently payable by them in respect of that share have been paid.

Variation of rights

The Articles specify that the special rights attached to any class of shares may, either with the consent in writing of holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of such holders (but not otherwise), be modified or abrogated.

Transfer of shares

Under and subject to the restrictions in the Articles, any shareholder may transfer all or any of their shares in certificated form by transfer, in writing, in any usual form or in any other form which the Board may approve. The Board may, save in certain circumstances, refuse to register any transfer of a certificated share not fully paid up. The Board may also refuse to register any transfer of certificated shares unless it is:

- in respect of only one class of shares;
- in favour of no more than four transferees;
- duly stamped or exempt from stamp duty;
- delivered to the office or at such other place as the Board may decide for registration; and
- accompanied by the certificate for the shares to be transferred and such other evidence (if any) as the Board may reasonably require to show the right of the intending transferor to transfer the shares.

Authority to purchase own shares

At the 2024 AGM, shareholders gave the Company authority to purchase up to the nominal value of £116,764 of its own ordinary shares, representing approximately 10% of its issued ordinary share capital. No purchases have been made pursuant to this authority and a resolution will be put to shareholders at the 2025 AGM to renew the authority for a further period of one year.

Repurchase of shares

Subject to the provisions of the Companies Act and to any rights conferred on the holders of any class of shares, the Company may purchase all or any of its shares of any class, including any redeemable shares.

Appointment of Directors

In accordance with the Articles, Directors can be appointed or removed by the Board, or by shareholders at a general meeting. The Directors shall not, unless otherwise determined by an ordinary resolution of the Company, be less than three or more than 15 in number.

As required by the UK Corporate Governance Code, all Directors will retire and offer themselves for re-election at the 2025 AGM. The Board considers that the contribution of each of the Directors standing for election is important to the Company's long-term sustainable success.

Directors' Report

CONTINUED

Powers of the Directors

The business of the Company shall be managed by the Board, which may exercise all the powers of the Company, subject to the provisions of the Articles and any ordinary resolution of the Company. The Articles specify that the Board may exercise all the powers of the Company to borrow money and to mortgage or charge all or any part of its undertakings, property and assets and uncalled capital and to issue debentures and other securities, subject to the provisions of the Articles.

Takeovers and significant agreements

The Company is party to the following significant agreements that take effect, alter, or terminate on a change of control of the Company following a takeover bid:

- the Company's share schemes and plans;
- the Company's payment guarantee bonds except with prior written consent from the bond provider; and
- the Group's revolving credit facility whereby upon a change of control all amounts become due and payable.

Information rights

Beneficial owners of shares who have been nominated by the registered holder of those shares to enjoy information rights under Section 146 of the Companies Act 2006 are required to direct all communications to the registered holder of their shares, rather than to the Company's registrars or to the Company directly.

Disclosure of information to auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and the Directors have taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditors

As set out on page 128, the auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution that they be reappointed will be proposed at the next AGM on 14 November 2025. A formal tender process will be commenced in the current year in respect of the 2027 financial year audit.

Annual General Meeting

The Notice of AGM to be held on 14 November 2025, together with details of the Resolutions to be considered, will be sent out in a separate circular. Full details of the deadlines for exercising voting rights in respect of the resolutions to be considered at the AGM will be set out in the Notice of the AGM.

By order of the Board

Stefan Allanson
Director

15 September 2025

Statement of Directors' Responsibilities in Respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and Accounts and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Company financial statements in accordance with UK-adopted international accounting standards.

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Annual Report on Remuneration comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and Accounts and the financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Governance Report, confirm that, to the best of their knowledge:

- the Group and Company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities and financial position of the Group and Company, and of the profit of the Group; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information.

By order of the Board

Graham Prothero
Director

15 September 2025

Stefan Allanson
Director

A photograph of a modern kitchen interior. The kitchen features green-painted cabinets with black handles and a wooden countertop. A window with white blinds and wooden frames is positioned above the sink. Sunlight streams through the window, casting shadows on the wooden floor. The text "Financial" is overlaid on the upper left portion of the image.

Financial

Statements

Contents

Financial Statements

Independent Auditors' Report	168
Consolidated Income Statement	178
Consolidated Statement of Comprehensive Income	178
Statements of Financial Position	179
Statements of Changes in Equity	180
Statements of Cash Flows	182
Notes to the Financial Statements	183

 Longford Kitchen at Hollinwell Heath, Kirkby-in-Ashfield, Nottinghamshire

Independent Auditors' Report to the Members of MJ Gleeson plc

Report on the audit of the financial statements

Opinion

In our opinion, MJ Gleeson plc's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 30 June 2025 and of the group's profit and the group's and company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Accounts 2025 (the "Annual Report"), which comprise: the Statements of Financial Position as at 30 June 2025; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Statements of Changes in Equity and the Statements of Cash Flows for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- The group is organised into five reporting units, all within the UK. The group financial statements are a consolidation of these reporting units after making appropriate consolidation adjustments.
- Of the five reporting units, we identified two which, in our view, required an audit of their complete financial information, together with consolidation adjustments.
- Reporting units over which we performed full scope audit procedures and the consolidation adjustments accounted for 100% of the group's reported revenues, 80% of the group's profit before tax and 82% of total assets (all calculated on an absolute values basis).
- Audit procedures were also performed over certain financial statement line items ('FSLIs') within two further reporting units due to their contribution towards those FSLIs.

Key audit matters

- Carrying value of inventory and profit recognition (group)
- Valuation of building safety provision (group)
- Carrying value of investments in certain subsidiaries (parent)

Materiality

- Overall group materiality: £1,095,000 (2024: £1,240,000) based on 5% of profit before tax and exceptional items (2024: profit before tax).
- Overall company materiality: £1,040,250 (2024: £1,178,000) based on 1% of total assets (capped at 95% of overall group materiality).
- Performance materiality: £821,250 (2024: £930,000) (group) and £780,150 (2024: £883,500) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
<i>Carrying value of inventory and profit recognition (group)</i> Refer to Note 1 (Accounting policies) and Note 13 (Inventories) of the financial statements. The value of the Group's land held for development and work in progress ('land and WIP') represents a significant proportion (91%) of the assets in the Group Statement of Financial Position. Determining the recoverable amount of land and WIP requires a high degree of estimation. For land and WIP in Gleeson Homes, the key judgements include forecasting future costs to complete and selling prices which can be affected by market conditions and unexpected events. In Gleeson Land, the valuation of land and WIP requires judgement regarding the future viability of each project. Based upon this assessment, it may be necessary to record provisions to determine the final carrying value of land and WIP for each site.	In assessing the inventory valuation and profit recognition within Gleeson Homes, we performed the following procedures: • Assessed and tested controls over the allocation of materials and labour costs to the correct sites; • Visited a sample of active sites to confirm the existence and condition of the WIP and compared this to the total WIP at year end for the relevant sites; • Attended a sample of valuation meetings to observe and test the controls in operation and understand the key judgments being made; • Attended a post year-end valuation meeting to observe if any additional costs were identified which weren't included in costs to complete as at the year-end; • Tested a sample of land and WIP additions in the year; • Tested a sample of journals transferring costs from WIP to Cost of sales upon plot sale; • Assessed management's ability to accurately forecast revenue, by comparing revenue per the latest valuation sheets, available as at year end, to the actual revenue achieved for that site in the year; • Considered the monthly margin by site to ensure that there was consistent margin recognition throughout the year, obtaining

Independent Auditors' Report to the Members of MJ Gleeson plc CONTINUED

	explanations for any unusual trends, particularly where declining margins may indicate incomplete initial forecasts of total costs; • Performed additional margin review over sites completed in the year and those active over both FY24 and FY25; • Performed substantive testing over the costs to complete in the year end valuation for a sample of sites. Certain costs to complete categories were tested on a risk basis, with supporting documentation obtained for the sample selected; • Performed inquiries with management for cost accruals for additional costs on sites in which homes have been substantially sold and corroborated this with supporting documentation obtained for the relevant costs; • Substantively tested management's provision for abortive site costs; • Performed detailed testing over specific and general contingencies; • Assessed changes in build rates against changes in costs to complete, including preliminary costs; and • Evaluated management's experts through assessing the qualifications and experience of the quantity surveyors performing the valuations over each site sampled. In assessing the valuation of inventory in Gleeson Land, we performed the following procedures: • Tested a sample of costs incurred during the year; • Assessed the adequacy of controls over allocation of costs to sites through testing of controls over the allocation of materials; • Tested the transfer from work in progress to cost of sales for all those sites sold during the year; • Discussed and challenged the status of a sample of projects with management and corroborated explanations received, as necessary; • Assessed the group's provisioning methodology for reasonableness and consistency with previous periods; • Recalculated the provision made by management against year-end work in progress by applying the Group's provisioning methodology and challenged and corroborated as necessary; and We also reviewed the disclosures in the annual accounts in respect of the critical accounting estimates of margin recognition and carrying value of land and work in progress. Based on the procedures performed we did not identify any material adjustments to the carrying value of the group's inventory as at the year-end date or profit recognition for the period.
Valuation of building safety provision (group) Refer to Note 1 (Accounting policies) and Note 18 (Provisions) of the financial statements. Under the 'Department for Levelling Up' Pledge, the group is responsible for remediating any life critical fire safety defects in buildings over 11 metres which were developed by Gleeson Homes in the past 30 years. Management have identified 18 buildings in scope resulting in a provision of £11.9m. The key assumptions are the potential cost of investigation, the costs of replacement materials and works, the cost of disruption to residents and the timing of forecast expenditure. Hence, we identified the valuation of building safety provisioning as a significant risk.	For all existing sites, we have obtained management's reassessment of the required provision. This is ultimately based on the expert reports obtained in previous years, reassessed in the current year for reasonableness, based on the latest available information. We performed the following procedures: • Assessed the work of management's experts, including considering their qualifications and experience in deriving the remediation costs outlined in their reports; • Reassessed the completeness of the list of in-scope buildings given the identification of one further building taller than 11m during the year; • Tested management's own adjustments to the work of management's experts, primarily adjustments to the scope of work required based on further investigation and quotes received during the year; and • Considered and corroborated other movements in the provision to supporting evidence. Based on the procedures performed we did not identify any material adjustments to the provision included in the group financial statements or the disclosures related to this critical accounting estimate.

<i>Carrying value of investments in certain subsidiaries (parent)</i> Refer to Note 1 (Accounting policies) and Note 12 (Investments in subsidiaries) of the financial statements. We focused upon this area because of the size of the balance, the judgement required in determining the carrying value and the triggers identified during the year. The key judgement is the underlying cash generation and profitability of the company's subsidiaries, which can be affected by market conditions.	In assessing the appropriateness of valuation of investments in subsidiary undertakings we obtained management's impairment trigger assessment of the company's investments in subsidiaries as at 30 June 2025. Where an impairment trigger was identified, we obtained management's assessment of the recoverable amount of the subsidiary. For investments that management deemed to have no impairment triggers, we reviewed the trading performance and net asset position of the subsidiary to confirm management's trigger assessment as reasonable. For subsidiaries where a trigger was noted, we reviewed management's detailed impairment assessment, considering whether the fair value of these individual investments was sufficient to support the carrying value of the investment. We also assessed other sources of information to identify potential triggers, such as comparing the market capitalisation of the group as at 30 June 2025, with the group's consolidated net asset value. Based on the procedures we performed we were satisfied that the carrying value of the investments held by the company at the year-end date were supported and that no impairment was required.
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How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The group's accounting process is structured around a group finance function at its head office in Sheffield which is responsible for the group's five reporting units.

