



Built on **trust.**
Positioned with
resilience.



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MJ Gleeson plc **specialises** in house building and land promotion



Squirrel Fold,
Thornton, West Yorkshire

Financial highlights

Revenue

£410.0m

2025: £365.8m

Net borrowings

(£2.6m)

2025: (£0.8m)

Adjusted return
on capital employed**5.2%**

2025: 8.6%

Operating profit

£2.4m

2025: £24.0m

(Loss)/profit before tax

(£2.7m)

2025: £20.5m

(Loss)/earnings per share

(£3.3p)

2025: £27.1p

Adjusted operating profit

£16.0m

2025: £25.4m

Adjusted profit before tax

£10.8m

2025: £21.9m

Adjusted basic earnings
per share**14.1p**

2025: 28.9p

Operational highlights

Homes sold

1,968

2025: 1,793

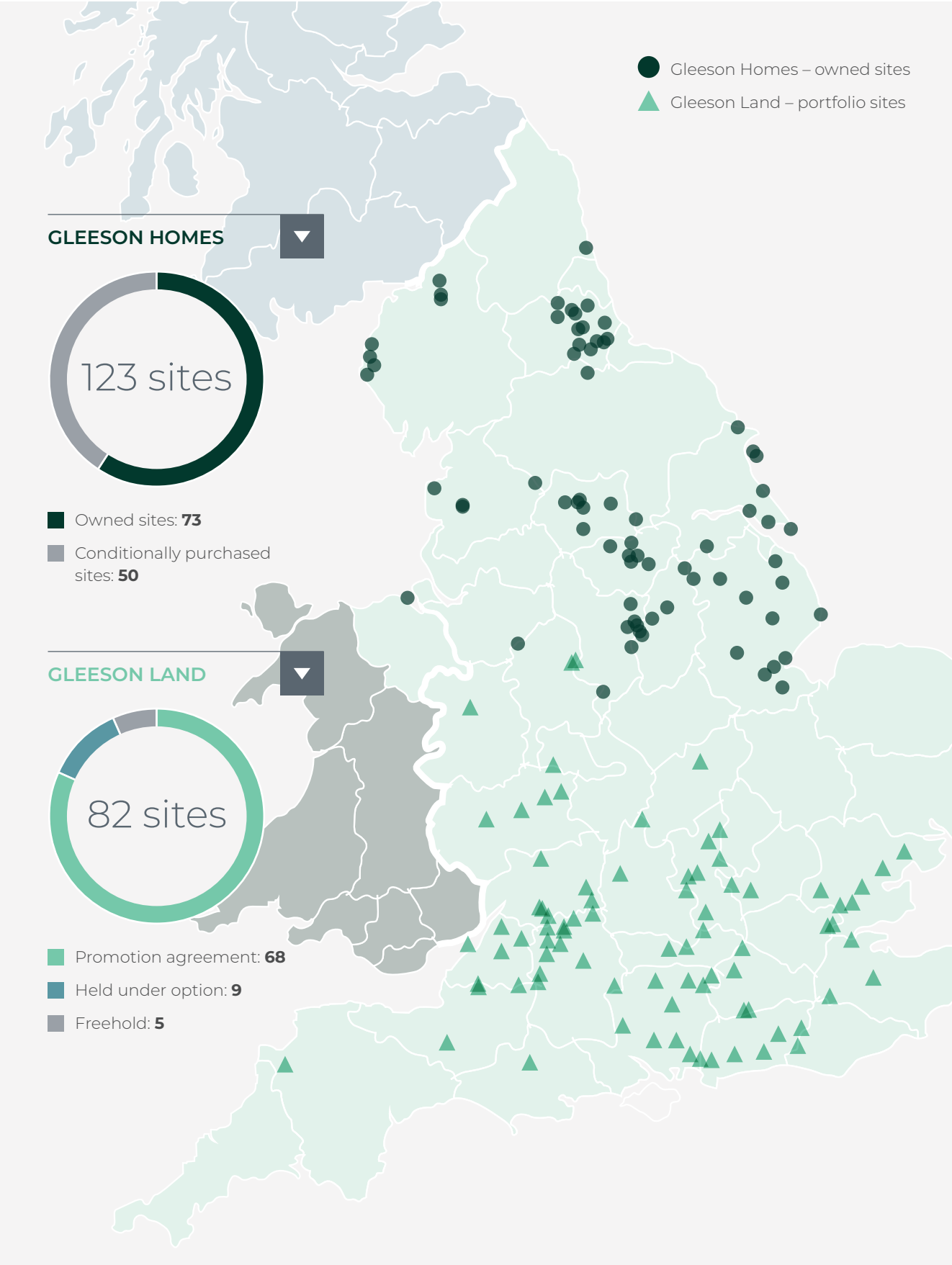
Average selling price (ASP)

£201,000

2025: £193,600

CO₂e emissions (scope 3)**1.289 tonnes/m²**2025: 1.831 tonnes per m²

Business at a Glance





Middlestone Meadows,
Spennymoor, County Durham



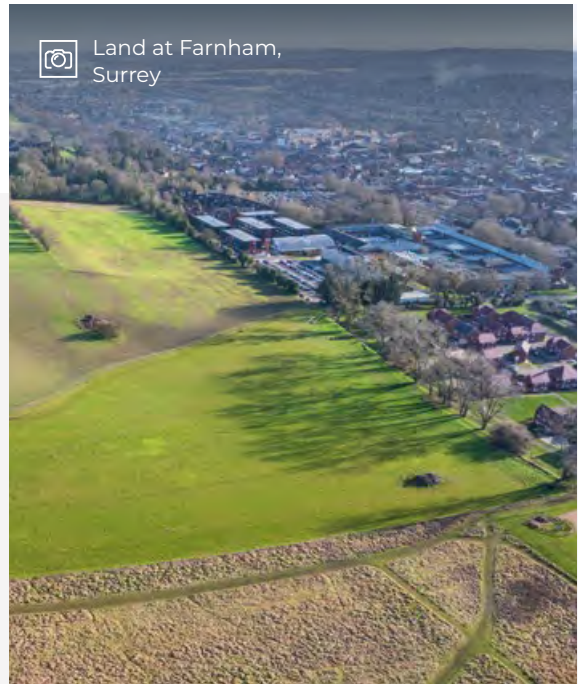
Gleeson Homes

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 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.



Land at Farnham,
Surrey



Gleeson Land

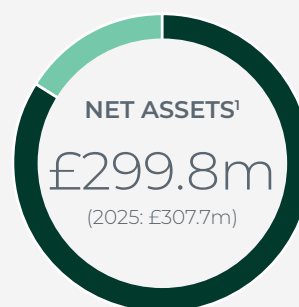
Our mission: We promote land through the complex planning system. Unlocking value to deliver sustainable and attractive sites for other developers to build new homes, where they are needed.

We carefully select and promote high-quality land through the planning system, predominantly in the South of England and parts of the Midlands. We build strong relationships with our landowners and take a bespoke approach to promoting their land that respects its history and local community, and lays the groundwork for sustainable, high-quality homes. We fulfil a vital part of the supply chain in delivering land with planning consent in areas of housing need.



■ Gleeson Homes:
£400.0m
(2025: £348.2m)

■ Gleeson Land:
£10.0m
(2025: £17.6m)



■ Gleeson Homes:
£249.2m
(2025: £259.9m)

■ Gleeson Land:
£50.4m
(2025: £48.9m)

¹ Includes £2.8m net assets of Group activities and net debt of £2.6m (2025: £0.4m net liabilities Group and £0.8m net debt).

Chair's Statement



“

Following the completion of Project Transform and further actions taken during the year in Gleeson Homes to improve business efficiency, we believe that the Group overall is in a much stronger operational position.”

Fiona Goldsmith

CHAIR

Performance

The Group delivered a creditable performance given the continuing subdued housing and land buying markets. We are particularly pleased that we delivered a 10% increase in new home completions and have started the new financial year with an encouraging forward order book. Whilst Gleeson Land's pipeline was further strengthened, its performance was impacted by the deferral of a number of transactions into the new financial year, as announced in early June.

Following the completion of Project Transform and further improvements now being shaped at Gleeson Homes to improve market engagement, we believe that the Group overall is in a much stronger operational position.

Dividend

Subject to shareholder approval at the 2026 annual general meeting, the Company intends to pay a final dividend of 1.0 pence per share on 20 November 2026 to shareholders on the register at the close of business on 23 October 2026. The ex-dividend date will be 22 October 2026. This would bring the total dividend for the year to 30 June 2026 to 5.0 pence per share, which is covered 2.8 times by normalised earnings.

The Board recognises the importance of dividends to its shareholders, but believes that the proposed reduction in the absolute level of dividend is both prudent, more consistent with our stated dividend cover policy and will allow for greater flexibility in deploying capital for the medium-term benefit of the business.

Board

We were delighted to appoint Keith Adey as Non-Executive Director and Chair of the Audit Committee on 1 January 2026. Keith was previously Chief Financial Officer of Bellway plc, the FTSE-250 housebuilder, a post held for thirteen years. As well as chairing the Audit Committee, Keith also joined the Remuneration Committee and I stepped down from both committees at the same time.

Optimising delivery

Following actions we have taken this year we now have an operationally improved Group. Gleeson Homes is in a much stronger position following Project Transform, and Gleeson Land has an established, regionally focused team and an enviable portfolio of high-quality sites.

We remain cautious of the current market uncertainty and our full attention is on disciplined cash and working capital management to maintain the strength of our balance sheet. We will be highly selective in our land buying. At the same time, we are also determined both to optimise performance in the current environment and to ensure that the business is ready to move quickly and capitalise on opportunities when macroeconomic conditions improve.

Beyond Project Transform, we are pursuing a number of strategic initiatives designed to enhance our performance and begin to recover the margin attrition experienced over the last couple of years. These include an accelerated partnerships strategy and a rigorous review of certain aspects of our market engagement in order to optimise sales, margin and returns.

We have made good progress in growing our partnerships brand, signing eight further partnership deals in the year, and we see a significant opportunity to develop this part of the business at pace as we expect increased partnership interest over the coming months to meet the high demand for affordable housing.

These initiatives will play a key role in delivering our medium-term objective of growing the business significantly.

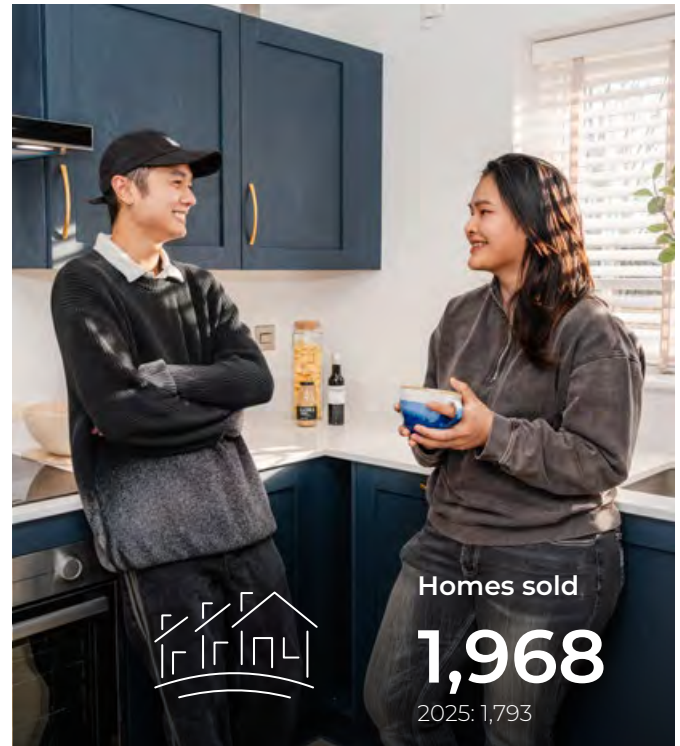
Building safety

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. The overall provision of £11.3m at 30 June 2026 (2025: £11.9m) remains appropriate for the remediation of these buildings. We continue to make progress with seven buildings notified to MHCLG as being substantially complete and available for audit. We continue to pursue agreement and approval for proposed solutions from the multiple stakeholders in each case, although the pace at which we are able to do so remains challenging.

Sustainability

I am delighted that progress on greenhouse gas reduction is on track with our validated Science Based Targets initiative. We reduced our total scopes 1, 2 & 3 emissions by 19.3% during the year, helped significantly by our move to replacing gas boilers with air source heat pumps and our increased use of concrete bricks in place of more carbon intensive clay bricks.

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.



People

I would like to thank all Gleeson colleagues for their commitment and support. Our latest employee survey showed high levels of engagement and continuing high levels of satisfaction. The hard work of our teams, and their commitment to our vision, mission and values underpins the delivery of our strategy.

Summary

We made a great deal of progress through the year. As well as delivering a robust performance in a subdued market, we implemented Project Transform at Gleeson Homes which has significantly improved the quality and consistency of the business. We now have a much stronger business and are implementing a number of initiatives to further strengthen our position in the current market environment and to take advantage of an eventual market recovery.

Fiona Goldsmith
Chair

14 September 2026

Investment Case

A model that builds resilience

Affordable homes for a vastly underserved market

Ensuring our customers get the best value for money 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 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.

There remains a structural undersupply of new homes. The need for additional housing, 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.

Gleeson 2-bed average selling price vs affordability for a couple on the National Living Wage



Gleeson Average Selling Price

£201,000

North of England and the Midlands average

£303,000



Angela and Katie, Danum Glade
Doncaster, South Yorkshire



Partnerships to support delivery

Our partnerships model complements our open-market activity.

This model allows us to build on bigger sites, reducing capital requirements and giving additional sales security over pre-sold plots.

It provides wider access for people to benefit from Gleeson homes through different tenures, with our designs, quality and affordability appealing to a number of high-quality partners and, in turn, their customers.

We have already seen strong take-up of our partnership offering and expect this to continue to support our growth.

Quality that builds trust

Indistinguishable in **quality**

Our affordable model does not come by compromising on quality.

We know that buying a home is one of the most important decisions our customers make, and we strive to ensure that our homes meet their expectations. A Gleeson home typically incorporates the same materials and products, such as kitchen and bathroom fixtures, as the 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.

Compelling reasons to choose Gleeson

Alongside our affordable pricing and focus on quality and customer service, our homes are cheaper to buy than renting an equivalent property.

They are also highly energy efficient, using 49% less energy than existing housing stock. Affordability in the North of England is favourable compared to the South of England. All of which present a compelling reason for our customers to choose Gleeson.

CASE STUDY

Kerry, downsizer at Bracken Park, Louth

After her three children had flown the nest, Kerry knew it was time for a fresh start. Having previously lived in a larger family home, she was ready to downsize – but without compromising on space, comfort or practicality. Now settled into her new Gleeson home at Bracken Park, Kerry has found exactly what she was looking for.

Looking back on her experience, she wouldn't hesitate to recommend Gleeson to others. "Absolutely, I would recommend Gleeson – and I already do! The support has been amazing throughout, from viewing the show home to even now with courtesy calls checking everything is okay."



For Kerry, her decision ultimately came down to more than just the property itself. "It's the whole package really – the location, the quality of the home, and the service that's provided. If I were to buy again, it would definitely be a Gleeson home."

Investment Case

continued

Strengthening the foundations of sustainable growth

A platform for disciplined growth

Project Transform has put in place a more streamlined regional structure, reducing the number of management teams and moving certain functions into regions to create clearer accountability. This will improve operational execution and supports more sustainable returns through greater regional ownership.

Whilst we remain positioned for growth to 3,000 homes when market conditions improve, these changes enable us to achieve this from a leaner, more disciplined base. The structure has been right-sized for current operations whilst providing flexibility for the future. With decision-making closer to the customer and site, and the central functions better aligned to support execution, this will improve margin discipline and longer-term returns, with a focus on the quality of growth rather than growth at any cost.

Strong pipeline

We have a strong pipeline of sites representing around seven years of sales. We have taken steps to streamline the pipeline this year, aborting sites that no longer meet our strict development criteria, in order to strengthen longer-term margins and improve regional focus.

A key structural change under Project Transform has been to transfer responsibility for land buying from a centralised function into regional ownership. Regions have the benefit of local knowledge and relationships, including with local authorities and land agents, meaning that regions can identify and source land that meets our criteria in the right areas. Regions then have ownership for site margins from the initial bid stage all the way through to completion, enhancing margin accountability and security throughout the land buying process.



Harpwell Fields,
Hemswell Cliff, Lincolnshire

Unlocking value through land promotion

Gleeson **Land**

Market-leading research and data analytics

Our specialist land search capabilities, powered by research and data analytics, give us a competitive edge in site sourcing, the bidding process, and securing planning permission, which is reflected in our market-leading win rates at competitive tenders. This, combined with our high level of due diligence on sites, ensures that we select only the best land opportunities for promotion.

Our analytics capability also informs our planning strategies, providing robust evidence in applications and appeals, meaning that this can be done 'in-house'. We are a market leader in research and analytics in land promotion and we continue to explore and invest in new technologies including AI.

Growing the portfolio of sites

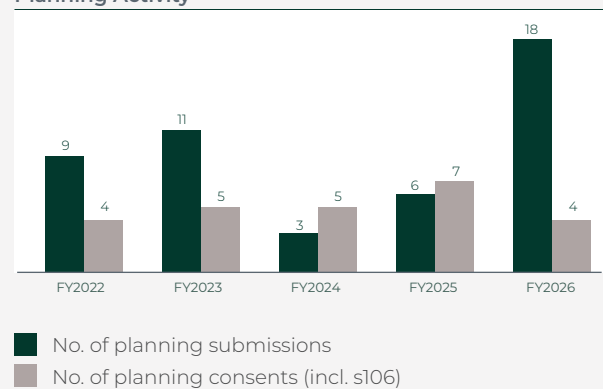
Gleeson Land has a growing portfolio of high-quality sites. These sites are held under either option or promotion agreements rather than being purchased outright, mitigating the land value risk and requiring low capital investment. Maintaining this low capital base will ensure that our return on capital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

Unlocking value through planning

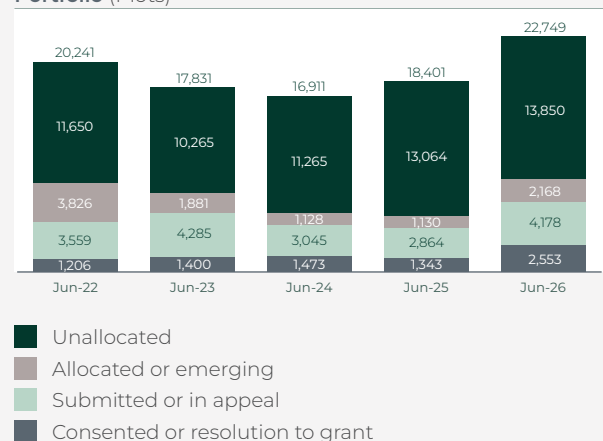
We aim to source sites that have a strong planning context, and we invest only in those sites that have the opportunity to come forward in a reasonable period of time. We have competitive bidding on all sites that we bring to market for sale and achieve some of the highest gross profit per plot values in the industry. We aim to create value for both our landowners and Gleeson in the shortest possible time. With our in-house planning expertise, supported by external consultants, we are able to navigate the complexities of the planning system in order to pursue applications at the optimal time.



Planning Activity



Portfolio (Plots)



Chief Executive's Statement



“

I want to recognise the contribution made by everyone across the business to the delivery of Project Transform.”

Graham Prothero

CHIEF EXECUTIVE OFFICER

Overview

I am pleased to be reporting on a year which achieved comprehensive change at pace throughout the Gleeson Homes business. I want to recognise the contribution made by everyone across the business for the delivery of Project Transform. Along with embedding the regional structure at Gleeson Land, which has further strengthened and enhanced its reputation as a leading strategic land promoter, I believe we can now look forward with far greater confidence in what we can achieve together.

Group results

The Group generated revenue of £410.0m (2025: £365.8m) and delivered adjusted profit before tax of £10.8m (2025: £21.9m) and, after exceptional charges of £13.6m, a loss before tax of £2.7m (2025: profit before tax £20.5m).

The Group ended the year with net borrowings of £2.6m (2025: net borrowings £0.8m), has maintained the strength of its balance sheet and has sufficient liquidity to take advantage of opportunities when they arise.

Gleeson Homes

Gleeson Homes sold 1,968 homes (2025: 1,793), of which 320 were sold under partnership agreements (2025: nil) and a further 301 via private multi-unit sale agreements (2025: 205). This outturn is an improvement on the prior year, and a good result in a tough environment.

The result was assisted by the introduction in January this year of our own part-exchange offering, which facilitated the sale of 58 homes. The process is strictly controlled by Group, to avoid the risks of overvaluation and excess stock, but adds an important tool in the current market.

This was a significant year for our partnerships business, with a number of sites reaching key milestones, leading to the recognition of revenue on 320 plots. Of this, 86 partnership equivalent units* were recognised under development contracts, with the remainder sold as completed units. Our partnerships team secured eight agreements in the year, with 11 sites now in development. Our continued success in securing these deals demonstrates the attractiveness of Gleeson's product and reliability of delivery, and the benefits we can bring to registered providers, local authorities and the private rental sector.

Average selling prices increased by 3.8% to £201,000 (2025: £193,600) as a result of an increase in underlying sales prices of 3.0%, improved bed mix and site mix offset by the impact of multi-unit sales.

Net reservation rates including multi-unit sales for the full year increased to 0.77 per site per week (2025: 0.71) but excluding multi-unit sales decreased to 0.51 (2025: 0.53). Cancellation rates increased from 17% to 21% reflecting current market environment.

Selling prices were insufficient to recover the impact of build cost inflation during the year of 4.5% which, combined with increased multi-unit sales, resulted in gross margin reducing to 18.6% (2025: 20.7%).

The reduction in gross profit margin was partly offset by a lower rate of administrative expenses, resulting in an operating profit before exceptional items of £20.1m (2025: £22.3m) and an operating profit margin of 5.0% (2025: 6.4%).

The division entered the new financial year with a healthy forward order book of 848 plots (31 December 2025: 978 plots, 30 June 2025: 845 plots).

Gleeson Homes opened 13 new build sites in the year and was building on 63 sites at 30 June 2026 (2025: 68 build sites). Our average active build sites and sales sites were 67 and 56 respectively (2025: 76 and 63 sites).

Operational restructuring

This was a year of intense activity, implementing fundamental business change under Project Transform. We have professionalised the business in its structure, systems and most importantly its people, expediting the transition from a "large small business" to a well-controlled and efficient volume homebuilder.

We were pleased to welcome Scott Stothard into the role of Divisional Chair of Gleeson Homes, and to strengthen his team of Regional MDs with two experienced external hires and one internal promotion, as well as multiple recruitments and promotions at regional board level.

The changes resulted in the creation of 35 new roles and, unfortunately, 56 redundancies resulting in c£2m lower annualised costs. The overall cost of the restructure, which represents termination costs and related professional fees was £2.0m, with the cost recognised as an exceptional cost in the year.

At the core of the change is a vital empowerment of the regions, shifting both responsibility and decision-making to the businesses. In addition, we have clarified the role of central services, as functional leaders offering expertise and setting standards for effective regional teams, enhancing the integration of the group functions both with each other and with the regions.

As well as moving land buying away from a group function and into the regions, we have sharpened our focus on to more suburban locations, re-emphasising our bias to more densely populated areas and reducing acquisitions of rural and coastal sites. This prompted the closure of our East Yorkshire region, which will operate as a sub-region within our South and West Yorkshire business, along with the combination of our Greater Manchester and Cumbria regions, bringing the number of full regions down to four. As part of this we reviewed and rationalised the land portfolio withdrawing from a number of sites which no longer meet our criteria for rate of sale and return on capital.

We have also improved technical control of the land process, as part of the central services integration, strengthening all aspects of appraisal, layout, delivery and closure, through a reinvigorated system of mandatory gateways, addressing previous areas of weaknesses.

Simultaneously with the Project Transform changes, the business has been transitioning away from our previous system of customer surveys (under In-House) across to the now industry-standard NHBC scoring system coordinated by the HBF. It was satisfactory to consolidate our performance at a score of four-star in our first full year, and we aim to improve to five-star in the current year.

The level of change across the business has been challenging for the teams within Gleeson Homes, and I am both proud of and grateful to them for their patience and proactive support in implementing and embracing the changes. It was particularly pleasing to achieve an improved score for colleagues' engagement in our recent employee satisfaction survey.

Looking ahead

With the Transform changes settling, we are turning our attention to several areas of market engagement, in order to optimise our performance both in the current market and into any market recovery.

As well as ensuring we are buying the right sites, we are reviewing our product range to ensure it is led by the market we serve. We are also critically examining our end-to-end customer engagement, including marketing, sales and customer service, examining process, people and training. We are also considering our brand and proposition, to ensure clarity for our customers, our partners, our people and all our stakeholders. These workstreams are each sponsored by members of the Executive Leadership Team and populated by key contributors from across the business. Their conclusions will be implemented expeditiously, with benefits beginning to be seen in the current financial year, and I look forward to updating shareholders on progress in due course.

Partnerships

Following successful delivery in 2026, we have evidenced the success of our partnership strategy. Our partnerships business is now well-established and, with our product and locations, aligned to what the market wants.

Chief Executive's Statement

continued

Partnerships enable Gleeson Homes to develop suitable sites on a 'capital-light' basis with partner funding reducing the working capital tied up in acquisition and infrastructure. This enables the division to secure larger sites which are typically more efficient to develop by leveraging operating, marketing and sales synergies, economies of scale for materials and offering long-term certainty to subcontractors. The secured sales, whilst at lower prices, reduce market risk and the provision of forward funding on a partnership site leads to a higher return on capital.

The commitment of the new Government to expanding affordable housing and the recent positive announcements concerning the Social and Affordable Homes Programme (SAHP) give confidence that partnerships will represent an important delivery method for homebuilding in England for the foreseeable future. Our strengthened teams in Gleeson Homes have added extensive new expertise in this area, deepening both our experience and contacts. We are now targeting more strategic partnership transactions, which will support our newly focused land acquisition strategy and fully realise the potential of the model for our business.

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

Land pipeline

As described above, we have reviewed our land pipeline and taken the decision to abort a number of conditionally purchased sites across the East Yorkshire and Greater Manchester regions, and have decided not to develop one owned site which we intend to sell. This decision strengthens our pipeline and its expected gross margins. Accordingly, an inventory impairment provision of £4.5m has been recognised as a non-cash exceptional charge within cost of sales.

As a result, our pipeline stands at 123 sites at 30 June 2026 (2025: 164 sites), with our total number of pipeline plots at 14,927 plots (2025: 19,638 plots).

With fewer sites available in a competitive market, we have taken a prudent approach to land acquisitions. During the year, four new sites were added to the pipeline (2025: 25), whilst 18 sites were completed (2025: 24), 12 sites were aborted and 13 sites did not proceed to purchase (2025: 16 sites did not proceed), with a further two amalgamated.

Legacy site adoptions

We have a significant number of sites which require rectification in order to achieve adoption of the roads (and other statutory services) by the relevant local authorities. We have brought these legacy sites adoptions under a central team and are focused

on seeking agreement with the authorities and undertaking remediation to achieve adoption. As a result we have also recognised additional provisions across a number of legacy sites to take into account the exceptional costs related to achieving site adoption. As we work through these issues, we have established cost provisions in the current financial year of £7.1m for remedial works to be undertaken over the next three to four years.