For each reporting unit we determined whether it required an audit of its complete financial information ('full scope'), or whether certain account balances were required to be in the scope of our group audit to address specific risk characteristics or to provide sufficient overall coverage of particular financial statement line items in the group financial statements.

A full scope audit was required for two components, being the Gleeson Homes Division and the Gleeson Land Division, which were determined as financially significant due to their size and contribution towards the group's profit before tax and exceptional items.

In addition, within the remaining three reporting units were two where we performed specific audit procedures over provisions, payroll and share-based payments, due to their contribution towards these financial statement line items. The remaining reporting unit was considered to be an inconsequential component, with no specific procedures performed.

All of the audit procedures have been performed by the Group audit engagement team.

The impact of climate risk on our audit

In planning and executing our audit, we considered the potential impact of climate change on the group's business and the group and company financial statements. The Director's assessment of the potential impacts of climate change is explained in detail within the Strategic Report.

The Board has made commitments for the group to be an operational Net Zero business by 2050.

As part of our audit we made enquiries of management to understand the extent of the potential impact of physical and transitional climate change risks on the group and company financial statements and support the disclosures made in line with the requirements of the Task Force on Climate-Related Financial Disclosures ('TCFD').

Independent Auditors' Report to the Members of MJ Gleeson plc CONTINUED

Management's assessment highlighted that the valuation of inventory is impacted most significantly by climate risk, in relation to the latest building regulations and potential flood risks. We have assessed this risk in our audit testing, identifying no material issues within the valuation of inventory.

We also considered the consistency of the disclosures in relation to climate change within the Annual Report (including the disclosures in the TCFD section) with the financial statements and our knowledge obtained from our audit.

Our procedures did not identify any material impact as a result of climate risk on the group and company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements - group	Financial statements - company
<i>Overall materiality</i>	£1,095,000 (2024: £1,240,000).	£1,040,250 (2024: £1,178,000).
<i>How we determined it</i>	5% of profit before tax and exceptional items (2024: profit before tax)	1% of total assets (capped at 95% of overall group materiality)
<i>Rationale for benchmark applied</i>	We have chosen this as our benchmark as it is a key performance measure disclosed to users of the financial statements. This figure takes prominence in the Annual Report, as well as the communications to both shareholders and the market. The benchmark is consistent with the prior year save for the exclusion of exceptional items, for which the prior year charge was nil. The add-back of exceptional items to profit before tax was considered to be appropriate to better represent the underlying performance of the group.	We have used an asset based measure for the company, which is a generally accepted auditing benchmark. Where applicable, we have performed our testing to a lower, group allocated materiality for individual balances that contribute to the consolidated group results.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £51,300 to £1,040,250, with component materialities capped at a maximum of 95% of group materiality. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £821,250 (2024: £930,000) for the group financial statements and £780,150 (2024: £883,500) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £54,750 (group audit) (2024: £62,000) and £52,010 (company audit) (2024: £58,900) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- We evaluated the board approved FY26 budget, challenging the adequacy and appropriateness of the underlying assumptions;
- We evaluated the 'base case' cashflow forecasts derived from the board approved FY26 budget and the reasonableness of the severe but plausible downside scenario for the period to 31 December 2026;
- We checked the mathematical accuracy of management's forecasts;
- We understood the mitigating actions in management's model and considered whether they were within their control and could be taken on a timely basis, if needed;
- We evaluated the level of forecast liquidity and forecast compliance with the bank facility covenants, both in respect of the base case and management's severe but plausible downside scenario;
- Assessed the accuracy of historical forecasting, as well as a comparison of post year end actual performance versus budget.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on

Independent Auditors' Report to the Members of MJ Gleeson plc CONTINUED

the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 June 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Annual Report on Remuneration to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Corporate Governance Report is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to building safety legislation and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Listing Rules and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to deliberate manipulation of results via improper revenue recognition, management bias in key accounting estimates and posting of inappropriate journal entries to manipulate the group's result for the period. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;

Independent Auditors' Report to the Members of MJ Gleeson plc CONTINUED

- Reviewed board minutes and inquired with management over any non compliance with laws and regulations, including discussions with management's internal experts surrounding the building safety act;
- Identifying and testing journal entries using risk-based criteria, in particular journal entries posted with unusual account combinations;
- Testing of individually material revenue transactions to assess the accuracy of the revenue recognised and the timing of recognition;
- Challenging assumptions and judgements made by management in their significant accounting estimates, particularly in relation to the valuation of land and work in progress within inventories and the expected cash outflows in respect of the building safety provision; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements and the part of the Annual Report on Remuneration to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 14 November 2016 to audit the financial statements for the year ended 30 June 2017 and subsequent financial periods. The period of total uninterrupted engagement is 9 years, covering the years ended 30 June 2017 to 30 June 2025.

Other matter

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R - 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Tom Yeates (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
15 September 2025

Consolidated Income Statement

For the year ended 30 June 2025

	Note	2025 Pre- exceptional items £000	2025 Exceptional items (note 3) £000	2025 Total £000	2024 Total £000
Revenue	2	365,817	–	365,817	345,345
Cost of sales		(282,652)	–	(282,652)	(260,811)
Gross profit		83,165	–	83,165	84,534
Administrative expenses		(57,920)	(1,343)	(59,263)	(56,233)
Other operating income	5	137	–	137	252
Operating profit		25,382	(1,343)	24,039	28,553
Finance income	7	141	–	141	109
Finance expenses	7	(3,636)	–	(3,636)	(3,813)
Profit before tax		21,887	(1,343)	20,544	24,849
Tax	8	(5,030)	309	(4,721)	(5,543)
Profit for the year attributable to the equity holders of the parent		16,857	(1,034)	15,823	19,306
Earnings per share					
Basic	10	28.88 p		27.11 p	33.13 p
Diluted	10	28.88 p		27.11 p	33.04 p

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2025

	2025 Pre- exceptional items £000	2025 Exceptional items (note 3) £000	2025 Total £000	2024 Total £000
Profit for the year	16,857	(1,034)	15,823	19,306
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss				
Change in value of shared equity receivables at fair value	67	–	67	171
Other comprehensive income for the year (net of tax)	67	–	67	171
Total comprehensive income/(expense) for the year	16,924	(1,034)	15,890	19,477

The notes on pages 183 to 211 form part of these financial statements.

Statements of Financial Position

At 30 June 2025

	Note	Group		Company	
		2025 £000	2024 £000	2025 £000	2024 £000
Non-current assets					
Property, plant and equipment	11	8,495	9,269	–	–
Investments in subsidiaries	12	–	–	94,041	94,041
Trade and other receivables	14	3,304	243	–	–
Deferred tax assets	20	–	317	12	455
		11,799	9,829	94,053	94,496
Current assets					
Inventories	13	380,847	345,234	–	–
Trade and other receivables	14	18,951	9,283	102,501	115,350
UK corporation tax		1,286	767	1,286	767
Cash and cash equivalents	21	6,490	12,934	30	1,056
		407,574	368,218	103,817	117,173
Total assets		419,373	378,047	197,870	211,669
Non-current liabilities					
Trade and other payables	16	(11,287)	(6,614)	–	–
Provisions	18	(7,736)	(10,073)	–	–
Deferred tax liabilities	20	(73)	–	–	–
		(19,096)	(16,687)	–	–
Current liabilities					
Loans and borrowings	15	(5,000)	–	(5,000)	–
Bank overdraft	21	(2,269)	–	–	–
Trade and other payables	16	(79,822)	(60,594)	(140,488)	(146,492)
Provisions	18	(5,520)	(3,024)	–	–
		(92,611)	(63,618)	(145,488)	(146,492)
Total liabilities		(111,707)	(80,305)	(145,488)	(146,492)
Net assets		307,666	297,742	52,382	65,177
Equity					
Share capital	23	1,169	1,168	1,169	1,168
Share premium		15,843	15,843	15,843	15,843
Own shares	23	(232)	(456)	(232)	(456)
Retained earnings		290,886	281,187	35,602	48,622
Total equity		307,666	297,742	52,382	65,177

Retained earnings of the Company

The loss of the Company in the financial year amounted to £6,829,000 (2024: profit of £2,071,000).

The financial statements on pages 178 to 211 were approved by the Board of Directors on 15 September 2025 and signed on its behalf by:

Graham Prothero
Director

Stefan Allanson
Director

Company registration number: 09268016

The notes on pages 183 to 211 form part of these financial statements.

Statements of Changes in Equity

For the year ended 30 June 2025

Group

	Note	Share capital £000	Share premium £000	Own shares £000	Retained earnings £000	Total equity £000
At 1 July 2023		1,167	15,843	(743)	269,749	286,016
Profit for the year		–	–	–	19,306	19,306
Other comprehensive income		–	–	–	171	171
Total comprehensive income for the year		–	–	–	19,477	19,477
Share issue	23	1	–	–	–	1
Purchase of own shares	23	–	–	(106)	–	(106)
Utilisation of own shares	23	–	–	393	(393)	–
Share-based payments	24	–	–	–	218	218
Movement in tax on share-based payments taken directly to equity	8	–	–	–	(284)	(284)
Dividends	9	–	–	–	(7,580)	(7,580)
Transactions with owners, recorded directly in equity		1	–	287	(8,039)	(7,751)
At 30 June 2024		1,168	15,843	(456)	281,187	297,742
Profit for the year		–	–	–	15,823	15,823
Other comprehensive income		–	–	–	67	67
Total comprehensive income for the year		–	–	–	15,890	15,890
Share issue	23	1	–	–	–	1
Purchase of own shares	23	–	–	(69)	–	(69)
Utilisation of own shares	23	–	–	293	(217)	76
Share-based payments	24	–	–	–	660	660
Movement in tax on share-based payments taken directly to equity	8	–	–	–	(210)	(210)
Dividends	9	–	–	–	(6,424)	(6,424)
Transactions with owners, recorded directly in equity		1	–	224	(6,191)	(5,966)
At 30 June 2025		1,169	15,843	(232)	290,886	307,666

Company

		Share capital £000	Share premium £000	Own shares £000	Retained earnings £000	Total equity £000
At 1 July 2023		1,167	15,843	(743)	54,330	70,597
Profit for the year		–	–	–	2,071	2,071
Total comprehensive income for the year		–	–	–	2,071	2,071
Share issue	23	1	–	–	–	1
Purchase of own shares	23	–	–	(106)	–	(106)
Utilisation of own shares	23	–	–	393	(393)	–
Share-based payments	24	–	–	–	218	218
Movement in tax on share-based payments taken directly to equity	8	–	–	–	(24)	(24)
Dividends	9	–	–	–	(7,580)	(7,580)
Transactions with owners, recorded directly in equity		1	–	287	(7,779)	(7,491)
At 30 June 2024		1,168	15,843	(456)	48,622	65,177
Loss for the year		–	–	–	(6,829)	(6,829)
Total comprehensive expense for the year		–	–	–	(6,829)	(6,829)
Share issue	23	1	–	–	–	1
Purchase of own shares	23	–	–	(69)	–	(69)
Utilisation of own shares	23	–	–	293	(217)	76
Share-based payments	24	–	–	–	660	660
Movement in tax on share-based payments taken directly to equity	8	–	–	–	(210)	(210)
Dividends	9	–	–	–	(6,424)	(6,424)
Transactions with owners, recorded directly in equity		1	–	224	(6,191)	(5,966)
At 30 June 2025		1,169	15,843	(232)	35,602	52,382