Gleeson Land

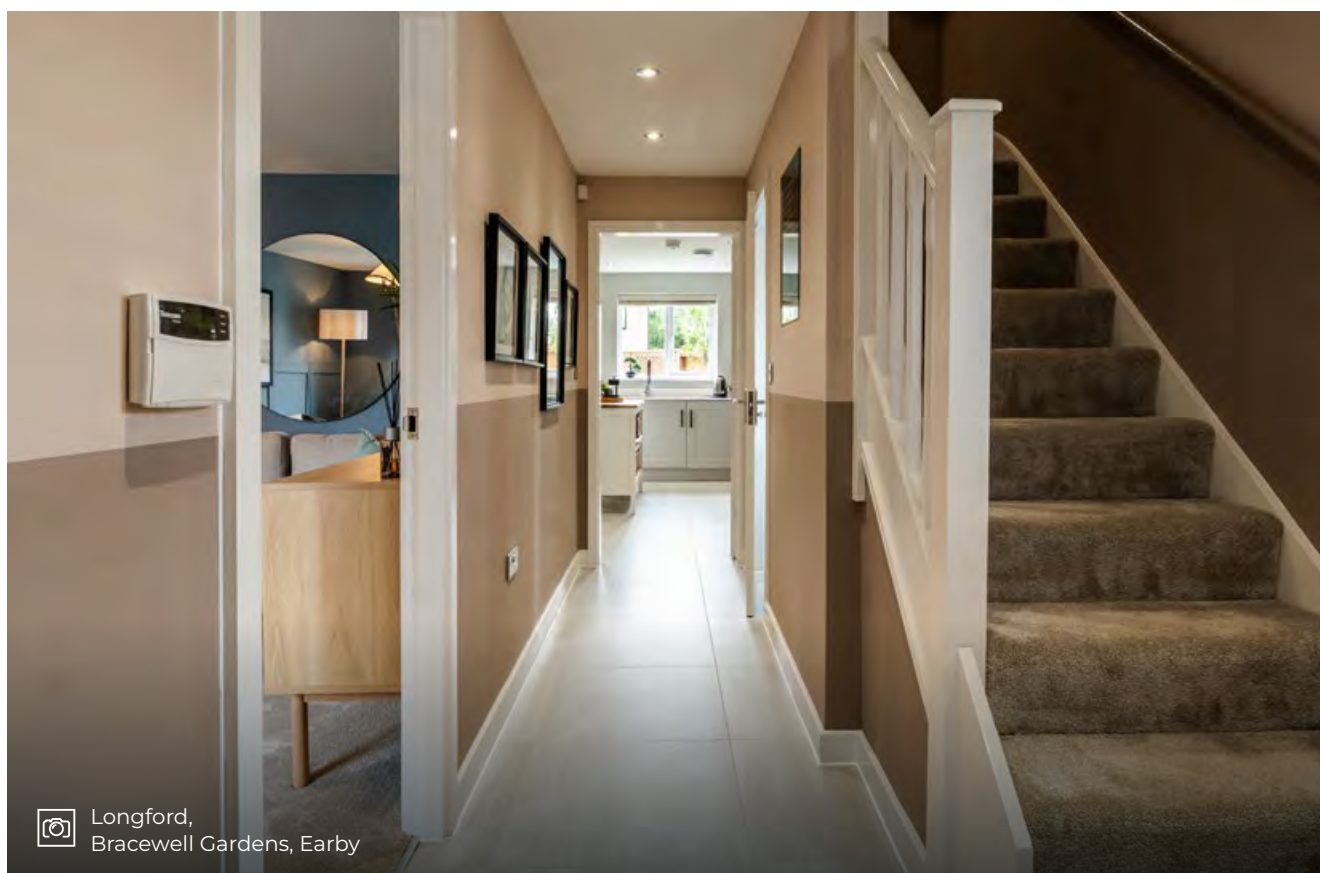
Gleeson Land's performance was impacted by a more cautious land market and the deferral of a single large transaction into 2027. The sale of this site was conditional on the formal approval of the technical solution by the local authority, which is taking longer than anticipated. We expect that this approval will be achieved in the first half of FY2027, with completion to occur shortly thereafter. Two smaller site sales were also delayed as a result of the cautious approach currently being taken by the large housebuilders. Despite this, we continue to see strong appetite for our high-quality consented sites.

Gleeson Land recorded an operating loss of £0.7m (2025: operating profit of £7.0m) completing the sale of five sites under planning promotion agreements, with the potential to deliver 452 plots. In the prior year two further sites were transacted, one land swap (206 plots) with a joint venture partner, and the sale of an option agreement on a site purchased in the year.

The business continued to strengthen its pipeline, submitting a record number of 18 planning applications, and matching its previous record of securing 13 high-quality new sites, plus a further two conditionally exchanged.

The division ended the year with a strong portfolio of 82 sites, having five sites consented or with resolution to grant, which have the potential to deliver 2,553 plots (2025: eight sites, 1,343 plots), and a further 24 sites awaiting a planning decision or in appeal, with the potential to deliver 4,178 plots (2025: 10 sites, 2,864 plots). Overall, the portfolio has the potential to deliver 22,749 plots, and 25 acres of commercial land (2025: 77 sites, 18,401 plots, 25 acres of commercial land). The majority of these sites are held under promotion or option agreements.

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



Summary

Gleeson Homes' open-market net reservation rates in the 9 weeks to 6 September 2026 were 0.44 per site per week compared with 0.55 per site per week over the comparable period last year, impacted by a much weaker August than usual. Cancellation rates were 0.09 per site per week compared to 0.11 for the same period last year.

Prolonged planning bottlenecks and our site pipeline rationalisation will see Gleeson Homes operating from slightly fewer sites in FY2027, and into FY2028, than previously planned. Build cost inflation continues to outpace selling price increases, and this, along with continuing regulatory and tax burdens which continue to be imposed on residential development, will slow the pace of margin recovery.

With subdued market conditions expected to continue, we are focused on managing the business as efficiently as possible and taking a prudent stance on cash, working capital and site acquisitions, enabling us to maintain the strength of our balance sheet.

We remain positive on the outlook for Gleeson Land although the well-signalled caution of developers and planning uncertainty at some local authorities following the local elections in May 2026 mean that we lack the visibility on the timing of land sales we would hope for.

Taken together, the Board expects the Group to deliver an overall result for FY2027 in line with current market expectations.

The structural and operating changes we have made through Project Transform equip the Gleeson Homes business to manage these challenges well. The initiatives we are now implementing across partnerships, land-buying, product design, customer journey and brand identification will optimise our performance both in the current market and into any recovery.

Graham Prothero
CHIEF EXECUTIVE OFFICER

14 September 2026

* Partnership equivalent units are the number of units multiplied by the stage of build completion in line with revenue recognition policy.

Market Review

The UK housing market continues to face significant challenges, with consumer confidence impacted further by macroeconomic uncertainty. The pressures from increased regulatory costs have been compounded by higher material costs as a result of the conflict with Iran. Planning constraints are easing, but planning departments remain underfunded and under-resourced, extending the time taken to secure permissions and the delivery of new homes.

Planning system improvements, but more needs to be done

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, 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 overhauled the planning framework to prioritise housebuilding and economic growth. Following consultation to further proposed changes, the latest NPPF was released in August 2026 and continues to build on the presumption in favour of development in sustainable locations.

The recent reforms have included:

- 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

Planning in England is influenced by the local plan for each area, which sets out the number of homes 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 the wasteful use of local authority resources and costs where planning applicants are forced to appeal unnecessarily.

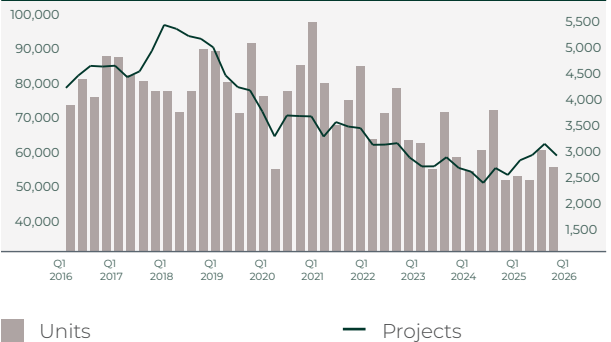
Impact

The changes to the NPPF in December 2024 and further changes in August 2026 are welcome and have eased some of the difficulties in the planning process. However, it is taking some time to see the impact of the 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 exist.

Opportunities

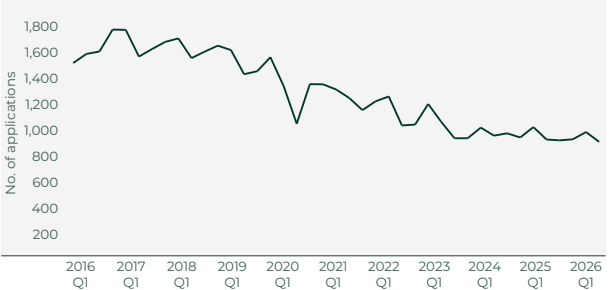
Gleeson Homes and Gleeson Land both have healthy pipelines of land across a number of local authorities and have an excellent track record of progressing planning applications, including via appeal. Whilst Gleeson Land has been the first to see the benefit of the planning regulation changes, including securing and selling the first 'greybelt' site in England, Gleeson Homes waits to see improvements in their areas of operation. Our teams in both Gleeson Land and Gleeson Homes are progressing a backlog of applications, and targeting sites where planning can be progressed in the shortest period of time. Gleeson Land submitted 18 planning applications in the year and has 24 sites in a planning process.

Residential planning approvals – England



Source: New Housing Pipeline, Q1 2026 Report, HBF/Glenigan

Major planning applications granted



Source: Ministry for Housing, Communities and Local Government

Link to strategy

1 4

Link to risk

3 4

Key – Strategic priorities

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

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 | |

Cost pressures from inflation and regulatory burden

Housebuilding has been subject to significant cost pressures in recent years, with the impact of cost rises due to the wars in Ukraine and Iran, Brexit and the wider global economic environment. This is further compounded by a myriad of additional regulatory burden all of which add complexity and cost to the housebuilding process.

These additional cost pressures impact on viability, restricting the number of sites that we are willing to bid on without compromising margin. The Home Builders Federation (HBF) recently published a report estimating that £76,000 has been added to the costs of building a house over the last five years. The cost of building a Gleeson home has risen by approximately 57% in this time, excluding land costs, whilst average selling prices have risen by 38%.

Labour availability also continues to be an issue as skilled labour becomes less available with an ageing workforce, particularly in certain regions, which drives 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 206,000 extra construction workers will be required by 2030 to meet demand, but in 2025, the construction industry lost a net 28,350 workers.

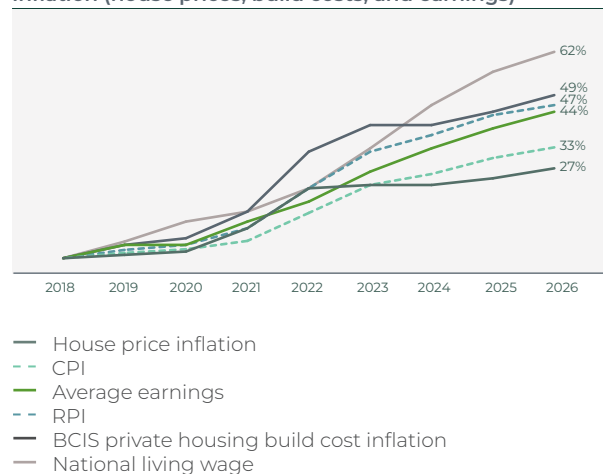
Impact

Our gross margin reduced in the year partly as a result of cost rises and the impact of additional regulatory costs.

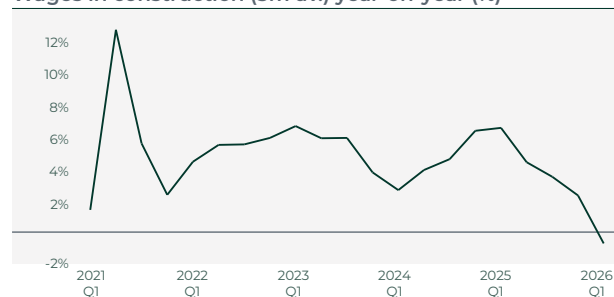
These cost pressures, although partly mitigated by an increase in selling prices, led to a deterioration in margin.

Opportunities

We expect that more favourable market conditions which allow for an increase in selling prices above build cost increases, the reduction of incentives and improved open market sales rates will lead to improved margins. We are mindful of the wider impact of potential future labour shortages and are helping to address this through our apprenticeship strategy.

Inflation (house prices, build costs, and earnings)

Source: Labour Force Survey EARN01, ONS indices of inflation, BCIS, UKHPI

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

Source: ONS – AWE: Construction Index

Link to strategy

1 2 3

Link to risk

1 4 5 10 11

Market Review

continued

Improved affordability but consumer confidence remains fragile

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

- Interest rates have reduced, with the base rate reducing from 4.25% at the beginning of the year to 3.75% currently. However, the reduction was lower than anticipated due to the impact of the Iran war increasing inflationary pressures.
- Mortgage rates impact on affordability and demand. Mortgage rates have not fallen as expected, as mortgage rates take into account market expectations of future interest rates. However, mortgage rates have remained at a similar level to last year with the Bank of England average five-year fixed rate currently 4.20% compared to 4.25% in June 2026.
- Mortgage availability is currently good, with a wide range of products available to customers. Banks have eased lending conditions with low and zero deposit mortgages making a return.
- Affordability has improved year on year, as wage growth has outstripped house price inflation. Affordability remains excellent in the North of England compared to the South and London, with mortgage costs as a percentage of pay of 25%, compared to 54% for London. The National Living Wage, which increased in the year by 4.1%, 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.

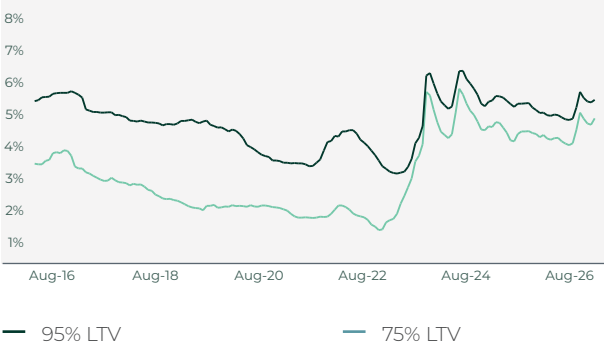
Impact

Gleeson Homes net reservation rates improved in the first half of the year as interest rates reduced and consumer confidence began to return to the market. However, the impact of the Iran war and wider macroeconomic uncertainty impacted on reservation rates in the second half of the year, with net reservation rates reducing to 0.53 per site per week compared to 0.64 in the equivalent period. 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, and by obtaining additional sales through alternative channels such as multi-unit and investor deals.

Opportunities

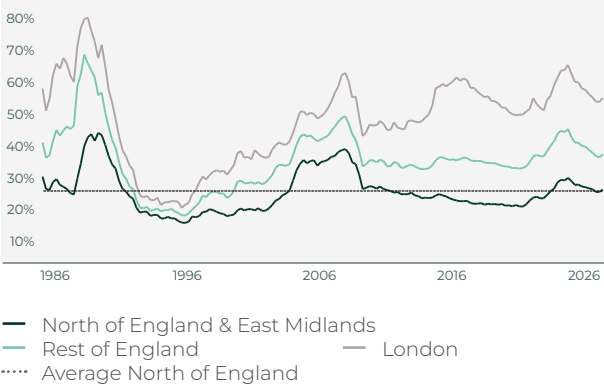
Our position in the market, both in terms of price point and geographical location in the North of England and Midlands, where mortgage costs as a percentage of pay remain low relative to the rest of England, means that we will continue to appeal to a range of buyers. We expect demand to grow as confidence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

Average 5-year fixed mortgage rates



Source: Bank of England

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



Source: Nationwide affordability indicators

Consumer Confidence Index



Source: GfK Consumer Confidence Index

Link to strategy

1 2 3

Link to risk

1 3

Structural under-supply of new homes **where they are needed**

The chronic under-supply of homes in the UK is well documented, and the target of 1.5 million new houses over the five years remains a stated Government policy. Despite this, the number of new homes built each year continues to decline.

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 Government's target 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, 4.3 million households are renting, and there are 657,000 households on local authority waiting lists. A further 1.7 million adults live with their parents.

Impact

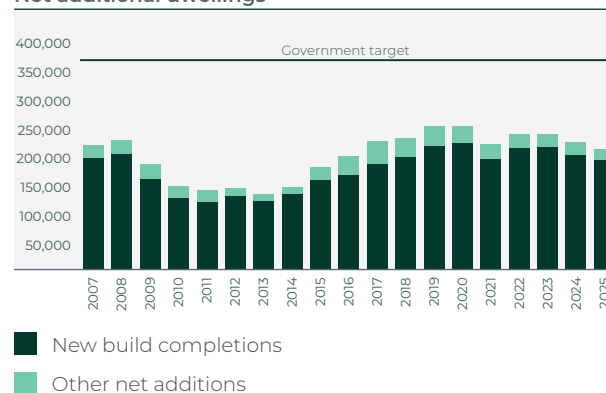
Net additional dwellings in 2025 were 208,600, 6% lower than 2024. The Government target of 1.5 million homes over their first term means that the annual target is now over 370,000 per annum. These figures have not been achieved since the 1970s, which were driven by significant growth in local authority housing supply.

In the North of England and East Midlands, there remains a shortage of affordable homes, with new build sales representing only 5% of all homes sold below £200k compared to 16% of homes sold above £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

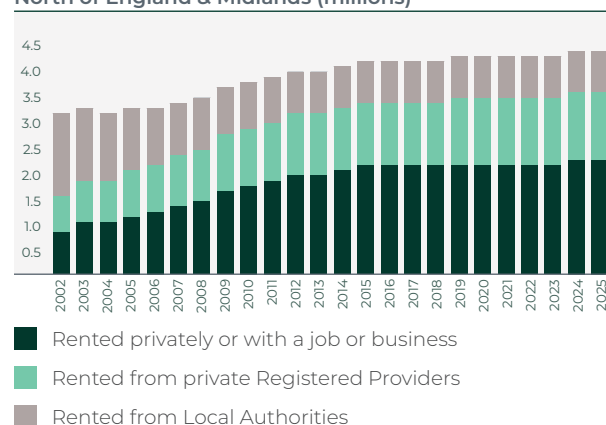
The structural under-supply of new homes represents a vast underserved market of customers in our target areas, and the need for new housing remains critical. There are opportunities through partnership arrangements with Registered Providers and the private rental sector, but this remains reliant on funding. As the Government pushes to meet housing targets, we expect further opportunities for growth in this area.

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

Link to strategy

1 2 3 4

Link to risk

1 2 3 4

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

Partnership strategy

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

OUR OPERATING MODEL



Our Distinct Advantages –

Gleeson Homes



AFFORDABILITY

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

Gleeson Land

01



New sites

We work closely with land agents and use in-house research and analytics capabilities to identify and carefully select new land opportunities. We enter into agreements with landowners to promote their land through the residential planning process.

02



Promotion

We engage with local authorities, residents, communities, stakeholder groups and statutory consultees to promote land for sustainable housing development whilst balancing stakeholder needs.

03



Planning and technical

Our team has a wealth of expertise in planning and works closely with specialist consultants to secure attractive and sustainable planning consents in areas of housing need. This is complemented by our in-house technical team who use their expertise to ensure that our sites are delivered with readily implementable planning permission. In doing so, we provide developers with an "oven-ready" site for development.

04



Sales process

As one of the UK's largest land promoters, we have strong relationships with a wide range of housebuilders. We bring high-quality consented land to the market and look to achieve best value for our landowners.

05



Outcome

We supply high-quality land that has the benefit of planning permission to other housebuilders, fulfilling a key need in the supply chain for the delivery of much needed new homes in the South of England.

VALUE FOR STAKEHOLDERS

Customers

We help our customers achieve long-term value creation, security and wellbeing through home ownership and provision of high-quality housing for rent. We help landowners unlock the value of their land through planning.

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.



AGILITY

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

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.



Shalini and Shanaya, Waterloo Sidings
Leeds, West Yorkshire

Partnerships

A wider route to market

Plans to achieve our partnership aims

- **Partnerships toolkit** We have developed a suite of resources to support our services to partners and ensure standardisation of our partnership product, which drives 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 those of 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 hold regional partner open days in our regions as a showcase for our high-quality product and cooperative approach, demonstrating the alignment with our own vision of “Building Homes. Changing Lives”.

Activity to date

- Currently working with seven key partners and growing.
- Eight partnership deals signed in the year, 11 sites in development at 30 June 2026.
- Of our land bids, one-fifth are partnership bids, aligning with our medium-term ambition to deliver 20% of sites through partnerships.
- Discussions actively progressing on 14 sites at 30 June 2026, of which one has exchanged since the year end.

Advantages of partnership deals

Under a partnership agreement, we enter into a contractually secure agreement with a third party. There are several 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 by the leveraging of operating, marketing and sales synergies, economies of scale and longer-term certainty to subcontractors.
- The risks arising from sales uncertainty and pricing are removed.

	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	Higher	Lower
Return on capital employed	Lower	Higher

Gleeson Land

Expertise **that builds opportunities**

Land promotion – vital in meeting housing needs

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

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 land promoter as the 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 for land promoters. Developers are estimated to spend around £7.5 billion a year on land, with promoters delivering around 39% by plot volume of applications in Gleeson's areas of operation.

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 the opportunity to grow market share as housebuilders look to source more land from promoters to supplement their immediate pipeline.

Developer land estimated spend in the South of England is £7.5 billion a year

Advantages of using a land promoter Landowner

- Benefits from expertise that more successfully navigates the complex planning system, delivering 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 input 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 ready to start building on, often with any technical issues having been resolved.
- Accelerates 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.

Developer led process



Promoter led process



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 in a stable market. Gleeson Land To obtain more planning permissions in each financial year than sites sold. Link to KPIs 6 10 11 12 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 KPIs 2
3 Affordability Link to SDGs 	Gleeson Homes Keep our homes affordable through buying land in the right 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 KPIs 14
4 Land sourcing Link to SDGs 	Gleeson Homes Sustainably grow our land pipeline, sourcing land in areas that are in need of regeneration and where affordable homes can be built. Gleeson Land Secure high-quality new sites that are well located and can deliver attractive sites with planning permission for other developers.	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 KPIs 11 15
5 Climate change Link to SDGs  	Protect the environment and reduce carbon emissions for the homes that we build and sell.	To meet our medium-term and net-zero targets across scope 1, 2 and 3 emissions. Link to KPIs 4 5
6 People, wellbeing, health and safety Link to SDGs  	Ensure that 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 KPIs 1 3

Key – KPIs

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

Key – Sustainability

-  People
-  Communities
-  Environment

PROGRESS IN 2026

Gleeson Homes

We increased our sales volume from the previous year despite challenging market conditions. We continue to engage with potential partners to extend our routes to market. We signed eight partnership agreements this year, with further deals in the pipeline.

Gleeson Land

We obtained planning permission on four sites and submitted 18 planning applications during the year. Our portfolio continues to grow with 13 high-quality new sites added this year, plus a further two conditionally exchanged, which will support future profit delivery.

FUTURE ACTIONS TO MEET TARGET

Gleeson Homes

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

Gleeson Land

The new sites secured in the year will drive future growth, with many sites being immediate applications. We will continue to progress sites through the planning system in order to deliver stable returns.

SUSTAINABILITY



Gleeson Homes

We transitioned to the new HBF scoring criteria and achieved the targeted four-star score for the HBF year.

We are currently tracking in line with five-star as at the end of the year, putting us in a good position to achieve five-star for the HBF 2025/26 year.

Gleeson Homes

We aim to achieve HBF five-star based on “Build Quality” and “Service After” criteria across all regions.



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.

Partnering 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.

Gleeson Homes

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

Gleeson Land

Our continued 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 missed our straight-line targets for scope 1 and 2 emissions as a result of delays to grid connections on a number of sites in the year.

We are on track to meet our scope 3 targets as we continue to roll out air source heat pumps and other carbon-saving initiatives.

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 465 (2025: 240) and was above the three-year industry average of 214.

In our latest employee survey we had an engagement score of 85% (2025: 84%), 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 38.

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 pages 39 to 45.



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.

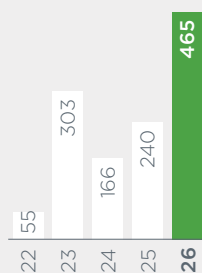
Link to strategy

⑥

Link to risk

⑧ ⑪

Link to sustainability



② Customer satisfaction score (star*)

We aim to be a five-star builder on all of our developments.

Link to strategy

②

Link to risk

⑤ ⑪

Link to sustainability



③ Employee engagement (%)

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

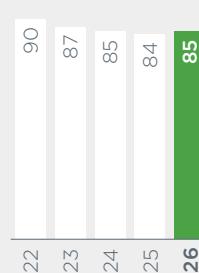
Link to strategy

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Link to risk

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Link to sustainability



④ CO₂e (scope 1 and 2) tonnes

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

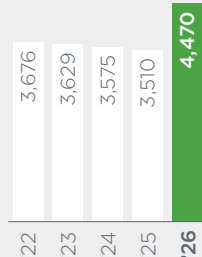
Link to strategy

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Link to risk

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Link to sustainability



⑤ CO₂e (scope 3) tonnes per m²

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

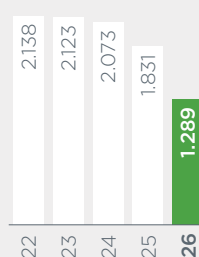
Link to strategy

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.

* 2026 is based on the HBF published rates for 24/25, with a score of 4.15 or more being five-star.

Financial KPIs

⑥ Adjusted Group profit before tax (£m)

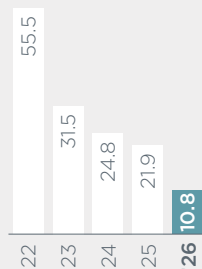
The Group aims to generate profits to invest in the future growth of the business for all stakeholders.

Link to strategy

① ③

Link to risk

① ② ③ ④
⑤ ⑨



⑦ Cash and cash equivalents net of borrowings (£m)

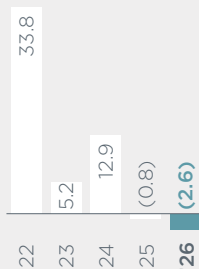
We aim to maintain positive cash balances or reduce net debt.

Link to strategy

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Link to risk

① ⑨



⑧ Total dividend (pence)

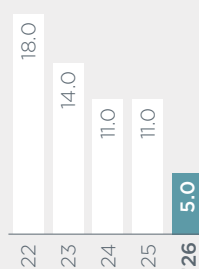
We look to provide steady dividend growth whilst maintaining dividend cover at sustainable levels.

Link to strategy

①

Link to risk

① ⑨



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.

Operational KPIs

⑩ Gleeson Homes – Homes sold

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

Link to strategy

1

Link to risk

1 2 3 4
5



⑬ Gleeson Homes – Build sites (year end)

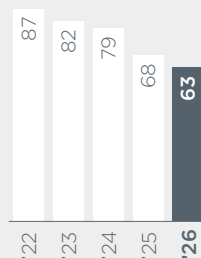
Build sites represent the sites we are actively building on.

Link to strategy

1 4

Link to risk

1 2 3 4



⑨ Return on capital employed² (%)

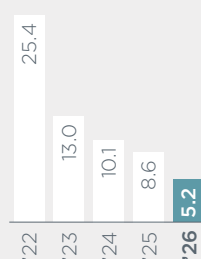
Return on capital employed represents the profits made from the assets we hold.

Link to strategy

1

Link to risk

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5 9



⑪ Gleeson Homes – Land pipeline (plots)

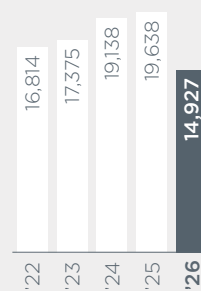
Land pipeline ensures our ability to grow over the coming years. Our pipeline includes owned and conditionally purchased sites.

Link to strategy

4

Link to risk

1 2 3



⑭ Gleeson Homes – Average selling price (£)

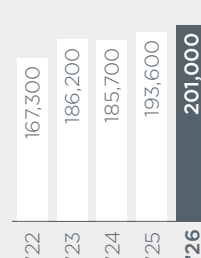
Average selling price represents our overall sales income per home sold.

Link to strategy

1 3

Link to risk

1 2 4 5
11



⑫ Gleeson Homes – Sales sites (year end)

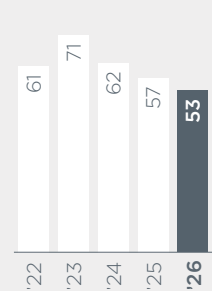
Sales sites represent the sites we are actively selling on.

Link to strategy

1 4

Link to risk

1 2 3 4



⑮ Gleeson Land – Portfolio (sites)

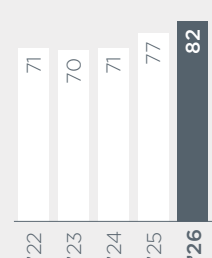
Gleeson Land portfolio represents the number of sites available to progress through the planning system for future sale.

Link to strategy

1 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 – Sustainability

-  People
-  Communities
-  Environment

Key – Risks

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

Financial Review



Given the challenging market conditions, our focus is on protecting the balance sheet whilst preparing the business for growth.”

Stefan Allanson
CHIEF FINANCIAL OFFICER

Introduction

In another challenging year we have focused on maintaining the strength of our balance sheet and improving the business through operational restructuring and strategic initiatives. The further work done to restructure the business has led to us recognising a £13.6m exceptional charge in the year. Whilst this impacts the current year result, this will allow us to move forward in a much stronger position to progress our strategy as the market recovers.

Overall, adjusted operating profit for the Group reduced by 37.0% to £16.0m due to the delay of a significant transaction in Gleeson Land and reduced margins in Gleeson Homes.

We increased net reservation rates to 0.77 per site per week over the year (2025: 0.71). Excluding multi-unit sales net reservation rates reduced by 3.8% to 0.51 per site per week (2025: 0.53) as a result of a weaker market, reflecting the importance of partnerships to our overall strategy.

We entered the new financial year with a stronger business and are focused on preserving our balance sheet strength through a prudent approach to site acquisitions and working capital management.

Revenue

Group revenue increased 12.1% to £410.0m (2025: £365.8m) with an increase in Gleeson Homes offset by a decrease in Gleeson Land.

Gleeson Homes' revenue increased by 14.9% to £400.0m (2025: £348.2m). The number of homes sold increased by 9.8% to 1,968 (2025: 1,793) despite the average number of sales sites, at 56, being lower than the previous year (2025: 63 average sales sites), and included 320 partnership homes, of which 86 equivalent units were recognised under revenue recognition rules. Revenue includes £4.4m for the sale of surplus land in the year (2025: £1.2m).