Statements of Cash Flows

For the year ended 30 June 2025

	Note	Group		Company	
		2025 £000	2024 £000	2025 £000	2024 £000
Operating activities					
Profit/(loss) before tax		20,544	24,849	(6,596)	2,034
Adjustments for:					
Depreciation of property, plant and equipment	11	4,272	4,621	–	–
Share-based payments	24	660	218	484	481
Profit on redemption of shared equity receivables		(57)	(182)	–	–
Increase/(decrease) in provisions including exceptional items	18	159	(382)	–	–
Loss on disposal of property, plant and equipment	11	414	466	–	–
Impairment of investments in subsidiaries	12	–	–	–	1,162
Finance income	7	(141)	(109)	(70)	(10,013)
Finance expenses	7	3,636	3,813	3,168	3,419
Operating cash flows before movements in working capital		29,487	33,294	(3,014)	(2,917)
Increase in inventories		(35,613)	(608)	–	–
(Increase)/decrease in receivables		(12,708)	4,224	217	(501)
Increase/(decrease) in payables		23,313	(9,323)	(584)	356
Decrease in amounts due from subsidiary undertakings		–	–	16,337	2,891
(Decrease)/increase in amounts due to subsidiary undertakings		–	–	(4,363)	8,018
Cash generated from operating activities		4,479	27,587	8,593	7,847
Tax paid		(5,061)	(5,572)	(5,061)	(5,572)
Finance costs paid		(3,364)	(4,029)	(3,136)	(3,795)
Net cash (used in)/generated from operating activities		(3,946)	17,986	396	(1,520)
Investing activities					
Proceeds from disposal of shared equity receivables		185	678	–	–
Interest received		138	31	70	13
Dividends from subsidiaries		–	–	–	10,000
Purchase of property, plant and equipment	11	(2,045)	(2,039)	–	–
Net cash (used in)/generated from investing activities		(1,722)	(1,330)	70	10,013
Financing activities					
Increase in loans and borrowings	15	5,000	–	5,000	–
Net proceeds from issue of shares	23	1	1	1	1
Purchase of own shares		(69)	(106)	(69)	(106)
Dividends paid	9	(6,424)	(7,580)	(6,424)	(7,580)
Principal element of lease payments	17	(1,553)	(1,196)	–	–
Net cash flow used in financing activities		(3,045)	(8,881)	(1,492)	(7,685)
Net (decrease)/increase in cash and cash equivalents		(8,713)	7,775	(1,026)	808
Cash and cash equivalents at beginning of period		12,934	5,159	1,056	248
Cash and cash equivalents at end of period, net of overdraft	21	4,221	12,934	30	1,056

Notes to the Financial Statements

For the year ended 30 June 2025

1 Accounting policies

MJ Gleeson plc ("the Company") is a public limited company that is listed on the London Stock Exchange and is incorporated and domiciled in England, United Kingdom. The address of the registered office is 6 Europa Court, Sheffield Business Park, Sheffield, S9 1XE.

Basis of preparation

Both the Company financial statements and the Group financial statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards and in conformity with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The consolidated Group and Company financial statements have been prepared on a going concern basis and under the historical cost convention, except as otherwise stated below.

The material accounting policies set out below have been applied consistently to all periods presented in the consolidated Group and Company financial statements.

The Company has taken advantage of section 408 of the Companies Act 2006 and consequently an income statement and statement of comprehensive income of the Company is not presented as part of these financial statements.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all of its subsidiary undertakings (together referred to as "the Group").

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Going concern

The Group's business activities are set out in the Strategic Report on pages 02 to 103. The principal risks identified are reported under Risk Management on pages 38 to 43.

The Group has a committed revolving credit facility with Lloyds Bank plc and Santander UK plc with a facility limit of £135m. During the year, the uncommitted one year extension option was exercised and the facility now expires in October 2027 (previously October 2026). The facility has a further one year uncommitted extension option provided by both banks.

At the balance sheet date, the Group had borrowings of £5.0m (2024: £nil), cash and cash equivalents of £6.5m (2024: £12.9m) and an overdraft of £2.3m (2024: £nil). Borrowings net of cash, therefore, was £0.8m and the total unused facility was £127.7m (2024: £135m).

Current forecasts are based on the latest budget and plan approved by the Board in July 2025. This reflected a cautious view on the trading outlook based on the current market conditions and the degree of macro-economic risk.

These forecasts were then subject to a range of sensitivities including a severe but plausible scenario together with the likely effectiveness of mitigating actions. The assessment considered the combined impact of a number of realistically possible, but severe and prolonged changes to principal assumptions from a downturn in the housing and land markets including:

- reduction in Gleeson Homes volumes of approximately 20% with no recovery;
- reduction in Gleeson Homes selling prices by 5% permanently; and
- a delay on the timing of Gleeson Land transactions and 10% fall in land selling values.

Under these sensitivities, after taking certain mitigating actions, the Group continues to have a sufficient level of liquidity, operate within its financial covenants and meet its liabilities as they fall due.

Based on the results of the analysis undertaken, the Directors have a reasonable expectation that the Company and the Group have adequate resources available to continue in operation for the foreseeable future and operate in compliance with the Group's bank facilities and financial covenants. As such, the financial statements for the Company and the Group have been prepared on a going concern basis.

Revenue recognition

Revenue represents the fair value of the consideration received or receivable in respect of the sale, or sale and leaseback, of homes and land, net of value added tax and discounts, which is based on an underlying signed legal agreement. Revenue is recognised when control transfers to a customer as follows:

- Revenue from the sale, or sale and leaseback, of homes and sales extras is a single performance obligation that is satisfied when control is transferred to the customer, which is deemed to be on legal completion when title of the property passes to the customer. Where deposit and exchange funds are received in advance, no revenue is recognised until legal completion occurs and the remaining funds are received.

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

1 Accounting policies CONTINUED

Revenue on multi-unit sales follows the same treatment, with revenue recognised on legal completion of each unit in accordance with the contracted terms.

- Revenue from land sales, including land sold under option agreements, freehold land sales, or fixed-price land sales, is typically a single performance obligation that is satisfied at the earlier of when unconditional contracts to sell are exchanged and control has passed to the customer or when contracts to sell are completed and title has passed.

Where the Group grants an option over freehold land, revenue is recognised on the receipt of any non-refundable premium as a single performance obligation, for the grant of the option. On exercise of that option by the buyer, revenue is recognised as a land sale which is a separate performance obligation.

Revenue from planning promotion agreements is recognised at the point at which the Group is unconditionally entitled to a share of the disposal proceeds under the terms of the promotion agreement contract. Payment terms vary on each land sale; where deferred receipts exceed one year from completion, the transaction price is adjusted to reflect the time value of money. Variable consideration such as an overage is not recognised until the point at which it is considered highly probable that there will not be a significant future reversal, which typically occurs when the amount is agreed by all parties.

The Group has adopted the practical expedient allowed under IFRS 15 "Revenue from contracts with customers" that states an entity need not adjust the amount of consideration for the effects of a significant financing component if the entity expects, at contract inception, that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

Segmental reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All segmental operating results are reviewed regularly by the Executive Board, identified as the Chief Operating Decision Maker, to make decisions about resources to be allocated to the segment and to assess its performance. Segmental results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis. Segmental capital additions is the total cost incurred during the period to acquire property, plant and equipment.

Exceptional items

Exceptional items are defined as items of income or expenditure which, in the opinion of the Directors, are material and unusual in nature or of such significance that they require separate disclosure on the face of the income statement in accordance with IAS 1 "Presentation of financial statements". Should these items be reversed, disclosure of this would also be classified within exceptional items.

Finance income and expenses

Finance income comprises interest income on bank deposits and the unwinding of discounts on deferred receivables and shared equity receivables. Interest income is recognised as it accrues, using the effective interest method. Finance income is considered to accrue as a result of investing activities and is presented as such in the statement of cash flows.

Finance expenses comprise interest and fees on bank facilities, leases and the unwinding of discounts on deferred payables. Also included is the amortisation of fees associated with the arrangement of financing. Interest expense is recognised in the income statement using the effective interest method. Cash flows in relation to finance expenses are included within operating activities in the statement of cash flows.

Leases

The Group assesses whether a contract is, or contains, a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses an incremental borrowing rate that is the rate of interest that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Right-of-use assets are initially measured at cost, comprising the initial measurement of the lease liability, plus any initial direct costs and an estimate of asset retirement obligations, less any lease incentives.

1 Accounting policies CONTINUED

Subsequently, right-of-use assets are measured at cost, less any accumulated depreciation and any accumulated impairment losses, and are adjusted for certain remeasurements of the lease liability. Depreciation is calculated on a straight-line basis over the length of the lease.

For a modification that decreases the scope of the lease, the lease liability is remeasured at the effective date of the modification using a revised discount rate representative of the remainder of the lease term. Where this is not readily determined, the incremental cost of borrowing will be used. The carrying amount of the right-of-use asset will decrease to reflect the partial or full termination of the lease. Any gain or loss relating to the lease modification is recognised in the income statement.

Non-financial assets

1. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following basis:

- Property: over the term of the lease for right-of-use assets
- Plant and equipment: between three and six years

Depreciation of these assets is charged to the income statement. The Group does not hold any freehold property.

2. INVESTMENTS

Investments are stated at cost less impairment.

3. INVENTORIES

Inventories are valued at the lower of cost and net realisable value and are subject to regular impairment reviews. For Gleeson Homes, inventories comprise all direct costs incurred in bringing the individual inventories to their present condition at the reporting date, including direct materials, direct labour costs and related overheads. For Gleeson Land, inventories comprise all direct costs incurred in securing and promoting land through the planning system through to the point of sale, less the value of any impairment losses.

For Gleeson Homes, inventories are recognised in cost of sales as an allocation of the latest forecast gross margin expected to be generated over the remaining life of that site, which is an output of the site valuation process. These valuations, which are carried out at regular intervals throughout the year, use actual and forecast selling prices, land costs and build costs. Land purchased with deferred consideration terms is included in inventories at its net present value.

For Gleeson Land, inventories are recognised in cost of sales as an allocation of the promotion costs associated with the land being sold.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. In Gleeson Homes, the key assumptions underpinning the assessment of net realisable value are forecast costs to complete, site margins, contingencies and selling prices. In Gleeson Land, expected land value, planning outcome, the remaining duration of the promotion or option agreement and forecast costs to complete are used to determine net realisable value.

IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amount of non-financial assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the income statement within administrative expenses.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

Financial assets

1. SHARED EQUITY RECEIVABLES

Shared equity receivables are loans that were offered to certain customers to assist in the purchase of their home. Shared equity receivables are recorded at fair value through other comprehensive income ("OCI"), representing the amount receivable discounted to present day values. The difference between the nominal value and the initial fair value is credited over the deferred term to finance income, with the financial asset increasing to its full cash settlement value on the anticipated receipt date. The Group holds a second charge over property sold under shared equity schemes. Changes in the fair value of shared equity receivables are recognised in other comprehensive income.

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

1 Accounting policies CONTINUED

Interest calculated using the effective interest method and impairment losses on shared equity receivables are recognised in the income statement.

2. TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Deferred land receivables are discounted to present values when repayment is due in more than one year after initial recognition.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, demand deposits and cash held in solicitors' client accounts on the Group's behalf and are subject to an insignificant risk of changes in value. Net cash/(debt) is defined as cash and cash equivalents less borrowings with an original maturity of three months or less.

IMPAIRMENT OF FINANCIAL ASSETS

An assessment of expected credit losses associated with financial assets carried at amortised cost is undertaken on a forward-looking basis. For trade receivables, the simplified approach as permitted by IFRS 9 "Financial instruments" is applied, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Non-financial liabilities

1. PROVISIONS

Provisions are recognised when there is a present legal or constructive obligation arising from past events and it is probable there will be an outflow of resources required to settle the obligation that can be estimated reliably. Provisions are measured at the best estimate of the Directors and discounted to present value where the effect is material.

2. CONTINGENT LIABILITIES

Where there is a possible obligation arising from past events that will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events then, unless the possibility of such an outflow of resources in settlement is remote, a contingent liability is disclosed.

Financial liabilities

1. TRADE AND OTHER PAYABLES

Trade and other payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

Deferred land payables are discounted to present values when repayment is due in more than one year after initial recognition.

2. LOANS AND BORROWINGS

Interest bearing bank loans are initially measured at fair value (being proceeds received, net of direct issue costs) and are subsequently measured at amortised cost. Capitalised finance costs are held in other receivables and amortised over the period of the facility, less any provision for impairment.

Tax

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying values of assets and liabilities for financial reporting purposes and the values used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Employee benefits

1. DEFINED CONTRIBUTION PENSION PLANS

Obligations for contributions to defined contribution pension schemes are charged to the income statement in the period to which the contributions relate.

2. SHARED-BASED PAYMENTS

Equity-settled share-based payments ("share options") are measured at fair value at the date of grant. Fair value is measured using generally accepted option pricing models, taking into account the terms and conditions upon which the options were granted. The fair value of options granted is recognised as an employee expense with a corresponding credit to equity, spread on a straight-line basis over the vesting period. Where non-market vesting conditions apply, the expense is based on the estimate of awards that are expected to vest. These awards are granted by the Company and the cost of the share-based award relating to each subsidiary is calculated, based on an appropriate apportionment, at the date of grant and recharged through intercompany.

1 Accounting policies CONTINUED

Own shares held by Employee Benefit Trusts

The Employee Benefit Trusts ("EBT") holds shares in the Company for the purpose of settling employee share purchase plan awards, deferred bonus awards for the Executive Directors, and employee share options through shares purchased from the market. The cost of the Company's purchase of its own shares is shown as a reduction in shareholders' equity through the "own shares" reserve until such time as they are vested to employees.

Dividends

Interim dividends are recorded in the financial statements when paid. Final dividends are recorded in the financial statements in the period in which they receive shareholder approval.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty and judgements that have been applied to the carrying amounts of assets and liabilities at the balance sheet date are listed below.

1. MARGIN RECOGNITION

Cost of sales is recognised for completed home sales as an allocation of the latest forecast gross margin expected to be generated over the remaining life of a site, which is an output of the site valuation process. These valuations, which are updated at regular intervals throughout the year, use actual and forecast selling prices, land costs and build costs, and are sensitive to future movements in both the estimated costs to complete and expected selling prices. These estimates are reflected in the margin recognised on sites in relation to sales recognised in the current and future years. There is a degree of inherent uncertainty in making such estimates. The Group has internal controls that are designed to ensure that an effective assessment of the costs to complete a

development is made on a regular basis. If gross margin on homes sold decreased by 100 basis points, profit before tax in the year would have been £3.4m lower (2024: £3.2m lower).

2. CARRYING VALUE OF INVENTORIES (LAND AND WORK IN PROGRESS)

Inventories are stated at the lower of cost and net realisable value. For Gleeson Homes, the assessment of net realisable value is performed on a site-by-site basis, taking into account an estimation of costs to complete and remaining revenue. If forecast gross margins reduced by 5%, there would be no loss-making sites and no material impact on the carrying value of inventory.

For Gleeson Land, the assessment of net realisable value is performed on a site-by-site basis. Net realisable value is largely dependent on the prospect of obtaining a successful planning consent. Given this, there is some uncertainty over the net realisable value of each site. These assessments include a degree of inherent uncertainty when estimating the profitability of a site and in assessing any impairment provisions that may be required. If a single site in the portfolio failed to obtain planning permission before expiration of the agreement, the carrying value would decrease by £0.6m (2024: £0.4m), based on an average site. The single largest site inventory balance in the portfolio is £10.0m (2024: £2.8m), which includes freehold land purchased on a site on which an option agreement was sold during the year.

3. BUILDING SAFETY

As set out in note 18, the Group undertakes periodic reviews of all buildings over 11 metres in which the Group had, over the last 30 years, some involvement in developing. The provision also includes the costs for remediating any buildings under 11 metres where these have been identified to have life critical fire safety issues and where the Group had some involvement in developin over the same period.

The Group has recorded a building safety provision which represents the best estimate of the life-critical fire-safety remediation costs associated with these buildings. The building safety provision requires a number of key estimates and judgements in its calculation. If it is deemed that the costs are probable and can be reliably measured then, as per IAS 37 "Provisions, contingent liabilities and contingent assets", a provision is recorded. If costs are considered possible or cannot be reliably estimated then they are recorded as contingent liabilities. The key judgements include, but are not limited to, the identification of these properties, the time period to consider and which properties should then be included. Judgement is also required in respect of the underlying nature of the building and materials used where intrusive surveys have not yet been carried out.

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

1 Accounting policies CONTINUED

The key estimates applied to these properties include the potential costs of investigation, the costs of replacement materials and works, the costs of disruption to residents of these buildings and the timing of forecast expenditure.

If forecast remediation costs on these buildings were 20% higher, the provision in the statement of financial position would be £2.4m higher (2024: £2.5m higher) with a corresponding exceptional charge in the consolidated income statement. See note 18 for further details.

4. REVOLVING CREDIT FACILITY

Under IAS 7 "Statement of Cash Flows", cash flows arising from operating, investing or financing activities may be reported on a net basis where cash receipts and payments are quick, the amounts are large and maturities are short. This includes short-term borrowings, for example, those which have a maturity period of three months or less.

The Group typically draws down on its revolving credit facility for one month or less and repays each drawdown at the end of the interest period, so the turnover is quick, the amounts are large and maturities are short. As permitted under the terms of its facility, the Group may have separate, concurrent drawdowns and will typically turn these over quickly to manage fluctuating working capital needs during the year. In doing so, the Group minimise its interest costs as it only takes each drawdown as necessary for the shortest period of time.

The Group considers that net presentation in respect of drawdowns and repayments of borrowings under its revolving credit facility is in accordance with IAS 7.

5. CLIMATE CHANGE AND ENVIRONMENTAL RISK

Significant judgement is required to assess the impact of climate change on the operations of the business and the carrying value of its assets, including land held in inventory. Climate change has the potential to significantly impact our business strategy through restricted land availability, disrupted build programmes, material and labour shortages and increased costs. No provisions or impairment of assets have been recognised in these financial statements but detailed scenario analysis is presented in the TCFD section on pages 88 and 89.

6. CARRYING VALUE OF INVESTMENTS (COMPANY ONLY)

Investments are stated at cost less impairment. Significant judgement is required to determine if an impairment trigger has taken place, and in calculating an impairment, both judgement and estimation are required to determine the value in use or fair value less costs of disposal. It was identified that Gleeson Construction Services Limited incurred a loss during

the year, which is an indicator that an impairment loss may have occurred – see note 12 for further details. For the investment held in MJ Gleeson Group Limited, an increase in the loss of MJ Gleeson Group Limited or its subsidiary, Gleeson Construction Services Limited, of 10% would lead to an increase in the impairment of £35,000 (2024: £45,000).

Gleeson Developments Limited and Gleeson Developments (North East) Ltd also incurred losses during the year. A 10% increase in the loss of either company would not result in an impairment loss.

Adoption of new and revised standards

For the year ended 30 June 2025, the Group and Company have applied the following new and revised standards that were mandatorily effective for an accounting period beginning on or after 1 January 2024:

- Amendments to IAS 1 "Presentation of Financial Statements" – Classification of lease liabilities as Current or Non-Current (effective 1 January 2024)
- Amendments to IFRS 16 "Leases" – Lease Liability in Sale and Leaseback (effective 1 January 2024)

The adoption of these standards and amendments has not had any material impact on the disclosures or amounts reported in these financial statements.

Standards not yet applied

There are a number of standards and interpretations issued by the International Accounting Standards Board that are effective for financial statements after this reporting period. The following have not been adopted by the Group and Company in preparing the financial statements for the year ended 30 June 2025:

- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" – Classification and Measurement of Financial Instruments (effective 1 January 2026)
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (effective 1 January 2027)
- IFRS 18 "Presentation and Disclosure in Financial Statements" (effective 1 January 2027)

The application of the standards and interpretations not yet applied is not expected to have a material impact on the Group and Company's financial performance or position, or give rise to additional disclosures in the financial statements.

2 Segmental analysis

The Group is organised into the following two operating divisions under the control of the Executive Board, which is identified as the Chief Operating Decision Maker as defined under IFRS 8 "Operating segments":

- Gleeson Homes
- Gleeson Land

All of the Group's operations are carried out entirely within the United Kingdom. Segmental information about the Group's operations is presented below:

	2025 Pre- exceptional items £000	2025 Exceptional items (note 3) £000	2025 Total £000	2024 Total £000
Revenue				
Gleeson Homes	348,249	–	348,249	329,006
Gleeson Land	17,568	–	17,568	16,339
Total revenue	365,817	–	365,817	345,345
Divisional operating profit				
Gleeson Homes	22,253	(1,343)	20,910	30,301
Gleeson Land	6,996	–	6,996	2,151
Divisional operating profits	29,249	(1,343)	27,906	32,452
Group administrative expenses	(3,867)	–	(3,867)	(3,899)
Group operating profit	25,382	(1,343)	24,039	28,553
Finance income	141	–	141	109
Finance expenses	(3,636)	–	(3,636)	(3,813)
Profit before tax	21,887	(1,343)	20,544	24,849
Tax	(5,030)	309	(4,721)	(5,543)
Profit for the year	16,857	(1,034)	15,823	19,306

Revenue in the Gleeson Homes segment primarily relates to the sale of residential properties. In addition, within revenue for Gleeson Homes is £1,215,000 relating to land sales (2024: £nil). There was no revenue recognised in respect of partnership arrangements during the year to 30 June 2025 (2024: £nil). All revenue for the Gleeson Land segment is in relation to the sale of land interests and overages on the sale of land. There is no revenue relating to Group activities.

No single customer accounts for more than 10% of revenue (2024: one single customer accounted for 13.4% of revenue in Gleeson Homes).