Gleeson Homes' average selling price ("ASP") at £201,000 was 3.8% higher than the previous year (2025: £193,600) reflecting an increase in underlying selling prices of 3.0%, a stronger mix of house types with higher average number of beds (2.99 beds compared to 2.93 in the prior year) and improved site mix, offset by the impact of multi-unit sales which increased from 11.4% to 15.3% of total completions.

Gleeson Land completed five land transactions in the year (2025: seven including a collaborative land swap and the sale of a site under option agreement). As a result, revenue decreased by 43.2% to £10.0m (2025: £17.6m). We commence the new financial year in a strong position with five sites with consent or resolution to grant (2025: eight sites) and 24 sites awaiting a planning decision (2025: ten sites).

Gross profit

Adjusted gross profit for the Group decreased by 6.5% to £77.8m (2025: £83.2m), driven by a decrease in Gleeson Land gross profit to £3.4m (2025: £11.1m) offset by a £2.4m increase in the gross profit in Gleeson Homes to £74.5m (2025: £72.1m). Gross margin on home sales decreased to 18.7% (2025: 20.7%) reflecting build cost inflation of 4.5% exceeding underlying selling price increases on reserved homes of only 2.2%, combined with the impact of further multi-unit transactions and additional legacy site costs. Including the impact of two land sales in the year which generated £0.4m gross profit (2025: £0.2m) Gleeson Homes' gross margins reduced to 18.6% (2025: 20.7%). Group gross profit for the year after exceptional items was £66.2m (2025: £83.2m).

Administrative expenses

Administrative, sales and marketing expenses excluding exceptional costs increased by £4.1m (7.1%) in the year to £62.0m (2025: £57.9m) reflecting higher employment related costs despite slightly lower headcount (pay increases, higher remuneration and share based payment charges, higher recruitment fees and the full year impact of increased National Insurance rates), and further investment in technology and cyber security.

Exceptional items

Exceptional items are those items which, in the opinion of the Directors, are material by size and/or non-recurring in nature. These items are excluded from adjusted profit measures to provide a clearer view of the ongoing performance of the business. The Directors consider that the items below are exceptional and require separate disclosure on the face of the income statement.

The Group undertook two regional restructures during the year. The Greater Manchester and Merseyside region has been merged with Cumbria to create a North West Region. From 1 July 2026, the East Yorkshire region has been integrated into the Yorkshire South and West region, creating a single Yorkshire region. The restructuring expense of £1,982,000 (2025: £1,343,000) includes redundancy costs of £1,755,000 (2025: £852,000) and legal and consultancy costs of £256,000 (2025: £491,000). As part of the restructure the division aborted 12 conditionally purchased sites and intends to sell one owned site that will no longer be developed, and has recognised an exceptional non-cash impairment of £4,475,000.

During the year, Gleeson Homes identified issues on previously completed legacy developments which require rectification in order to achieve adoption of the roads (and other statutory services) by the relevant local authorities. These sites complied with planning requirements at the time. In response to continued challenges encountered in getting the roads and other services adopted, which is a constructive obligation to our customers, we expect to incur additional costs to carry out remedial work over the next three to four years. As previously indicated, we have established an exceptional provision of £7,095,000 which represents our current best estimate of the costs of these works and other similar costs on legacy sites across the business.

	2026 £m	2025 £m
EXCEPTIONAL ITEMS:		
Restructuring costs	2.0	1.3
WIP impairment	4.5	–
Legacy site costs	7.1	–
Total exceptional costs	13.6	1.3

Operating profit for the year

Adjusted Group operating profit reduced to £16.0m (2025: £25.4m), a 37.0% decrease on the prior year. This was predominantly due to an operating loss in Gleeson Land of £0.7m (2025: profit £7.0m) and the reduction in Gleeson Homes adjusted operating profit to £20.1m (2025: £22.3m). Group overheads were lower than the prior year at £3.4m (2025: £3.9m) as a result of the release of accruals no longer required.

Finance expense

Net finance expenses increased to £5.2m (2025: £3.5m) due largely to higher borrowings and higher IFRS9 discounts due to increased long-term payables. Average net borrowings in the year increased to £45.7m (2025: £24.3m).

Profit before tax

The Group delivered an adjusted profit before tax of £10.8m (2025: £21.9m) and reports a loss before tax after exceptional items of £2.7m (2025: profit before tax £20.5m).

Tax

The adjusted tax charge of £2.6m (2025: £5.0m) represents an effective tax rate of 24.1% 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.

Financial Review

continued



The total tax credit for the year was £0.8m, which reflects the loss made by the Group in the period. 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 over £25.0m.

Profit after tax

Adjusted profit after tax decreased by 51.5% to £8.2m (2025: £16.9m). Loss after exceptional items and tax for the year was £1.9m, a reduction of £17.7m from the prior year (2025: profit after tax £15.8m).

Earnings per share

Adjusted basic earnings per share decreased by 51.2% to 14.1 pence (2025: 28.9 pence). Basic earnings per share after exceptional charges decreased to a loss per share of 3.3 pence (2025: 27.1 pence profit per share).

Return on capital employed

Adjusted return on capital employed decreased 340 basis points to 5.2% (2025: 8.6%) caused mainly by the reduction in profit. Reported return on capital employed reduced by 730 basis points to 0.8% (2025: 8.1%).

Balance sheet

During the year to 30 June 2026, shareholders' funds reduced by 2.6% to £299.8m (2025: £307.7m). Net assets per share reduced by 2.7% to 513 pence (2025: 527 pence).

Non-current assets increased during the year by 12.7% to £13.3m (2025: £11.8m). This was mostly due to an increase in property, plant and equipment of £2.5m as a result of investment in show homes and sales arenas, offset by a reduction in land receivables due over one year in Gleeson Land by £1.6m and an increase in deferred tax assets of £0.5m.

Current assets increased by 7.8% to £439.5m (2025: £407.6m). Inventories increased by 9.3% to £416.2m (2025: £380.8m) as a result of the increased investment in both Gleeson Homes and Gleeson Land, and the addition of part-exchange homes of £7.1m. Trade and other receivables decreased by £6.6m to £12.4m as a result of the net receipt of cash on receivables in Gleeson Land of £5.7m and a reduction in VAT debtor of £2.0m offset by an increase in contract receivables of £1.2m. We ended the year with net borrowings of £2.6m (2025: net borrowings £0.8m).

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 a further year and will expire in October 2028. We intend to commence discussion for the routine extension of the facility during the current financial year.

Dividends

Subject to shareholder approval at the 2026 Annual General Meeting, the Company intends to pay a final dividend of 1.0 pence per share on 20 November 2026 to shareholders on the register at the close of business on 23 October 2026. This brings the total dividend for the year to 30 June 2026 to 5.0 pence per share, which is covered 2.8 times by adjusted normalised earnings. The Group has an established policy of targeting a range of three to five times dividend cover relative to full year earnings.

Stefan Allanson
Chief Financial Officer

14 September 2026



3 bedroom Milford,
Lyons Edge South Hetton

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 across 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

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, planning laws and regulations	7 Cyber and IT systems	11 Sustainability
4 Build costs and availability	8 Health, safety and environment	

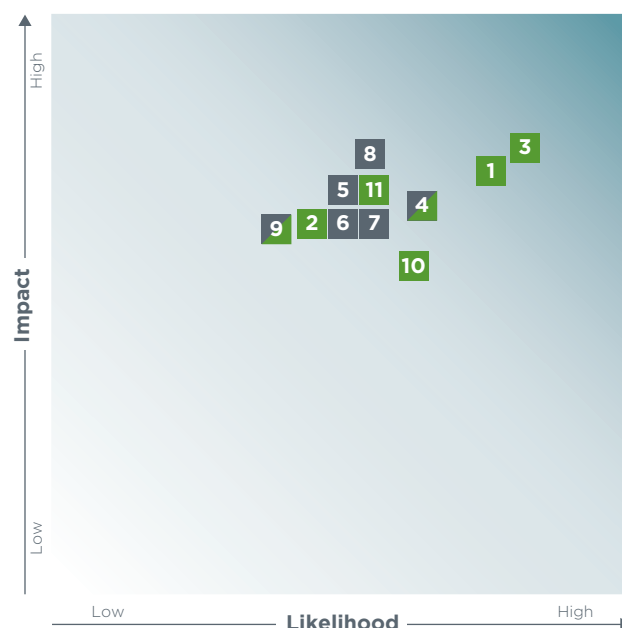
Risk categories

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 managed through the internal control activities of the business.

Some risks can be both external and operational where both elements apply. 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 32 to 35 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 principal risks during the year and, whilst there may be changes in the underlying functional risks in the Group, the Committee has determined that these principal risks remain appropriate, with no new or emerging risks requiring disclosure. The risk matrix is presented as the residual risk after mitigating controls and actions.

**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 higher 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

Provision 29 of the UK Corporate Governance Code 2024

A change to Provision 29 was introduced as part of the UK Corporate Governance Code 2024, which comes into effect for the Group's 2027 Annual Report and Accounts. The change introduced a requirement for Boards to monitor and review the risk management and internal controls framework and declare the effectiveness of material controls. These risks and controls are not merely financial reporting but cover a wider range of financial, operating, compliance and reporting across all business functions.

The Group commenced its work on formally documenting its risks, controls and processes as soon as these changes were proposed, and has since carried

out a number of actions including formalising a risk management policy, defining its risk management framework, re-assessing functional risks across the business and mapping these to the related principal risks at a Group level as well as documenting the related key controls.

During 2026, the Group has defined its material controls and commenced testing of these material controls, and the related underlying key controls, through a formal internal audit programme, supported by attestations from control owners. This programme will continue throughout the 2027 year and be supported by a number of 'dry runs' to test how reporting under Provision 29 control effectiveness will be concluded by the Audit Committee and Board in advance of the reporting deadline.

Principal risks and uncertainties

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 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 had begun to ease with the reduction in interest rates, good levels of mortgage availability and improved affordability when considering wage rises versus HPI. However, uncertainty in the wider economic environment, exacerbated by the war in Iran and continued political uncertainty, continues to impact consumer confidence. This is not expected to change in the immediate future and the market is expected to remain subdued without some form of stimulus.	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.	Under Project Transform, we recently moved to a regional land sourcing model, but overall the number of sites purchased this year has been lower than targeted. The business will continue to target suitable land opportunities that support its growth objectives in a stable market. Gleeson Land continues to source opportunities to promote high-quality land across the South of England and has successfully secured 13 new sites this year under promotion agreements with a further two sites conditionally exchanged.	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.

Key – Strategic priorities

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

RISK	RISK DESCRIPTION	ASSESSMENT	MITIGATION
3 Government policy, planning laws and regulations 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.	The Future Homes Standard was released in the year and the impacts of the changes have been reflected in our forecasts. Planning regulation is showing some signs of improvement following changes to the NPPF, which has resulted in a push to submit planning applications in the year. We actively consult on emerging changes to building regulations and consider the technical, environmental and financial implications of these changes. We continued horizon scanning for other changes, with the continued political uncertainty leading us to conclude that this remains a high-risk area.	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. A working group has been established to support the transition to the Future Homes Standard.
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.	As a result of the war in Iran and its impact on oil and energy prices, inflationary pressures are feeding through the supply chain and price increases are being seen on some materials. This has largely been as a result of increased delivery costs or energy-related price of production, with surcharges implemented by a number of suppliers. Availability of materials and labour remains good.	Group purchasing arrangements are in place to ensure continuity of supply and pricing, and we have strong, established relationships with key suppliers and subcontractors. The price increases have largely been as a result of increased delivery costs or energy-related price of production, with surcharges implemented by a number of suppliers. We have negotiated with suppliers to obtain the best possible prices, and we expect that surcharges will be removed as soon as these are no longer required. 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	Adverse publicity from perceived poor build quality would damage our reputation, lead to lower sales and impact future revenue and cash flows. This could arise from a failure to build new homes to the standard and quality that our customers expect; Failure to market and sell our homes effectively; Not treating our customers fairly, or not responding adequately to complaints or rectifying defects in a timely and professional manner.	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. We have seen improvement on our HBF quality scores and are now approaching five-star. The newly established Customer Service teams led by Regional Heads of Customer Service, will deliver an improved customer experience including more timely resolution of issues, and improve communication with both customers and subcontractors.	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.

Risk Management

continued

RISK	RISK DESCRIPTION	ASSESSMENT	MITIGATION
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 39 to 47. Following the people changes under Project Transform, HR initiatives (incl. talent mapping and succession planning) and changes to long-term incentives to support senior leadership retention, the impact from the loss of leadership/key management has reduced.	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. We carry out talent mapping and succession planning to mitigate the risk of loss of key leadership.
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, safety and environment Residual risk Medium Change in year Unchanged Risk appetite Averse Strategic priorities 6	Health, safety and environmental 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. Environmental failures can result in damage to the environment, criminal prosecution or civil litigation, additional costs and reputational damage.	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 and site audits take place on all development sites. SHE Consultative Committee established to drive policy improvements and focus on SHE issues. Documented policies and procedures are updated to ensure continued focus and improvement. A legal register of legislation and environmental compliance is maintained. Third-party advisers are used to provide information on new and emerging regulation.

Key – Strategic priorities

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

RISK	RISK DESCRIPTION	ASSESSMENT	MITIGATION
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 second uncommitted one-year extension option, the Group has committed bank facilities of £135m until October 2028, 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.
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. 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. Our carbon reduction plan outlines clear targets and initiatives which are validated by the SBTi. We track carbon emissions, waste and other initiatives to evaluate the success of our actions. 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.

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 taking serious climate action by decarbonising the business across all scope emissions and have gained validation of our carbon reduction targets by the Science Based Targets initiative (SBTi), to ultimately become carbon net zero, see page 58.



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



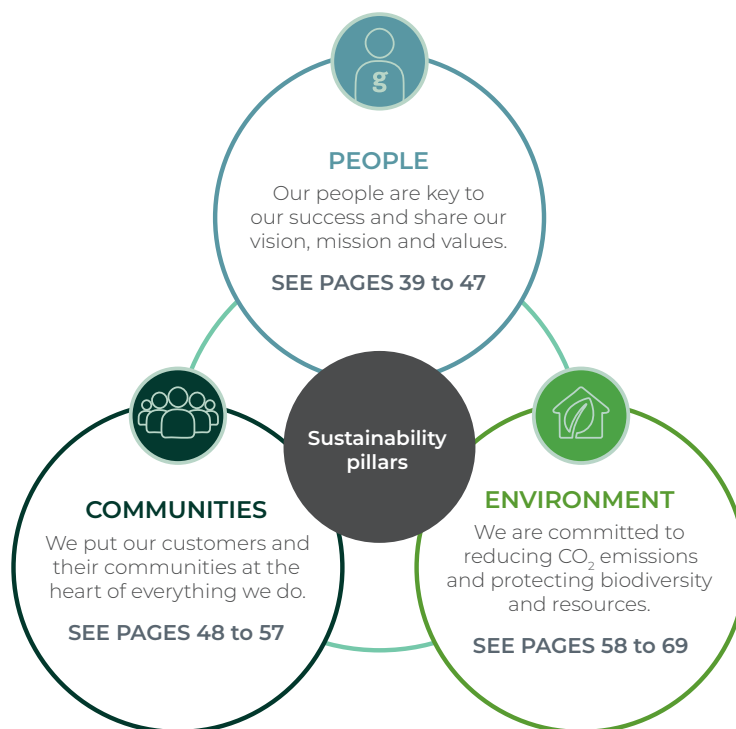
We are members of the Supply Chain Sustainability School, which allows us to upskill and work collaboratively with our colleagues, subcontractors and suppliers to achieve common goals in delivering a sustainable future.



We 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.



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.

Sustainability Dashboard

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



People

Employee engagement

85%

(upper quartile)

➔ See page 40

Glassdoor rating

4.2

➔ See page 40

Roles that are apprenticeships, trainees or graduates

11%

➔ See page 43

Health and safety incident rates ('AIIR')

465

➔ See page 38



Communities

HBF score on (based on "Build Quality" and "Service After" criteria)

HBF

4 Star

➔ See page 51

Refresher training on "Customer First" provided

➔ See page 46



Environment

Scope 3 intensity (tCO₂e/m²)

1.289

➔ See page 65

Scope 1 & 2 absolute (tCO₂e)

4,470

➔ See page 65

FLAG absolute (tCO₂e)

11,228

➔ See page 65



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.

Our AIIR rating for the year of 465 (2025: 240), based on eight RIDDORS for the year (2025: four) is disappointing as it does not reflect our attitude to Health and Safety within the business or the amount of work done in the year to make further improvements.

Safety, health and environment forms the first agenda item at all Homes Executive Leadership meetings, with escalation of key matters rolled out and monitored on action logs. Robust SHE inspections are carried out on site with remediation points raised with senior management for below-benchmark inspections. We have seen improvements in scores throughout the year as our safety culture becomes more embedded with the enhanced regional structure.

We have updated our SHE policies and procedures and improved the accessibility of these. In addition, we have worked closely with other departments to optimise site and compound layout, improve sign-in technology and access to training, and commercial subcontractor take-on procedures.

Our 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, ensuring dedicated SHE support in all our regions.

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 easier 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.

Site Environmental Awareness Training Scheme (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.



Allanah and Isobel, Holton Croft
Grimsby, Lincolnshire



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.



Our employee engagement score

85%

2025: 84%

Our people are proud to work for Gleeson

79%

2025: 82%

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.

Project Transform

Throughout the year, we issued a series of eight Transform-related videos setting out what transformation means to the business, why it matters and how it will improve our operations.

In October 2025, the Executive Leadership Team ("ELT") hosted a Company-wide webinar and open Q&A. During this session the team set out what had been delivered so far under Project Transform and the benefits. When asked "how do we do things at Gleeson?" – our answer is clear 'We take ownership. We aim high. We care deeply. And we deliver'. In practice, this means that we take ownership and pride in what we do, we learn from setbacks and support each other in building an outstanding product and delivering to our customers. The team also revisited our values in action, explaining that how we do things at Gleeson is grounded in our core values and these values guide and create a great place to work.

In November 2025, senior leaders from across the business conducted local regional talks about the changes under Project Transform. This was followed up with Group-wide communications of what had changed which included Land, Commercial, Operational Framework, Sales, SHE and Our Culture. These communications consisted of a poster campaign, lunch & learn, toolbox talks and Q&A sessions.

Throughout March we conducted regional roadshows – as part of empowering regional business units to lead their area. The ELT attended to provide an update and be part of the regional business unit Q&A sessions.

Annual leadership conference

Our Annual Leadership Conference this year was focused on ensuring that all senior leaders from across the business are driving forward the agenda of change around the Transform project. Leadership at all levels is critical to ensuring that we demonstrate the right behaviours to deliver a sustainable cultural shift that supports growth, consistency and long-term success.

Regular communications and feedback

In addition to the above, we engage with our colleagues throughout the year using The Hub, lunch and learns, toolbox talks, poster campaigns and employee forums.

Our annual Your Voice survey provides an opportunity for all employees to provide anonymous feedback on a wide range of topics. This year we achieved a participation rate of 86% which, whilst lower than last year's 87%, 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 increased slightly from 84% to 85%, keeping us in the top quartile of all companies surveyed, and above the external benchmark of 83%.

We also achieved a Glassdoor scoring of 4.2 out of 5, a positive reflection of how our current and previous employees value the workplace culture and environment at Gleeson.

We continue to be Investors in People accredited, maintaining our gold standard for the year.

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 colleagues to a vast amount of support and resources, including mental health support, emotional, financial, social and physical wellbeing.

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



Sam, Sarah, Emma and Emily, Leeds Office

Mental Health Awareness Week

In May 2026, we celebrated Mental Health Awareness Week. This was a week dedicated to raising awareness about mental health and opening up positive discussion to help break down the stigma that surrounds mental health. We themed the week around 'Taking Action' – take action for 'yourself', take action that 'lasts,' and gave colleagues tips and ideas for different actions everyone can take to manage their mental health. In addition, we provided reminders of tools that are available to colleagues as well as hosting 'Wear it Green' coffee events inviting colleagues to join in the conversation.

Domestic abuse awareness training

This year we further enhanced the support skills of a number of our Mental Health First Aiders, by arranging specialist training for them to become Domestic Abuse Champions. The training was delivered by Sharon Livermore MBE, Founder of Domestic Abuse Education. The training has equipped our colleagues with the knowledge, confidence and practical skills to respond appropriately to concerns around domestic abuse. Domestic abuse can affect anyone, regardless of role or background, and can have a significant impact on wellbeing, safety and work life. Having trained Domestic Abuse Champions strengthens our commitment to employee wellbeing and psychological safety, creating a culture where people feel safe to speak up and seek help.



Nurturing talent **building futures**

Equity, Diversity and Inclusion (EDI)

In our 2026 People Survey we saw that 90% of people feel that "People of all backgrounds are respected and valued in Gleeson."

EDI strategy and training

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.



 Adrian Lindsay,
Field Sales Executive at Rivers Walk

Regeneration Brainery

This year we proudly announced our partnership with Regeneration Brainery, an organisation that is genuinely transforming futures and reshaping opportunity for young people. Regeneration Brainery works nationally to provide mentoring inspiration and hands-on opportunities to young people who might not otherwise have access to the sector. Their mission aligns closely with our ambition to develop talent, strengthen communities, and make our industry more inclusive and representative of the people it serves.

This partnership is strongly aligned to our EDI strategy, launched in March 2025. The first pillar of our strategy is Recruitment, and within this we have made key commitments, including:

- Attracting and hiring the best talent from diverse backgrounds using a range of methods.
- Improving diversity in the sector by working with partners to promote opportunities to a diverse range of candidates.

Partnering with organisations such as Regeneration Brainery directly supports our goal of promoting housebuilding, and Gleeson specifically, as a career of choice for under-represented groups.

This partnership is an investment in the future of Gleeson and the wider construction industry. By supporting Regeneration Brainery, we are helping to:

- Build a stronger and more diverse pipeline of future talent.
- Inspire the next generation to consider careers in the built environment.
- Support social mobility and community impact in the places where we work.
- Strengthen our ability to attract, develop, and retain a wide range of skills and perspectives.

In June 2026, we hosted a successful day as part of the Sheffield Brainery Week to approximately 20 students from across South Yorkshire. The day consisted of team building exercises, employment skills workshops and an interactive session taking the students through all the different roles that are part of the home building industry.

▶	Sustainability Pillars
▶	Sustainability Targets
▶	TCFD
▶	SASB

International Women's Day

International Women's Day (IWD) celebrates the social, economic, cultural and political achievements of women, whilst calling for continued progress on gender equality. We embraced the official campaign theme 'Give to Gain' for International Women's Day, a powerful reminder that when we support one another, share openly and champion fairness, everyone benefits.

This theme aligns directly with our EDI Policy and our EDI Strategy – Environment Pillar, which commits us to creating a workplace where people feel included, supported and able to be their whole selves. IWD allows us to celebrate the strength that comes from our differences whilst reaffirming the collective role we all play in building a culture where everyone can thrive.

Recognising IWD aligns with our EDI strategy, helping us improve representation in under-represented areas such as apprenticeships and site roles. We've seen:

- A 233% increase in women joining apprentice roles over the last five years.
- Approximately 100% increase in women entering site-based roles over the same period.

Despite this progress, women represent only one-third of our workforce, so ongoing visibility, engagement and attraction efforts remain vital.

HBF's Women into Homebuilding programme

We began sponsoring the Women into Homebuilding programme in November 2024. In that time, we have hosted eight women through the programme, with one of these placements now working with us permanently as a Trainee Assistant Site Manager.

Pride Month

Throughout June, we hosted a variety of events in aid of raising awareness and celebrating Pride Month for the LGBTQ+ community, hosting a virtual panel session with the theme #ProudToBelong, regional events and toolbox talks, communications and signposting.



 Charmilla Sango, Quantity Surveyor, and Sophie Partridge, In House Resourcer, at the Leeds Office

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 ten percent of our employees are on 'earn and learn schemes' which includes apprenticeships, trainees and graduates. This year we exceeded that target, with 11% of the workforce in earn and learn roles.

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.



From apprentice to **site leadership**



Niall's story

At 16, Niall Prince joined Gleeson through a Bricklaying Apprenticeship, beginning his career with hands-on training on site. He is now a Trainee Assistant Site Manager in the Midlands at Stoneyford Green, supporting the day-to-day management of a live construction site while continuing his professional development through formal qualifications.

His story reflects Gleeson's commitment to developing talent from within, combining early practical experience with structured progression into leadership.

I wanted to learn a trade and earn at the same time

Niall describes himself as someone who was always more confident with practical work than classroom-based learning, which made an apprenticeship a natural next step. "After speaking to a few people who'd done apprenticeships, I knew it was the route I wanted to take, a chance to learn a trade and earn money at the same time, but there's also an aspect of being able to build something with your own hands that you can take real pride in." He chose bricklaying because he initially believed it would be straightforward, only to quickly discover the level of skill involved.

Real-life experience... it might be the most valuable skill it offered

Looking back, Niall credits his apprenticeship with giving him something that cannot be learned from a textbook: practical judgement. "It's easy to see how things work on paper and in theory, but only when you're hands on do you truly understand how things work," he says. "You also learn tips and tricks which will make your life easier."

He also highlights the behaviours that underpin strong performance on site: "I learnt patience and resilience... working together in teams can sometimes become stressful, but it's being able to be patient with one another and understanding which can build a good team relationship and morale."

A day in the life of a Trainee Assistant Site Manager

Today, his role combines planning, coordination and site oversight. Customer care is also an important part of the role, from logging issues and allocating work to the right trades to keeping customers updated. Alongside this, he supports quality evidence, site presentation and team meetings, helping the site team stay aligned on priorities at the end of each day: "To finish off the day, as a team we would revise where we are at with work on site and book in trades to follow."

First-time quality is more than a term – it's a standard

Quality is a consistent theme throughout Niall's journey, rooted in what he learned as a bricklayer and reinforced in his current role supporting site delivery. "First-time quality to me is more than a term, it's a standard," he says. He links this directly to the customer experience, particularly for first-time buyers: "I can see them being excited but also nervous about whether it lives up to the picture they have envisioned... and as a company... we all aim to try our best to make that dream into a reality."



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

Development supported by people and by opportunity

When asked who has helped him progress, Niall finds it difficult to name just one person. He credits managers, mentors, colleagues and the teams he has worked alongside, describing each experience as a valuable opportunity to learn. "I can hold my hands up and truthfully say that each encounter has helped me to learn or understand something I didn't yet know." He remains committed to formal development alongside on-site experience. Having completed his NVQ Level 4 and first aid training, he is now working towards NVQ Level 5 and is ambitious about what comes next. "I've always been told that in life, if you want to progress, you have to put in the work for it," he says. "The qualification will show that I have the skills, knowledge and competence to progress."

Looking ahead "pressure is a privilege"

Over the next two to three years, Niall wants to build further experience as an Assistant Site Manager and, in his words, be "bold" by aiming for NVQ Level 6 to put himself in a strong position for a future Site Manager role.

His advice to young people considering apprenticeships is straightforward: "I've always been biased towards apprenticeships... the hands-on experience is invaluable... and you get paid, which makes it a win-win. So, the advice I give is to just go for it!" For apprentices who may want to move into management in future, he emphasises confidence and mindset. "Pressure is a privilege, it pushes us towards our goals, and allows you to achieve more than what you and others believed you could."



 Niall Prince and Lizzie Simpson, Site Manager, Stoneyford Green



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

The Career Compass Programme

We have designed a new two-day programme for colleagues who are earlier in their career journey and are looking for early progression guidance. This course allows colleagues the opportunity to assess their development options to better understand if they feel that progression into leadership management roles or into a subject matter expert is their potential chosen career path.

Leadership development programme

In 2026 we launched a refreshed leadership development programme aimed at middle management and future leaders, that now spans a six-month period. The programme is constructed with a launch plus 12 modular days including Non-Executive leadership and management skills, advanced communications, managing challenging interactions, building high performing teams, and project & change management. We are currently delivering the first two cohorts of this programme that includes approximately 15 employees, who have been selected as suitable high-performing and high-potential individuals through the organisational talent mapping sessions.

Sales training

We delivered training to all of our sales teams equipping them with the knowledge to sell our homes in a customer-centric, personalised service. We take the safety of our sales executives very seriously, and delivered Suzy Lamplugh lone worker training to our sales teams, with a member of the Gleeson SHE and IT team attending to take the sales teams through Gleeson-specific safety policy and People Safe technology.



 Site Manager Frank Majer,
Pride in the job winner at Rainsborough Park

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

Gender pay gap

In 2026 our median gender pay gap was 21.1% in favour of men (2025: 21.1% in favour of men). 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'.

Benefits week

In April, we hosted a whole week dedicated to our employees and ensuring they are aware of the benefits that are available to them whilst working at Gleeson, from health and wellbeing to financial support and lifestyle benefits. We spent an entire week hosting events to put a spotlight on the fantastic benefits available to colleagues, sharing useful information and hosting online sessions. A number of our providers attended the week to host sessions including Lex Autolease, AXA Health, Reward Gateway, Healthshield and Scottish Widows. We received incredibly positive feedback from employees across the business about this week and saw an increase in take up with a number of our benefits.