Balance sheet analysis of business segments:

	2025			2024		
	Assets £000	Liabilities £000	Net assets/ (liabilities) £000	Assets £000	Liabilities £000	Net assets/ (liabilities) £000
Gleeson Homes	352,143	(92,195)	259,948	329,927	(76,029)	253,898
Gleeson Land	58,805	(9,931)	48,874	34,158	(2,582)	31,576
Group activities	1,935	(2,312)	(377)	1,028	(1,694)	(666)
Cash and cash equivalents/ (borrowings and bank overdrafts)	6,490	(7,269)	(779)	12,934	–	12,934
	419,373	(111,707)	307,666	378,047	(80,305)	297,742

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

2 Segmental analysis CONTINUED

Other information:

	2025		2024	
	Capital additions £000	Depreciation £000	Capital additions £000	Depreciation £000
Gleeson Homes	2,002	4,154	2,039	4,529
Gleeson Land	43	118	–	92
	2,045	4,272	2,039	4,621

3 Exceptional items

Reorganisation

During the year there was a reorganisation of the Gleeson Homes division, the purpose of which was to shorten reporting lines, empower the divisional leadership teams and strengthen regional management. This process involved the consultation of a number of employees prior to the year end and principally two regions, Greater Manchester & Merseyside and Cumbria, whilst remaining separate operating regions, will now come under a single leadership team. In addition, as part of the reorganisation, the role of Gleeson Homes Chief Executive was removed.

The restructuring expense of £1,343,000 included redundancy costs of £852,000 and legal and consultancy costs of £491,000. The amount, combined with the number of colleagues directly and indirectly impacted by the reorganisation, and the fact that this was a one-off cost, made this an exceptional item in the year. As at 30 June 2025, £625,000 remained as a provision.

	2025 £000	2024 £000
Administrative expenses	1,343	–

4 Expenses and auditors' remuneration

Profit for the year is stated after charging/(crediting):

	Note	2025 £000	2024 £000
Staff costs	6	49,547	47,376
Depreciation of property, plant and equipment	11	4,272	4,621
Profit on redemption of shared equity receivables		(57)	(182)
Loss on disposal of property, plant and equipment	11	414	466
Auditors' remuneration:			
Audit of these financial statements		340	323
Additional audit fees for prior year audit		33	–
Audit of financial statements of subsidiaries pursuant to legislation		96	92
Non-audit services		–	–

5 Other operating income

	2025 £000	2024 £000
Profit on redemption of shared equity receivables	57	182
Other operating income	80	70
	137	252

6 Staff costs

	Note	Group		Company	
		2025 £000	2024 £000	2025 £000	2024 £000
Wages and salaries		41,113	40,997	1,601	1,453
Termination benefits		1,172	–	–	–
Share-based payment charge	24	660	218	484	481
Social security costs		4,964	4,517	144	235
Other pension costs	19	1,638	1,644	71	71
		49,547	47,376	2,300	2,240

The monthly average number of employees, excluding Non-Executive Directors, during the year was:

	Group	
	2025 No.	2024 No.
Gleeson Homes	695	730
Gleeson Land	25	21
Group activities	4	5
	724	756

The monthly average number of Company employees and Non-Executive Directors during the year was nine (2024: nine).

Key management remuneration

Key management personnel, as defined under IAS 24 "Related party disclosures", have been identified as the Executive and Non-Executive Directors, the Chief Executive of Gleeson Homes, the Managing Director of Gleeson Land, the Divisional Managing Directors of Gleeson Homes and the Group Land and Planning Director. Detailed disclosures of Directors' individual remuneration, for those Directors who served during the year, are given in the audited sections within the Remuneration Report on pages 140 to 151.

A summary of key management remuneration is as follows:

	Group		Company	
	2025 £000	2024 £000	2025 £000	2024 £000
Short-term employee benefits	2,825	2,393	1,396	1,022
Post-employment benefits	134	133	60	59
Termination benefits	443	–	–	–
Share-based payment charge ¹	560	342	478	483
	3,962	2,868	1,934	1,564

¹ Share-based payments reflect the IFRS 2 "Share-based payment" charge through the income statement.

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

7 Finance income and expenses

	2025 £000	2024 £000
Finance income		
Interest on bank deposits	63	16
Unwinding of discount on long-term receivables	3	78
Other interest income	75	15
	141	109
Finance expenses		
Interest on bank overdrafts and loans	(2,710)	(3,040)
Bank facility charges	(458)	(379)
Unwinding of discount on long-term payables	(240)	(160)
Unwinding of discount on lease liabilities	(228)	(234)
	(3,636)	(3,813)
Net finance expenses	(3,495)	(3,704)

8 Tax

		Group	
	Note	2025 £000	2024 £000
Current tax			
Current year expense		4,609	5,699
Adjustment in respect of prior years		(68)	(352)
Current tax expense for the year		4,541	5,347
Deferred tax			
Current year expense	20	115	107
Adjustment in respect of prior years	20	65	89
Deferred tax expense for the year		180	196
Total tax charge		4,721	5,543

Corporation tax represents an effective tax rate of 23.0% of assessable profit for the year (2024: 22.3%). The applicable UK corporation tax rate is 25.0%.

8 Tax CONTINUED

The charge for the year can be reconciled to the profit before tax per the consolidated income statement as follows:

	Note	2025		2024	
		£000	%	£000	%
Total tax charge reconciliation					
Profit before tax		20,544		24,849	
Tax at current corporation tax rate		5,136	25.0	6,212	25.0
Expenses not deductible for tax purposes		50	0.2	114	0.5
Non-qualifying depreciation		120	0.6	123	0.5
Adjustments for share-based payments		180	0.9	45	0.2
Land remediation relief		(741)	(3.6)	(739)	(3.0)
Impact of change in tax rate on deferred tax		14	0.1	–	–
Adjustments in respect of prior years – current tax		(68)	(0.3)	(352)	(1.4)
Adjustments in respect of prior years – deferred tax	20	65	0.3	89	0.3
Residential property developers tax		–	–	51	0.2
Movement in deferred tax not recognised		(35)	(0.2)	–	–
Total tax charge and effective tax rate for the year		4,721	23.0	5,543	22.3

The effective tax rate of 23.0% is lower than the headline tax rate of 25.0%, which is primarily driven by land remediation relief. Further explanations are provided following the current tax reconciliation.

The current tax charge for the year can be reconciled to the profit before tax per the consolidated income statement as follows:

	2025		2024	
	£000	%	£000	%
Current tax charge reconciliation				
Profit before tax	20,544		24,849	
Tax at current corporation tax rate	5,136	25.0	6,212	25.0
Expenses not deductible for tax purposes	50	0.2	114	0.5
Non-qualifying depreciation	120	0.6	123	0.5
Adjustments for share-based payments	(6)	(0.0)	(28)	(0.1)
Land remediation relief	(741)	(3.6)	(739)	(3.0)
Impact of depreciation in excess of capital allowances	80	0.4	228	0.9
Utilisation of losses	(34)	(0.2)	–	–
Adjustments in respect of prior years – current tax	(68)	(0.3)	(352)	(1.4)
Short-term timing differences	4	0.0	(211)	(0.9)
Current tax charge and effective tax rate for the year	4,541	22.1	5,347	21.5

The most significant factor impacting the Group's current tax charge is land remediation relief, whereby tax relief is granted on an additional 50% of qualifying land remediation expenditure. This is for costs incurred on remediating contaminated land and bringing it to a safe and usable condition for the purposes of development. Many of our sites are on brownfield land and require significant remediation prior to use. The government provides this benefit as an incentive to remediate contaminated land. No deferred tax is recognised on this permanent benefit.

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

8 Tax CONTINUED

Non-deductible expenditure is a permanent difference and comprises business expenses, such as entertaining costs, expenditure on certain leased cars and legal fees deemed capital in nature, recognised in the income statement but not allowable as a deduction against taxable income. No deferred tax is recognised on these differences.

The current tax relief for share-based payments is lower than the cumulative IFRS 2 "Share-based payment" charge for the options exercised. Deferred tax is recognised based on the likelihood of the options vesting. The anticipated tax relief has been calculated based on the share price at the balance sheet date and apportioned for the portion of the vesting period which has passed.

The impact of depreciation in excess of capital allowances arises where assets qualify for capital allowances in a different period than they are depreciated for accounting purposes. A temporary timing difference is created and deferred tax is recognised on the difference between the carrying amount of the asset and the amount deductible for tax purposes in future years. At the balance sheet date, we had a deferred tax liability in relation to plant and equipment due to the tax reliefs we received being more favourable in the short term compared to how they are accounted for. This deferred tax provision will unwind each year over the useful economic lives of the assets they relate to.

Residential property developers tax ("RPDT") is charged at 4% on certain profits from residential development activities. The additional 4% RPDT is recognised as part of the tax expense and creates a permanent difference in excess of the headline rate of corporation tax at 25%. No RPDT was payable in the year as profits fell below the taxable threshold. No deferred tax is recognised in relation to this permanent difference.

Short-term timing differences comprise items other than depreciation of property, plant and equipment where the amount is included in the tax computation in a different period from when it is recognised in the income statement. For example, accrued employer pension contributions paid after the year end. Deferred tax is recognised on these items.

Prior period adjustments relate to estimates and judgements included in the prior year accounts in respect of tax and subsequently adjusted when the tax computations were finalised and submitted to HMRC. Some of these differences also relate to deferred tax, with the prior period adjustment being recognised accordingly.

Tax recognised on equity-settled share-based payments	Note	Group		Company	
		2025 £000	2024 £000	2025 £000	2024 £000
Deferred tax related to equity-settled share-based payments	20	210	284	210	24
Total tax recognised on equity-settled share-based payments		210	284	210	24

9 Dividends

	2025 £000	2024 £000
Amounts recognised as distributions to equity holders:		
Interim dividend for the year ended 30 June 2025 of 4.0p (2024: 4.0p) per share	2,336	2,332
Final dividend for the year ended 30 June 2024 of 7.0p (2023: 9.0p) per share	4,088	5,248
	6,424	7,580

A final dividend of 7.0 pence per share has been proposed for the year ended 30 June 2025, equating to £4,088,000 (2024: £4,088,000). This is subject to approval by shareholders at the AGM on 14 November 2025 and has not been recognised in these financial statements.

10 Earnings per share

The calculation of basic and diluted earnings per share is based on the following data:

	2025 £000	2024 £000
Profit for the year	15,823	19,306
Adjustment for exceptional items (note 3)	1,343	–
Adjustment for tax on exceptional items	(309)	–
Profit for the year – pre-exceptional items	16,857	19,306

	2025 No. 000	2024 No. 000
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	58,370	58,281
Effect of dilutive potential ordinary shares:		
– Share-based payments	–	154
Weighted average number of ordinary shares for the purposes of diluted earnings per share	58,370	58,435

	2025 pence	2024 pence
Basic earnings per share	27.11	33.13
Diluted earnings per share	27.11	33.04
Basic earnings per share – pre-exceptional items	28.88	33.13
Diluted earnings per share – pre-exceptional items	28.88	33.04

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

11 Property, plant and equipment

	Group		Company	
	Property £000	Plant and equipment £000	Total £000	Plant and equipment £000
Cost or valuation				
At 1 July 2023	5,411	17,419	22,830	1
Additions	–	2,039	2,039	–
New leases entered in the year	583	806	1,389	–
Leases exited in the year	(569)	(28)	(597)	–
Disposals	–	(3,829)	(3,829)	–
At 30 June 2024	5,425	16,407	21,832	1
Additions	–	2,045	2,045	–
New leases entered in the year	953	921	1,874	–
Leases exited in the year	–	(650)	(650)	–
Disposals	–	(3,429)	(3,429)	(1)
At 30 June 2025	6,378	15,294	21,672	–
Accumulated depreciation				
At 1 July 2023	1,870	9,754	11,624	1
Charge for the year	650	3,971	4,621	–
Leases exited in the year	(299)	(20)	(319)	–
Disposals	–	(3,363)	(3,363)	–
At 30 June 2024	2,221	10,342	12,563	1
Charge for the year	616	3,656	4,272	–
Leases exited in the year	–	(643)	(643)	–
Disposals	–	(3,015)	(3,015)	(1)
At 30 June 2025	2,837	10,340	13,177	–
Net book value				
At 1 July 2023	3,541	7,665	11,206	–
At 30 June 2024	3,204	6,065	9,269	–
At 30 June 2025	3,541	4,954	8,495	–

The Group has recorded a depreciation charge of £4,272,000 (2024: £4,621,000), of which £718,000 (2024: £926,000) has been charged in cost of sales and £3,554,000 (2024: £3,695,000) in administrative expenses.

At 30 June 2025, the net book value of right-of-use assets was £4,921,000 (2024: £4,574,000), of which £3,541,000 (2024: £3,204,000) is within property and £1,380,000 (2024: £1,370,000) is within plant and equipment. The depreciation charge recorded for right-of-use assets was £1,519,000 (2024: £1,311,000). Refer to note 17 for further details.

The Company recorded a depreciation charge of £nil (2024: £nil).

12 Investments in subsidiaries

	Company £000
Cost	
At 1 July 2023	95,203
Impairment	(1,162)
At 30 June 2024	94,041
Impairment	–
At 30 June 2025	94,041

The investments in subsidiaries are assessed annually to determine if there is any indication that any of the investments might be impaired. Gleeson Construction Services Limited, Gleeson Developments Limited and Gleeson Developments (North East) Ltd incurred losses during the year, which is an indicator that an impairment loss may have occurred and, therefore, the recoverable amount of the investments was calculated.

MJ Gleeson Group Limited is the intermediate holding company of Gleeson Construction Services Limited and does not generate revenue or incur any significant costs of its own. Gleeson Construction Services Limited manages the unwind of historic construction and employment liability claims and does not generate any revenue, but it incurs losses which reduce the net asset value.

The recoverable amount of MJ Gleeson Group Limited and its subsidiary, Gleeson Construction Services Limited, was determined based on a fair value less costs of disposal calculation incorporating cash flow projections.

The recoverable amount of the investment in MJ Gleeson Group Limited was determined to be higher than its carrying value of £1,041,000, resulting in no impairment loss.

Gleeson Developments Limited and Gleeson Developments (North East) Ltd are part of the Gleeson Homes operating division. Although the companies made losses, the division as a whole was profitable. The recoverable amounts of Gleeson Developments Limited and Gleeson Developments (North East) Ltd were determined based on value-in-use calculations and the recoverable amounts were determined to be higher than their respective carrying values of £12,000,000 and £1,000,000, resulting in no impairment losses.

Subsidiary undertakings

The following are the principal subsidiary undertakings of MJ Gleeson plc. MJ Gleeson plc owns 100% of the ordinary share capital of the subsidiaries, all of which are incorporated in England and Wales and operate in the United Kingdom. The registered address for all subsidiary undertakings of MJ Gleeson plc is 6 Europa Court, Sheffield Business Park, Sheffield, S9 1XE.

Company name	Principal activity	Incorporation number
Gleeson Developments Limited	House building	00848808
Gleeson Regeneration Limited	House building	03920096
Gleeson Developments (North East) Limited	House building	03867699
Gleeson Land Limited	Land promotion and sale	05181745
Gleeson Land (Fleet) Limited ¹	Land promotion and sale	05742750

¹ Shares held by Gleeson Land Limited.

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

12 Investments in subsidiaries CONTINUED

The following are the other subsidiary companies of MJ Gleeson plc:

Company name	Principal activity	Incorporation number
MJ Gleeson Group Limited	Intermediate holding company	00479529
Gleeson Construction Services Limited ²	Legacy construction services	00783607
Colroy Limited ³	Dormant*	00882558
Haredon Developments Limited ³	Dormant*	00759754
Gleeson Capital Solutions Limited	Dormant*	05276021
Gleeson Classic Homes Limited ¹	Dormant*	01952198
Gleeson Homes Southern Limited ¹	Dormant*	01530449
Gleeson Housing Developments Limited ¹	Dormant*	01460800
Gleeson PFI Investments Limited	Dormant*	05337924
Gleeson Properties Limited	Dormant*	00805039
Gleeson Properties (Kingley) Limited ³	Dormant*	05281899
Gleeson Properties (Petersfield) Limited ³	Dormant*	05075336
Gleeson Services Limited	Dormant*	00885340
KW Cannock Properties Limited	Dormant*	05899918
MJ Gleeson (International) Limited	Dormant*	00955626
MJG (Management) Limited	Dormant*	00941012
Oakmill Properties Limited ³	Dormant*	05206658
Sindale Properties Limited ¹	Dormant*	04201608

¹ Shares held by Gleeson Developments Limited.

² Shares held by MJ Gleeson Group Limited.

³ Shares held by Gleeson Properties Limited.

* Exempt from audit by virtue of s479A of the Companies Act 2006.

13 Inventories

	2025 £000	2024 £000
Land held for development	145,849	113,801
Work in progress	234,998	231,433
	380,847	345,234

Net realisable value provisions held against inventories at 30 June 2025 were £6,411,000 (2024: £8,380,000). The amount of inventory write-down recognised as an expense in the period was £2,130,000 (2024: £4,119,000) and the amount of reversal of previously recognised inventory write-down was £403,000 (2024: £656,000). The cost of inventories recognised as an expense in cost of sales was £281,241,000 (2024: £259,815,000).

Company

The Company held no inventories at 30 June 2025 (2024: £nil).

14 Trade and other receivables

	Group		Company	
	2025 £000	2024 £000	2025 £000	2024 £000
Current receivables				
Trade receivables	11,387	5,651	–	–
VAT recoverable	5,029	1,443	57	37
Prepayments and accrued income	2,535	2,153	442	600
Shared equity receivables	–	36	–	–
Amounts due from subsidiary undertakings	–	–	102,002	114,713
	18,951	9,283	102,501	115,350
Non-current receivables				
Trade receivables	3,251	176	–	–
Shared equity receivables	53	67	–	–
	3,304	243	–	–

The Directors consider that the carrying amount of trade and other receivables approximates their fair value and includes an allowance for impairment of trade receivables. See note 15 for the assessment of credit risk associated with trade receivables.

Amounts due from subsidiary undertakings are unsecured, repayable on demand, and interest free. Expected credit losses are based on the assumption that repayment of the loan is demanded at the reporting date. No allowance for expected credit losses is deemed necessary in respect of amounts owed by Group undertakings.

15 Financial instruments

The Group and Company's finance assets and liabilities are as follows:

Group

	Fair value		Carrying value	
	2025 £000	2024 £000	2025 £000	2024 £000
Financial assets				
Cash and cash equivalents	6,490	12,934	6,490	12,934
Trade and other receivables	14,638	5,827	14,638	5,827
Shared equity receivables	53	103	53	103
	21,181	18,864	21,181	18,864

	Fair value		Carrying value	
	2025 £000	2024 £000	2025 £000	2024 £000
Financial liabilities				
Loans and borrowings	(5,000)	–	(5,000)	–
Bank overdrafts	(2,269)	–	(2,269)	–
Land payables	(20,488)	(9,300)	(20,488)	(9,300)
Trade and other payables	(62,664)	(50,547)	(62,664)	(50,547)
Lease liabilities	(5,390)	(5,076)	(5,390)	(5,076)
	(95,811)	(64,923)	(95,811)	(64,923)

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

15 Financial instruments CONTINUED

Company

	Fair value		Carrying value	
	2025 £000	2024 £000	2025 £000	2024 £000
Financial assets				
Cash and cash equivalents	30	1,056	30	1,056
Amounts due from subsidiary undertakings	102,002	114,713	102,002	114,713
	102,032	115,769	102,032	115,769

	Fair value		Carrying value	
	2025 £000	2024 £000	2025 £000	2024 £000
Financial liabilities				
Loans and borrowings	(5,000)	–	(5,000)	–
Trade and other payables	(581)	(1,145)	(581)	(1,145)
Amounts due to subsidiary undertakings	(139,819)	(145,274)	(139,819)	(145,274)
	(145,400)	(146,419)	(145,400)	(146,419)

Fair values

Shared equity receivables are measured at fair value through other comprehensive income ("FVOCI"). The total fair value movement recognised in other comprehensive income was £67,000 (2024: £171,000).

Loans and borrowings

	Group and Company	
	2025 £000	2024 £000
Revolving credit facility	5,000	–
	5,000	–

The Directors consider that the carrying amount of loans and borrowings approximates their fair value.

The Group has a revolving credit facility with Lloyds Bank plc and Santander UK plc. The facility has a limit of £135m, which includes a £10m overdraft facility. The facility currently expires in October 2027 and has a one year uncommitted extension option provided by both banks.

The Company, together with certain other companies in the Group, has given cross guarantees in respect of the bank facilities available to Group undertakings in the normal course of business. At 30 June 2025, borrowings covered by these guarantees amounted to £5,000,000 (2024: £nil) and are due in under one year.

These borrowings are secured by a fixed and floating charge over the assets of the Group, and are for a fixed term. Repayment is due at the end of the fixed term unless the borrowings are extended for a further period of time.

Financial instrument risks

RISK EXPOSURE

The Company operates a central treasury function providing services to the Group. The treasury function arranges loans and funding, invests any surplus liquidity and manages financial risk. The treasury function is not a profit centre and no speculative trades are permitted or executed. It operates within specific policies, agreed by the Board, to control and monitor financial risk within the Group.

15 Financial instruments CONTINUED

CREDIT RISK

The Group's credit risk is primarily attributable to its trade and other receivables. The Group applies a simplified approach in calculating expected credit losses. The Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The expected credit loss is based on the risk of default estimated by the Group's management based on prior experience, forward-looking assessments of the economic environment and relative counterparty risk. For this purpose, a default is determined to have occurred if the Group becomes aware of evidence that it will not receive all contractual cash flows that are due. The Directors consider that the carrying value of trade and other receivables approximates to their fair value and no expected credit loss is recognised.

The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

At 30 June 2025, the Group's most significant credit risk was with a housebuilder and amounted to £6,240,000 (2024: £1,553,000) of the trade and other receivables carrying amount, with the deferred receivables secured by way of first legal charge over the land. The fair value of any land held as security is considered by the Board to be sufficient in relation to the carrying amount of the receivable to which it relates.

The Group's remaining credit risk is spread over a number of counterparties and customers.

The ageing of gross trade receivables at the reporting date was:

	Group		Company	
	2025 £000	2024 £000	2025 £000	2024 £000
Not past due	14,610	5,848	–	–
Past due 0–30 days	1	36	–	–
Past due 31–120 days	–	–	–	–
Past due 121–365 days	2	2	–	–
Past due more than one year	290	19	–	–
	14,903	5,905	–	–

All trade receivables are with UK customers. The amounts due are included at expected realisable value.

Included in trade receivables not past due are £3,251,000 (2024: £176,000) receivables due in more than one year.

In addition to the above, the Company has intercompany receivables which are repayable on demand.

The movement in the allowance for impairment of trade receivables during the year was as follows:

	Group		Company	
	2025 £000	2024 £000	2025 £000	2024 £000
Balance at 1 July	78	475	–	–
Impairment loss recognised	11	45	–	–
Release of impairment allowance	(28)	(442)	–	–
Balance at 30 June	61	78	–	–

Trade and other receivables deemed to have no reasonable expectation of recovery following unsuccessful attempts to pursue the debt are written off in the financial statements, but are still subject to enforcement activity. Subsequent recoveries of amounts previously written off are credited to the income statement.