New company car policy

In January 2026, we launched a new Company Car Scheme, designed with Gleeson employees in mind, offering greater choice, improved flexibility, and a strong commitment to sustainability by ensuring there are a wider range of electric vehicles.

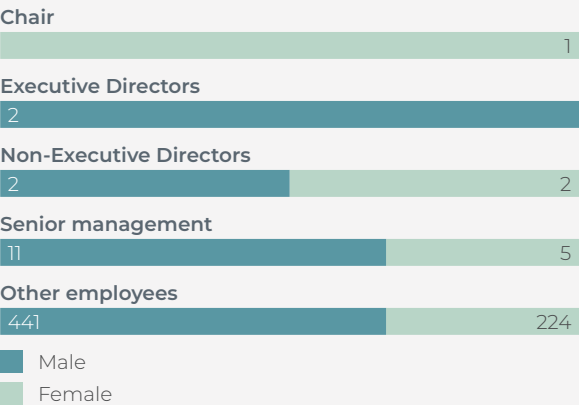
Real living wage

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.

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.

Gender breakdown





Building communities



Right where communities grow

Gleeson's belief is that 'we don't just build homes – we build communities'. In addition to our unwavering commitment to quality and customer service, we have a clear Communities Strategy in the areas in which we build. 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.

- Each development supports 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 link with our business objectives, such as the environment and sustainability, health and wellbeing, skills and training and focusing on challenging and deprived communities.
- We 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 six-point pledge to the community highlights our commitment to building affordable homes on sustainable developments and underpins our engagement with the community.

Our commitment to your community

- 1 Make homeownership affordable**
A working couple, both earning the National Living Wage, can afford to purchase a home on 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.

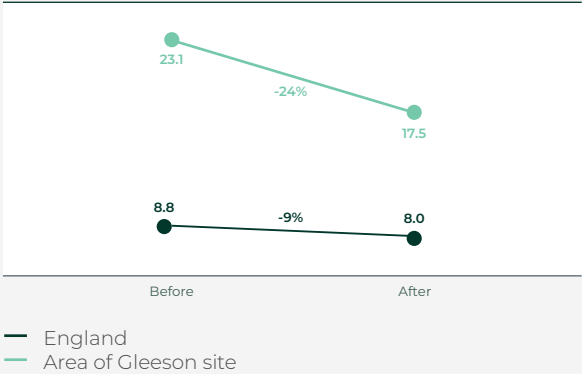
In some of the higher-crime areas in which Gleeson has built homes the crime rate has fallen by 24%. This is 15% more than the 9% average reduction in crime seen across England during the same periods. We achieve this by building homes that local people can afford, and designing security and community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

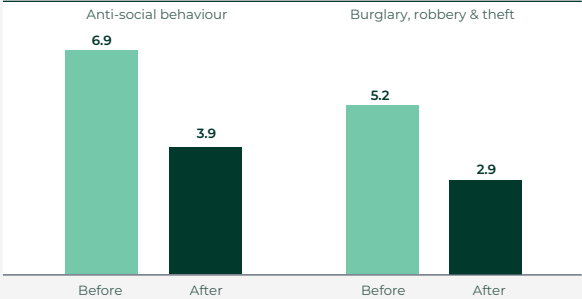
In the year to 30 June 2026, more than three quarters of our homes were sold at a price that a couple on the National Living Wage could afford.

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



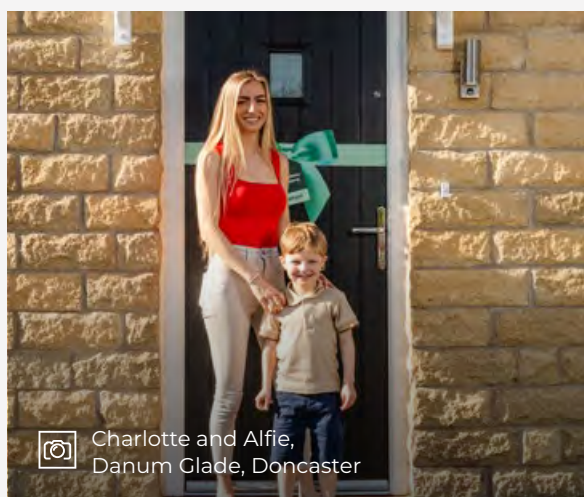
Source: PoliceUK



Moorland View,
Chopwell, Newcastle upon Tyne



Building quality homes



 Charlotte and Alfie,
Danum Glade, Doncaster

Uncompromising quality

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 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 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 2026 shows that only 16% were rated A or B*, whilst 99% of Gleeson homes sold in FY2026 were rated A or B.

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

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 this forms part of our site purchase criteria through benchmarking the open market sales prices of a two-bedroom home. In 2026, 76% of the homes we sold met this affordability criteria.

We offer a number of purchasing options, which 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.

In December we launched our own in-house part exchange offering. Part exchange gives better access to our homes for home-movers, reducing delays arising from chains and removing the stress for the mover of selling their property. There has been a rapid take-up of this offering, with us purchasing 58 part exchange properties in the year and selling 12, with further reservations in the forward order book.



 3 bedroom Lisburn,
Mariners View



Manish, Manisha and Shanaya,
Waterloo Sidings, Leeds, West Yorkshire

Homeownership versus renting

Average rents have increased by 3.3% over the 12 months to June 2026. High rents coupled with a supply and demand mismatch mean an ongoing challenge, particularly for low to middle-income renters, where there is a lack of affordable rental supply.

It remains cheaper to buy than to rent, with an average two-bedroom home costing £193 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 £18 less per week to heat. Buying a new home means lower maintenance costs, with customers able to tailor the property to their preferences.

¹ All mortgage payments based on mortgage payments on 90% LTV, five year fixed, 35 year term at 5.22% (average mortgage from Rightmove) on Gleeson average OMS ASP on last 12 months' completions to June 2026. Rented house new lettings is based on new lettings in June 2026 from OnTheMarket.

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, three of our site managers were honoured with the prestigious NHBC Pride in the Job Quality Award 2026, with Frank Majer at Rainsborough Park, Chris Barker at Bluebell Court and Dave Harris at Middlestone Meadows winning the awards. The Pride in the Job awards demonstrate a commitment to excellence. Pride in the Job, which is currently in its 46th 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.

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.

Delivering five-star build quality and customer 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 take part in the Home Builders Federation (HBF) rating programme which surveys customers both eight weeks and nine months following purchase.
4. We provide all of our customers with access to MyGleeson, our customer care portal.
5. We achieved four-star during the year and are on track to regaining the highest five-star rating this year.



Community Matters



Corporate charity – supporting Zarach, The Children's Bed Charity

Last year, Gleeson formally partnered with Zarach, The Children's Bed Charity, a Leeds-based organisation working to end child bed poverty across the UK. Since the partnership began, fundraising activities across our regions have included a range of initiatives, such as bake sales and regional golf events.

Including the contribution from our Charity Gala, which raised over £50,000, Gleeson has raised a total of £70,151 for the charity. This funding will enable Zarach to provide more than 450 bed bundles to children and families experiencing bed poverty, helping to deliver a safe and comfortable space to sleep.

Our Charity Gala welcomed over 370 guests, including suppliers, subcontractors, agents, solicitors, colleagues and supporters. The event was a significant success, with funds generated through generous donations and a silent auction held on the evening.

East Yorkshire – supporting Hedon & District Men in Sheds

Gleeson Homes is proud to support Hedon & District Men in Sheds with a £500 Community Matters grant, helping the newly established organisation take the next steps towards creating a dedicated community hub for local residents.

Formed in late 2025, Hedon & District Men in Sheds provides a welcoming and inclusive environment where adults can connect, share skills and take part in meaningful activities. The wider Men's Sheds movement has demonstrated significant social value across the UK, offering accessible opportunities for individuals, particularly those at risk of isolation, to build social connections, develop practical skills and enhance overall wellbeing.

Gleeson's funding will contribute towards essential start-up costs, supporting the group as it works to secure its first permanent space and establish a programme of community-led activities designed to bring people together.



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

Focused on People, **Driven by Purpose**



Lincolnshire – supporting Lindsey Lodge Hospice and Healthcare

Gleeson Homes has donated £1,000 to Lindsey Lodge Hospice and Healthcare in Scunthorpe, supporting the charity's vital work providing specialist palliative and end-of-life care to patients and families across North Lincolnshire.

The contribution helps sustain Lindsey Lodge's commitment to delivering free, compassionate care to those living with life-limiting conditions. In addition to end-of-life care, the hospice offers a range of services that promote wellbeing, including symptom management, complementary therapies, family support and bereavement care.

As an independent charity, Lindsey Lodge relies on fundraising and donations, making contributions such as this essential to maintaining its services within the local community.

Tees Valley and Tyne and Wear – supporting grassroots football at Wallington FC

In 2026, Gleeson donated £550 to support Wallington FC, one of the North East's oldest grassroots football clubs, reinforcing our ongoing commitment to the communities in which we build. This contribution will support the club both on and off the pitch, including funding hoarding sponsorship, which Gleeson has committed to for the next three seasons.

The partnership reflects a meaningful local connection, inspired by Keelan, featured on the front cover of our 2024 Annual Report, who lives at a nearby Gleeson development, plays for Wallington FC, and has acted as a valued ambassador throughout his homebuying journey.





First home

From renting to owning, paramedic Melissa finds her perfect first home

At just 29 years old, Melissa, a paramedic working for the NHS, has achieved something many young people dream of, stepping onto the property ladder! After years of renting a small one-bedroom flat with no outdoor space, she decided it was time to invest in a place of her own.

"I was renting a one-bedroom flat for £675 a month," Melissa explained. "It was super cold, and I really don't like the cold! So not only did I want somewhere warmer for the winter, but I also wanted somewhere my money was being invested rather than just disappearing on rent each month."

Melissa made use of Gleeson's Key Worker Scheme and also received a 5% deposit contribution, which she says made homeownership far more achievable. "Affordability was the biggest factor for me," she said. "The deposit contribution allowed me to buy my home comfortably and still keep some savings aside for emergencies. The timing was perfect too, I moved out of my cold flat before the winter months!"

When asked why she chose Gleeson over other developers, Melissa said the decision was straightforward. "Gleeson was the only developer I looked at. I'd heard mixed things about others in the area, but a friend had recommended Gleeson and I was impressed from the start."

Her new home also features an air source heat pump, which she's still getting used to, but has found easy to use. "I always have hot water, and the house warms up well. I'm still learning about the timers, but it's been straightforward so far."

Melissa explains how straightforward the buying process was, thanks to her Sales Executive, Nikkie. "The process was made wonderful by Nikkie," she said. "She kept me up to date throughout, and no request was too big. She was always there to help and found answers so quickly, it made everything much less stressful as a first-time buyer."

Gleeson's sustainable touches haven't gone unnoticed either. "I loved that they gave me a bug hotel when I moved in," she said. "It's a lovely idea, hopefully it keeps the bugs in the garden rather than the house!"



CASE STUDY

Buyer: Melissa, 29

Occupation: Paramedic

Date of purchase: July 2025

Development: Hollinwell Heath,
Kirkby-in-Ashfield

House type: 2 bedroom, semi-detached,
Mayfield

Purchase price: £179,995

Mortgage cost: £733 per month

Scheme and/or offers: 5% deposit
contribution and the Key Worker scheme

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

Buying their **second Gleeson home**



CASE STUDY

Buyers: Brad, 27 and Jess, 26

Occupation: Biodiversity Officer and Animal Behaviour & Welfare Team Leader

Date of purchase: March 2026

Development: Firbeck Fields, Langold

House type: 4 bedroom, detached, Carlow

Purchase price: £279,995

Mortgage cost: £1,225 per month

Scheme and/or offers: Part Exchange with Gleeson

Jess and Brad's Story

Brad and Jess recently made the move into their second Gleeson home at Firbeck Fields in Langold, upsizing just a few doors down from their first home on the same development.

Having originally purchased a two bedroom Mayfield in 2023 for £169,995, the couple fell in love with their home and the community around them. But as life progressed, including getting engaged in 2025, they began thinking about their next step on the property ladder. "We absolutely adored our Mayfield. We loved the estate and really didn't want to leave the area, we just wanted a little bit more space," they explained. "So, when this plot became available, we jumped at the chance."

A key reason the move was so straightforward was thanks to Gleeson's part exchange scheme, which allowed the couple to sell their original Gleeson home to Gleeson for £167,000 and buy their new one without the hassle associated with selling. "We used Gleeson's part exchange scheme, and it made the whole process so easy," Brad and Jess shared. "We didn't have to worry at all about selling our previous home and were free to stay in it right up until completion day. It took away so much stress."

The buying journey itself was another standout part of their experience. "Through both house purchases, Gleeson has been amazing," they said. "Shelly was so incredibly helpful with moving into our Carlow, she really did everything in her power to make our dream a reality."

They've made full use of the wildflower seeds and bug hotel from their welcome pack and love how connected their home feels to nature. "We're both very passionate about wildlife and sustainability, especially with Brad's career being centred around it. It's amazing to see that reflected in where we live. Our plot overlooks a pond which has had a variety of nesting waterfowl over the last year," they explained. "We also see lots of bats and garden birds. Being surrounded by wildlife and open space is something we've always dreamed of, but never thought we'd be able to afford."

"The community here is open and welcoming," they added. "We have a social media group which has been really helpful when moving in, especially to get advice and recommendations from people who've already been through the process."