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

15 Financial instruments CONTINUED

Market risk

The Group has no significant exposure to foreign currency risk or equity risk.

Interest rate risk

The Group closely monitors its exposure to variations in interest rates. The Group's main interest rate risk arises from bank borrowings with variable rates.

	Weighted average interest rate	
	2025	2024
	%	%
Bank borrowings	6.71	7.72
Bank overdraft	6.68	7.23

Based on average borrowings during the year, a 1.5% increase in interest rates, which the Directors consider to be a reasonably possible change, would affect profit before tax by £399,000 (2024: £452,000).

Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient financial resources available to meet its obligations as they fall due. The Group manages liquidity risk by monitoring forecast and actual cash flows and matching the expected cash flow timings of financial assets and liabilities with the use of cash and cash equivalents, and loans and borrowings.

As noted above, the Group has a committed facility with Lloyds Bank plc and Santander UK plc with a facility limit of £135m. The facility has been extended by one year and will expire in October 2027 but has a further one year optional extension provided by both banks.

At the balance sheet date, the total unused committed amount of the facility was £127,731,000 (2024: £135,000,000) and cash and cash equivalents net of bank overdrafts held by the Group were £4,221,000 (2024: £12,934,000).

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

Non-derivative financial liabilities GROUP

	Carrying amount £000	Undiscounted contractual cash flows £000	On demand or within 6 months £000	6–12 months £000	1–2 years £000	2–5 years £000	More than 5 years £000
30 June 2025							
Loans and borrowings	5,000	5,000	5,000	–	–	–	–
Bank overdrafts	2,269	2,269	2,269	–	–	–	–
Trade and other payables	83,152	84,343	70,684	4,706	4,953	4,000	–
Lease liabilities	5,390	6,062	1,031	898	1,328	1,891	914
	95,811	97,674	78,984	5,604	6,281	5,891	914

	Carrying amount £000	Undiscounted contractual cash flows £000	On demand or within 6 months £000	6–12 months £000	1–2 years £000	2–5 years £000	More than 5 years £000
30 June 2024							
Trade and other payables	59,847	59,984	53,524	3,328	2,240	892	–
Lease liabilities	5,076	5,749	803	792	1,215	1,596	1,343
	64,923	65,733	54,327	4,120	3,455	2,488	1,343

15 Financial instruments CONTINUED

Company

The non-derivative financial liabilities of the Company in the current and prior year are predominantly intercompany balances that are payable on demand. The external balances are payable within six months.

Capital risk management

In line with the disclosure requirements of IAS 1 "Presentation of financial statements", the Group regards its capital as being the equity as shown in the statement of changes in equity.

Note 23 to the financial statements provides details regarding the Company's share capital movements in the year.

The primary objective of the Group's capital management is to ensure that it maintains investor, creditor and market confidence and to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders and issue or return capital to shareholders.

Neither the Company nor any of the subsidiaries are subject to externally imposed capital requirements.

16 Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	£000	£000	£000	£000
Current payables				
Trade payables	17,705	16,472	57	127
Land payables	12,663	6,167	–	–
Lease liabilities	1,928	1,595	–	–
Other taxation and social security	2,567	2,285	88	73
Contract liabilities	6,937	1,137	–	–
Accruals and deferred income	38,022	32,938	524	1,018
Amounts due to subsidiary undertakings	–	–	139,819	145,274
	79,822	60,594	140,488	146,492
Non-current payables				
Land payables	7,825	3,133	–	–
Lease liabilities	3,462	3,481	–	–
	11,287	6,614	–	–

Amounts due to subsidiary undertakings are unsecured, repayable on demand, and interest free.

Contract liabilities relate to customer deposits and exchange monies that have not yet met the performance obligations to be classified as revenue. Of the prior year balance £811,000 (2024: £1,089,000) has been recognised in revenue in the current year as the performance obligations were met.

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

17 Leases

Right-of-use assets

	2025			2024		
	Property £000	Plant and equipment £000	Total £000	Property £000	Plant and equipment £000	Total £000
Cost	6,186	3,261	9,447	5,233	2,986	8,219
Accumulated depreciation	(2,645)	(1,881)	(4,526)	(2,029)	(1,616)	(3,645)
Net book value	3,541	1,380	4,921	3,204	1,370	4,574

Lease liabilities

	2025 £000	2024 £000
Current liabilities	1,928	1,595
Non-current liabilities	3,462	3,481
Total lease liabilities	5,390	5,076

Amounts recognised in the consolidated income statement

	2025 £000	2024 £000
Depreciation on right-of-use property assets	616	650
Depreciation on right-of-use plant and equipment assets	903	661
Interest on lease liabilities	228	234
Total	1,747	1,545

Amounts recognised in the statement of cash flows

	2025 £000	2024 £000
Principal element of lease payments	1,553	1,196
Interest element of lease payments	228	234
Total cash outflow	1,781	1,430

18 Provisions

	Dilapidations £000	Building safety £000	Restructuring £000	Total £000
Group				
As at 1 July 2023	699	12,750	30	13,479
Provisions made during the year	79	–	–	79
Provisions used during the year	(79)	(352)	(30)	(461)
As at 30 June 2024	699	12,398	–	13,097
Provisions made during the year	4	2,018	1,343	3,365
Provisions used during the year	–	(467)	(718)	(1,185)
Provisions released during the year	–	(2,021)	–	(2,021)
As at 30 June 2025	703	11,928	625	13,256

18 Provisions CONTINUED

	2025 £000	2024 £000
Current provisions	5,520	3,024
Non-current provisions	7,736	10,073
	13,256	13,097

Dilapidations

The dilapidations provision covers the Group's leased property estate. The expected provision needed at the end of each lease is recognised on a straight-line basis over the term of the lease. There is no significant uncertainty in either the timing or amount.

Building safety

The building safety provision includes estimated costs to remediate life-critical fire-safety issues on buildings which the Group had some involvement in developing in the 30 years since 1992. By signing the Department for Levelling Up, Housing and Communities' ("DLUHC") pledge in April 2022, and long-form agreement in February 2023, the Group committed to put right life-critical fire-safety issues in relation to the buildings over 11 metres tall.

The provision includes the estimated costs for 18 buildings over 11 metres, one of which was newly identified this year. The Group retains no freehold ownership of these or any other buildings. All of the buildings, including any external wall systems or cladding, were signed off by approved inspectors as compliant with the relevant building regulations at the time of their completion. The provision also includes the costs for remediating any buildings under 11 metres where these have been identified to have life-critical fire-safety issues and where the Group had some involvement in developing over the last 30 years.

The Group has continued to make progress in the assessment and remediation work required, but this has been slowed in some cases by the response from building owners and management companies. In other cases, more significant progress has been made in the design and procurement of works required and the carrying out of works on site, and the Group is awaiting invoices on completion.

The provision of £11,928,000 (2024: £12,398,000) represents the Board's best estimate of the remaining life-critical fire-safety remediation costs for these buildings. The Group has provided for the cost of remediation where there is a liability, where build issues have been identified or it is considered that such build issues are likely to exist. The Group incurred costs of £467,000 in the year (2024: £352,000) which were included in the provision estimate.

The Group reviews the building safety provision at each reporting date and, where necessary, adjusts it to reflect the current best estimate of these remediation costs. The Group used external third-party assessments that were carried out in 2023 and has adjusted these for any known changes to the scope or extent of remediation works required, as well as for inspections or works carried out to date.

Restructuring

As set out in note 3, the restructuring of the Gleeson Homes business resulted in exceptional costs of £1,343,000. Of this expenditure, £718,000 was paid out in the year, with the remaining £625,000 provided for at the year end.

Company

At 30 June 2025, the Company did not have any provisions (2024: £nil).

19 Employee benefits

Defined contribution pension plan

The Group operates a defined contribution pension plan. The assets of the pension plan are held separately from those of the Group in funds under the control of the trustees.

Group

The total pension cost charged to the consolidated income statement of £1,638,000 (2024: £1,644,000) represents contributions payable to the defined contribution pension plan by the Group at rates specified in the plan rules. At 30 June 2025, contributions of £257,000 (2024: £248,000) due in respect of the current reporting period had not been paid over to the pension plan. Since the year end, this amount has been paid.

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

19 Employee benefits CONTINUED

Company

The total pension cost charged to the income statement of £71,000 (2024: £71,000) represents contributions payable to the defined contribution pension plan by the Company at rates specified in the plan rules. At 30 June 2025, contributions of £2,000 (2024: £3,000) due in respect of the current reporting period had not been paid over to the pension plan. Since the year end, this amount has been paid.

20 Deferred tax (liabilities)/assets

Group

	Plant and equipment £000	Short-term timing differences £000	Share- based payments £000	Total £000
At 1 July 2023	(446)	401	842	797
Adjustment in respect of prior year	(165)	76	–	(89)
Credit/(charge) to income	265	(242)	(130)	(107)
Charge to equity	–	–	(284)	(284)
At 30 June 2024	(346)	235	428	317
Adjustment in respect of prior year	(41)	(21)	(3)	(65)
Credit/(charge) to income	96	4	(215)	(115)
Charge to equity	–	–	(210)	(210)
At 30 June 2025	(291)	218	–	(73)

At the balance sheet date, the Group has unrecognised tax losses of £8,575,000 (2024: £8,876,000) available for offset against future profits. These relate to trapped head office costs in the ring-fenced legacy companies. Losses may be carried forward indefinitely against future taxable trading profits. These losses have not been recognised as a deferred tax asset as it is not considered probable that there will be suitable profits or gains available in future periods against which they may be offset.

Deferred tax assets of £218,000 are offset by £291,000 of liabilities to arrive at a net deferred tax liability of £73,000 (2024: £317,000 net deferred tax asset). Of the total deferred tax asset, £206,000 (2024: £586,000) is expected to be recovered within 12 months of the balance sheet date.

Company

	Plant and equipment £000	Short-term timing differences £000	Share- based payments £000	Total £000
At 1 July 2023	2	–	440	442
Adjustment in respect of prior year	–	86	–	86
(Charge)/credit to income	–	(59)	10	(49)
Charge to equity	–	–	(24)	(24)
At 30 June 2024	2	27	426	455
Adjustment in respect of prior year	(1)	(13)	(1)	(15)
Charge to income	–	(3)	(215)	(218)
Charge to equity	–	–	(210)	(210)
At 30 June 2025	1	11	–	12

21 Net cash/(debt)

	Group		Company	
	2025 £000	2024 £000	2025 £000	2024 £000
Cash and cash equivalents	6,490	12,934	30	1,056
Bank overdrafts	(2,269)	–	–	–
Cash and cash equivalents, net of bank overdrafts	4,221	12,934	30	1,056
Borrowings	(5,000)	–	(5,000)	–
Net (debt)/cash before lease liabilities	(779)	12,934	(4,970)	1,056
Lease liabilities	(5,390)	(5,076)	–	–
Net (debt)/cash	(6,169)	7,858	(4,970)	1,056

At 30 June 2025, monies held by solicitors on behalf of the Group and included within cash and cash equivalents were £6,490,000 (2024: £2,253,000).

No monies were held by solicitors on behalf of the Company at the balance sheet date (2024: £nil).

	Cash and cash equivalents, net of bank overdrafts £000	Borrowings £000	Cash net of borrowings £000	Lease liabilities £000	Total £000
Net cash/(debt) at 1 July 2023	5,159	–	5,159	(5,144)	15
Cash flows	7,775	–	7,775	1,430	9,205
New leases	–	–	–	(1,389)	(1,389)
Leases exited in the year	–	–	–	261	261
Finance expenses	–	–	–	(234)	(234)
Net cash/(debt) at 30 June 2024	12,934	–	12,934	(5,076)	7,858
Cash flows	(8,713)	(5,000)	(13,713)	1,781	(11,932)
New leases	–	–	–	(1,874)	(1,874)
Leases exited in the year	–	–	–	7	7
Finance expenses	–	–	–	(228)	(228)
Net cash/(debt) at 30 June 2025	4,221	(5,000)	(779)	(5,390)	(6,169)

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

22 Bonds and securities

At 30 June 2025, the Group had bonds and securities of £64,503,000 (2024: £57,017,000) provided by financial institutions in the normal course of business.

The Directors have determined that the Group and Company require no specific provision for bonds, securities or guarantees for subsidiary companies as the possibility of any outflow in settlement of these is considered to be remote.

23 Share capital

	Number	£000
Issued and fully paid 2p ordinary shares:		
At 1 July 2023	58,342,360	1,167
Shares issued during year	39,613	1
At 30 June 2024	58,381,973	1,168
Shares issued during year	46,153	1
At 30 June 2025	58,428,126	1,169

Ordinary shares

The Company has one class of ordinary share that carries no rights to fixed income. All issued shares are fully paid.

During the year, the Group issued 46,153 ordinary shares (2024: 39,613 ordinary shares) at the nominal value of 2 pence per share in settlement of share-based payments as set out in note 24.

Own shares reserve

The own shares reserve represents the cost of shares in MJ Gleeson plc purchased in the market or issued by the Company and held by the Employee Benefit Trusts ("EBT") on behalf of the Company in order to satisfy share-based payments and other share awards that have been granted by the Company.

Purchase of own shares in the year of £69,000 (2024: £106,000) represents the purchase of shares by the EBT for shares to be granted to employees in future periods.

Utilisation of own shares of £293,000 (2024: £393,000) represents shares transferred to employees for awards exercised in the period.

The EBT has agreed to waive the right to dividend shares held within the EBT, and these shares do not count in the calculation of the weighted average number of shares used to calculate earnings per share until such time as they vest to the relevant employee.

	2025		2024	
	Number	£000	Number	£000
Own shares held by the EBT	53,986	232	110,873	456

24 Share-based payments

The Group operates a number of share-based payment schemes, a summary of which is shown below. The share purchase plans encourage employee share ownership whereby the Company contributes one share for every three shares purchased and is available to all employees after the completion of their probationary period. The long-term incentive plans ("LTIP") are part of remuneration for the Executive Directors and senior management. Additional information regarding the share-based payment arrangements for the Executive Directors is set out in the Report on Remuneration on pages 140 to 151. All schemes are equity-settled.

Date of grant	Share purchase plans No. of shares	LTIP 24/09/20 No. of shares	LTIP 27/09/21 No. of shares	LTIP 20/10/22 No. of shares	LTIP 22/02/23 No. of shares	LTIP 01/10/23 No. of shares	LTIP 28/10/24 No. of shares
Outstanding at 1 July 2023	37,580	326,664	307,807	550,093	363,532	–	–
Granted in the year	12,982	–	–	–	–	650,829	–
Forfeited	(5,301)	(287,051)	(25,269)	(72,123)	–	(9,671)	–
Exercised	(6,356)	(39,613)	–	–	–	–	–
Outstanding at 30 June 2024	38,905	–	282,538	477,970	363,532	641,158	–
Granted in the year	10,525	–	–	–	–	–	482,362
Forfeited	(7,989)	–	(282,538)	(5,227)	–	(54,315)	(64,797)
Exercised	(4,453)	–	–	–	–	–	–
Outstanding at 30 June 2025	36,988	–	–	472,743	363,532	586,843	417,565
Remaining contractual life	Rolling scheme	nil	nil	nil	nil	12 months	24 months
Weighted average exercise price	–	–	–	–	–	–	–
Weighted average share price at date of exercise – current year	£4.69	n/a	n/a	n/a	n/a	n/a	n/a
Weighted average share price at date of exercise – prior year	£5.34	n/a	n/a	n/a	n/a	n/a	n/a

Fair value is used to measure the value of the outstanding options. The weighted average remaining contractual life for all schemes outstanding at the end of the year was nine months (2024: 14 months).

Share purchase plans

The fair value of each share granted in the share purchase plan is equal to the share price at the date of the grant. Shares are granted on a monthly basis.

Notes to the Financial Statements CONTINUED

For the year ended 30 June 2025

24 Share-based payments CONTINUED

Long Term Incentive Plan ("LTIP")

The fair value of options granted is calculated using either a modified Monte Carlo model or Black-Scholes model. The inputs into the model at each grant date and the estimated fair value were as follows:

Date of grant	LTIP 24/09/20	LTIP 27/09/21	LTIP 20/10/22	LTIP 22/02/23	LTIP 01/10/23	LTIP 28/10/24
The model inputs were:						
Share price at grant date	£6.16	£8.14	£3.94	£4.56	£4.23	£6.07
Total shareholder return target	n/a ³	n/a ³	n/a ³	n/a ³	n/a ³	n/a ³
Exercise price	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Expected volatility ¹	33%	34%	43%	44%	39%	34%
Expected dividends ²	n/a ²	n/a ²	n/a ²	n/a ²	n/a ²	n/a ²
Expected life	33 months	33 months	33 months	30 months	33 months	33 months
Risk-free interest rate	0.1% ⁴	0.5% ⁴	3.7% ⁴	3.7% ⁴	4.4% ⁴	4.0% ⁴
Fair value of one option	£4.64 ⁵	£5.35 ⁵	£2.20 ⁵	£3.95 ⁵	£3.45 ⁵	£5.63 ⁵

¹ Expected volatility was determined by calculating the historical volatility of the Company's share price; volatility was measured over the previous three years.

² Awards made under the LTIP allows, on vesting, for an additional award of shares to be made to the option holder equivalent to the dividends paid over the vesting period on the underlying shares.

³ The LTIP awards include EPS and relative TSR targets for the Executive Directors as set out on page 143 together with non-market, profit-related targets for other participants. Non-market conditions are not factored into the fair value of the awards but are instead captured by adjusting the number of awards expected to vest.

⁴ Risk-free interest rate varies based on the type of target set; the weighted average of these is shown.

⁵ Volatility rates and fair value of options vary based on the type of target set; the weighted average of these is shown.

The total share-based payment charge to the consolidated income statement was £660,000 (2024: £218,000).

25 Contingent liabilities

As set out in note 18, the Group is undertaking remediation assessment and works on buildings over 11 metres, in which, since 1992, the Group had some involvement in developing. All of these buildings, including any external wall systems or cladding, were signed off by approved inspectors as compliant with the relevant building regulations at the time of their completion.

As set out in note 12, there are certain legacy activities of the Group where claims arise under historic contracts in Gleeson Construction Services Limited, which were carried out in the ordinary course of activities.

These financial statements have been prepared based on currently available information and the current best estimate of the extent and future costs of work required, or in resolving known historic claims.

26 Capital commitments

At 30 June 2025, the Group had no material capital commitments (2024: £nil). The Company had no capital commitments (2024: £nil).

27 Related party transactions

Identity of related parties

The Group has a related party relationship with key management personnel.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation.

Transactions with key management personnel

The Group's key management personnel are the Executive and Non-Executive Directors, as identified on pages 110 and 111, the Chief Executive of Gleeson Homes, the Managing Director of Gleeson Land, the Divisional Managing Directors of Gleeson Homes and the Group Land and Planning Director.

During the year ended 30 June 2021, the Group exchanged contracts on a conditional agreement to purchase an area of land from Hampton Investment Properties Ltd ("HIPL") for £1,050,000. HIPL is a company in which North Atlantic Smaller Companies Investment Trust plc ("NASCIT"), a substantial holder in the company, holds a majority investment. In addition, Christopher Mills, a Non-Executive Director of the Company, is considered a related party by virtue of his interest in and directorship of NASCIT and his position as a Director of HIPL. The land, if purchased, will form part of a new Gleeson Homes site being developed in the ordinary course of business. Approval of this purchase was granted by the majority of shareholders at the AGM in December 2019.

Other than disclosed above, there were no other transactions with key management personnel in either the current or prior year.

Identity of related parties with which the Company has transacted

The Company receives charges from various suppliers in respect of services for the whole Group. The Company allocates and consequently invoices these charges to subsidiaries.

	Administrative expenses		Receivables outstanding		Payables outstanding	
	2025 £000	2024 £000	2025 £000	2024 £000	2025 £000	2024 £000
Subsidiaries	2,110	2,027	102,002	114,713	139,819	145,274

A photograph of a modern kitchen interior. The walls are painted a deep blue. On the left, a large white-framed glass door is open, revealing a green lawn and a wooden fence outside. To the right of the door, a dark blue curtain hangs. Further right, a kitchen island with a white countertop and a blue cabinet base is visible. The island has a white bowl sink and a black faucet. A window above the sink has a white grid pattern. The floor is made of large, light-colored tiles.

Other

Information



Dublin,
The Rowans, Cumbria

Contents

Other Information

Five Year Review	214
Further Information	215

Five Year Review

	2025 £000	2024 £000	2023 £000	2022 £000	2021 £000
Revenue	365,817	345,345	328,319	373,409	288,575
Operating profit pre-exceptional items	25,382	28,553	33,559	56,797	43,083
Net finance expense	(3,495)	(3,704)	(2,070)	(1,310)	(1,372)
Profit before tax and exceptional items	21,887	24,849	31,489	55,487	41,711
Exceptional items	(1,343)	–	(1,022)	(12,867)	–
Profit before tax	20,544	24,849	30,467	42,620	41,711
Tax charge	(4,721)	(5,543)	(6,298)	(7,531)	(7,839)
Profit after tax	15,823	19,306	24,169	35,089	33,872
Total assets	419,373	378,047	376,328	367,558	313,134
Total liabilities	(111,707)	(80,305)	(90,312)	(95,382)	(68,203)
Net assets	307,666	297,742	286,016	272,176	244,931
	pence	pence	pence	pence	pence
Total dividend per share for the year	11.0	11.0	14.0	18.0	15.0
Earnings per share	27.1	33.1	41.5	60.2	58.2
Earnings per share – pre-exceptional items	28.9	33.1	42.9	78.1	58.2
Net assets per share	527	510	490	467	420

Further Information

Corporate directory

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Registered number

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Registrars and transfer office

Equiniti

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Singer Capital Markets

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Our website

For more information on our homes, investor relations and career opportunities please visit

WWW.MJGLEESONPLC.COM

Shareholder information

Shareholder enquiries

Any shareholder with enquiries should, in the first instance, contact our registrars using the address provided in the Corporate Directory.

Share price information

London Stock Exchange
Symbol: GLE

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Financial calendar

Financial year end	30 June 2025
Full year results announced	16 September 2025
Annual General Meeting	14 November 2025



The production of this report supports the work of the Woodland Trust, the UK's leading woodland conservation charity. Each tree planted will grow into a vital carbon store, helping to reduce environmental impact as well as creating natural havens for wildlife and people.

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