Escaping the rent trap

CASE STUDY

Buyers: Nuttakitt, 32 and Sakulngoen, 30

Occupation: Procurement & Supply Chain Assistant and Food Preparation Assistant

Date of purchase: February 2026

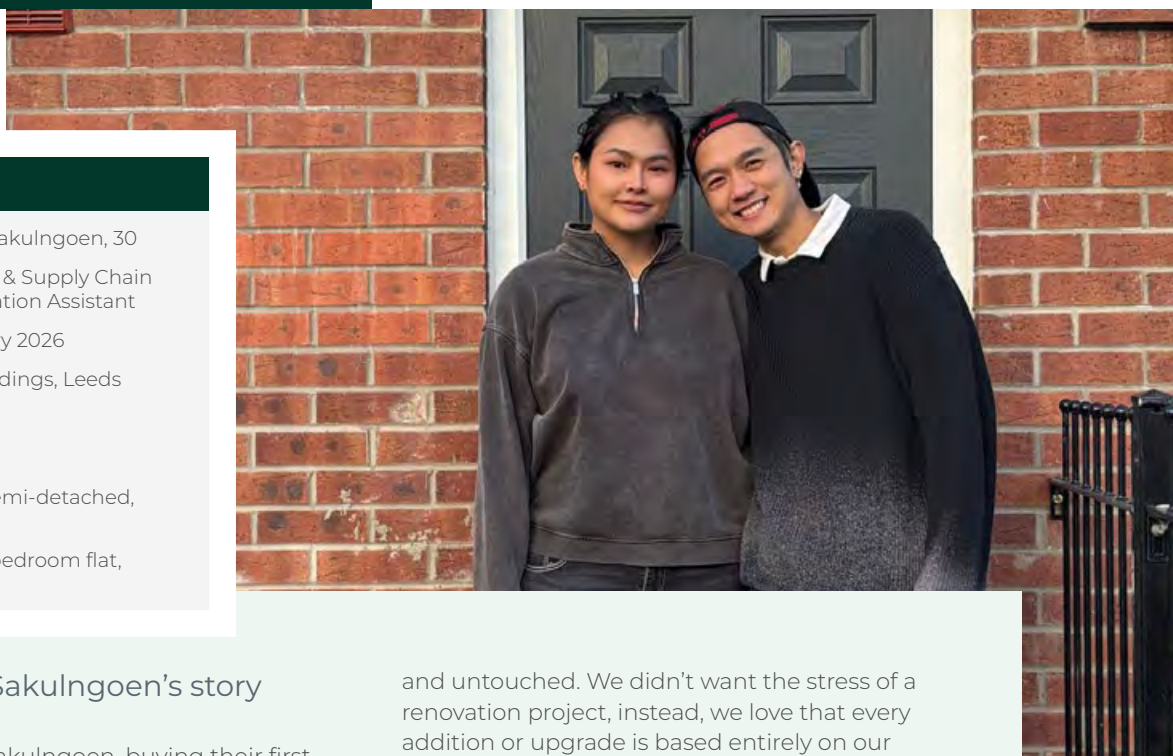
Development: Waterloo Sidings, Leeds

Purchase price: £214,995

Mortgage cost: £703

House type: 3 bedroom, semi-detached, Limerick

Previous rented home: 1 bedroom flat, paying £1,000 pcm



Nuttakitt and Sakulngoen's story

For Nuttakitt and Sakulngoen, buying their first home together was always a priority. Thinking ahead to their future and welcoming their first child together, they were keen to move away from renting and invest in a place they could truly call their own. Previously paying £1,000 per month for a one-bedroom flat, the couple knew that continuing to rent wasn't the right long-term option for them.

"We always saw buying as a priority because it means owning our own home rather than paying towards another person's investment."

The couple chose a semi-detached home at Waterloo Sidings, a more affordable and sustainable option compared to what they were paying in rent for a smaller property. The couple were drawn to Gleeson for its combination of value, accessibility and future potential. "The sales team were very approachable, and the homes provide the perfect amount of space for a growing family."

For Nuttakitt and Sakulngoen, choosing a new build over a second-hand property or renovation project was an easy decision. "We chose a new build because there is something special about everything being brand new

and untouched. We didn't want the stress of a renovation project, instead, we love that every addition or upgrade is based entirely on our own ideas and style. Plus, the financial security is a huge plus, knowing we won't have to worry about maintenance costs because we are fully covered by the NHBC warranty and Gleeson's additional two-year guarantee."

Their journey to homeownership wasn't without its challenges, particularly as foreign nationals navigating the UK system. "Buying a home in the UK can be a complex process. As a foreign national, that challenge is amplified because of the financial scrutiny, it's incredibly strict."

They are already enjoying the benefits of modern living, including their air source heat pump. "Our home features an air source heat pump which is very quiet, easy to use, and consistently heats our home." Located close to key amenities, their new home offers both convenience and community, something that was important to them when choosing where to live.

"After a rollercoaster start, everything finally fell into place, and I was thrilled when I received the keys and was officially the owner of my new home!"

A fresh start in the **right place**

Ian and Susan's story

After more than three decades together, Ian and Susan were ready for a new chapter, one that would bring them closer to family and allow them to embrace retirement fully.

Having spent years living in Buckinghamshire, a family bereavement prompted a shift in perspective. They decided it was time to prioritise what truly mattered. "Life is too short, so we took the bull by the horns and decided to relocate from down south to be nearer to my brother."

The couple chose to move to Petersmiths Park in Ollerton, where they found not just a new home, but a fresh start. Ian and Susan knew they wanted a brand-new property and were immediately drawn to Gleeson. "We wanted a new build property. We loved the area and were very impressed with Alex, the Sales Executive." They chose the Liffey house style, a three-bedroom detached home that stood out to them from the start. "We loved the look and design and the position on the development as well."

Since moving into their new home, Ian and Susan have fully embraced their new lifestyle. "Moving here has enabled us to retire and enjoy life."

They've also been pleasantly surprised by the efficiency of their home. "The energy bills are very affordable, and the air source heat pump has been good, very reasonable to run so far."

Choosing to add those finishing touches to their home, they opted for fitted wardrobes and an additional patio in their garden, small touches that have made a big difference from the moment they moved in.

One of the biggest highlights of their move has been the sense of community they have found at Petersmiths Park. "The community feel is fantastic. We have lovely neighbours and have fitted in really well. We've made friends for life."

Their decision to move closer to family has brought them peace of mind, while the welcoming neighbourhood has helped them feel truly at home. As they approach their first anniversary in their new home, Ian and Susan are already looking forward to celebrating the milestone. "We'll celebrate being here one year in August 2026."

And when it comes to advice for others considering a move, their message is simple: "Go for it!" and they are happily recommending Gleeson to friends and family.

CASE STUDY

Buyers: Ian, 62 and Susan, 56

Occupation: Retired

Date of purchase: August 2025

Development: Petersmiths Park, Ollerton

House type: 3 bedroom, detached, Liffey

Purchase price: £227,000

Mortgage cost: No mortgage





Crafting the future with...

We are committed to reducing our impact on the environment. In the year we have continued to work towards our near-term and net-zero carbon reduction targets, which are 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 through training and professional development.

Near-term and net-zero targets set

During 2025 we received validation of our near-term and net-zero targets from the Science Based Targets initiative (SBTi). The validation of targets by the SBTi was 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.

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.

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.

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

...advanced building solutions

CO₂e to build a Gleeson home

55 tonnes

An average Gleeson home takes 55 tonnes of CO₂e to build – this has risen under building regulations and the Future Homes Standard due to the increase in size of properties, thermal insulation and increased embodied carbon of alternative heating systems. However this is more than offset by the reduction to emissions in use.

CO₂e to live in a Gleeson home

49 tonnes

The average Gleeson home adds 49 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 89 tonnes last year, a 45% reduction, by installing air source heat pumps in 70% of our homes sold this year.

Top 10 CO₂e contributors in the build process

	Tonnes of CO ₂ e	% of total
Cement mortar	7.8	14%
Bricks	4.1	8%
Fuel used on site	3.4	6%
Concrete blocks	3.1	6%
Tarmac/bitumen surfacing	3.0	5%
Ready mix concrete	2.8	5%
Windows and doors	2.5	5%
Radiators	2.0	4%
Cavity wall insulation	0.8	1%
Fibreglass roof materials	0.8	1%
Top 10 contributors	30.3	55%
Other contributors	24.4	45%
Total	54.7	100%

Energy used on site & offices
7%

Other (including waste)
15%

Roads & infrastructure
9%

Roof
4%

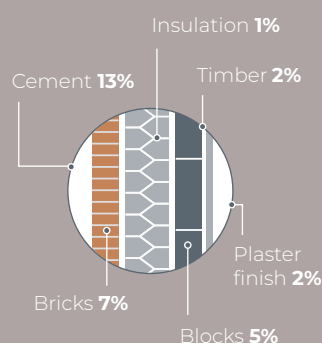
Heating & plumbing
12%

Kitchen & bathrooms
6%

Windows & doors
5%

Foundations and substructure
12%

Internal and external walls
30%





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 on the original baseline as set out on page 65.

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 committed to no deforestation by December 2025. We continue to operate in compliance with this commitment.

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 62 to 64.



Castle Meadows,
Egremont, Cumbria

▷	Sustainability Pillars
▷	Sustainability Targets
▷	TCFD
▷	SASB

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 62 to 64.

For the year, our absolute scope 1 and 2 emissions (excluding FLAG) increased to 4,470 tCO₂e (2025: 3,510 tCO₂e). This is an increase of 27% from the prior year, and 20% from the baseline year. Emissions are higher than the straight-line target of 2,964 tCO₂e, and deviate from our initial forecasts. During the year we have experienced several delays in obtaining grid connections prior to commencing build, which has resulted in a significant increase in generator fuel use. Fuel use for plant and company vehicles remains the largest contributor to our scope 1 emissions. We successfully trialled LPG generators in the year which demonstrated carbon savings of between 47% and 64% versus a diesel generator and provided associated cost savings. LPG also produces less NO_x and SO_x emissions and is significantly quieter for residents and staff. Where generators are required, going forward we plan to only use LPG generators.

We have also increased the availability and uptake of EV company cars, with 79% of company cars now full electric or plug-in hybrid, which has reduced emissions from cars. Our emissions from gas used in plots during the build process has also reduced as a result of air source heat pumps (ASHP) replacing gas boilers, and will continue to reduce further in future years.



Middlestone Meadows,
Spennymore

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 1.289 tCO₂e per m² (2025: 1.831 tCO₂e per m²), a reduction of 30%. This reduction has been achieved mainly through the use of ASHPs, along with other low carbon initiatives. We are tracking below our straight-line target of 1.649 tCO₂e per m².



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.

Our commitment to low-carbon housing is well established. Following the 2021 changes to building regulations, we adopted air source heat pumps (ASHP) as the primary heating and hot water solution across our developments, effectively implementing a self-imposed transition away from gas-fired heating systems ahead of wider industry adoption. This early investment in low-carbon technologies has provided a strong foundation from which to meet future regulatory requirements, while delivering more sustainable, energy-efficient homes for our customers and contributing to the broader decarbonisation objectives of the built environment sector.

This formed a key element of our transition pathway, as ASHPs are approximately 300% efficient compared to a gas boiler which is 90% efficient. As the grid decarbonises the saving from using ASHPs increases. This year we installed 1,381 ASHPs in homes sold compared to 418 last year. This gives a carbon saving of 118,268 tonnes CO₂e over the life of the homes built.



ASHP, The Homesteads,
Goldthorpe, South Yorkshire

Photovoltaic panels and insulation

As the regulatory landscape continues to evolve towards the Future Homes Standard, we are proactively enhancing the fabric performance of our homes to deliver significant improvements in energy efficiency and carbon reduction. A key element of this strategy is the increase in external wall cavity insulation widths, enabling substantially improved thermal performance and reducing overall heat loss. In parallel, we are incorporating appropriately sized photovoltaic (PV) systems and associated renewable energy technologies across our developments to support compliance with emerging Future Homes Standard requirements and further reduce operational energy demands for homeowners.

Energy efficiency and EPC ratings

Our homes are already designed to be highly energy efficient and 98.6% 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 649 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.
- Maintained Gold level of engagement
- Achieved a partner value of £84,930
- Supported subcontractor carbon reduction conference with several of our contractors attending, learning about site fuel/carbon efficiencies and networking

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 continue to try to influence and work with our supply chain partners and 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 influential in supply chain decarbonisation. We conducted a survey among those suppliers who provide products with the highest embodied carbon to determine what is being done to reduce carbon, for example through manufacturing efficiencies and material innovations, and whether they have or intend to align their decarbonisation pathway to a recognised 1.5°C scenario.



Reducing build emissions

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 site 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 roll out the use of LPG generators where required. We will 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.

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 usage 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 have reviewed 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.



Castle Meadows,
Egremont, Cumbria

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 62 to 64. 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		2026 ¹	2025 ¹	2022 ^{1,2} (baseline)
Scope 1 – combustion of fuel	tCO ₂ e	4,064	3,096	3,202
Scope 2 – electricity purchased for own use (market method)*	tCO ₂ e	178	264	234
Scope 2 – electricity purchased for own use (location method)*	tCO ₂ e	406	414	511
Scope 1 and 2 GHG emissions – combustion (market method)	tCO ₂ e	4,242	3,360	3,436
Total Scope 1 and 2 GHG emissions – combustion (location method)	tCO ₂ e	4,470	3,510	3,713
GHG intensity per home sold (location method)	tCO ₂ e	2.27	1.96	1.86
Total Scope 1 and 2 GHG emissions – including FLAG (location method)*	tCO ₂ e	12,458	10,634	11,459
Scope 1 energy consumption	kWh	17,369,820	13,495,346	14,197,513
Scope 2 energy consumption	kWh	3,100,358	2,340,835	2,640,108
Scope 1 and 2 energy consumption*	kWh	20,470,178	15,836,181	16,837,621
Scope 3 (Category 1a: Purchased goods and services – product)	tCO ₂ e	95,956	83,126	87,166
Scope 3 (Category 1b: Purchased goods and services – non-product)	tCO ₂ e	254	207	489
Scope 3 (Category 2: Capital goods)	tCO ₂ e	1,864	821	1,346
Scope 3 (Category 3: Fuel and energy use)	tCO ₂ e	1,334	1,163	935
Scope 3 (Category 4: Upstream transportation and distribution)	tCO ₂ e	703	639	685
Scope 3 (Category 5: Waste generated in operations)	tCO ₂ e	53	48	114
Scope 3 (Category 6: Business travel)	tCO ₂ e	285	423	246
Scope 3 (Category 7: Employee Commuting)	tCO ₂ e	549	599	1,284
Scope 3 (Category 11: Use of sold products)	tCO ₂ e	95,475	159,124	215,145
Scope 3 (Category 12: End-of-life treatment of sold products)	tCO ₂ e	2,158	1,962	2,661
Total Scope 3	tCO ₂ e	198,631	248,112	310,071
Scope 3 – GHG intensity per m² of floor area	tCO ₂ e	1.289	1.831	2.149
Total Scope 3 (including FLAG)*	tCO ₂ e	201,871	251,056	313,354
	tCO ₂ e			
Total Scope 1, 2 and 3 (excluding FLAG)	tCO ₂ e	203,101	251,622	313,784
Total Scope 1, 2 and 3 per m²	tCO ₂ e	1.318	1.857	2.175
Total Scope 1, 2 and 3 per home sold	tCO ₂ e	103.20	140.34	156.89
Scope 1 and 2 FLAG emissions – direct land use change	tCO ₂ e	7,988	7,124	7,746
Scope 3 FLAG emissions	tCO ₂ e	3,240	2,944	3,283
Total FLAG emissions	tCO ₂ e	11,228	10,068	11,029

¹ We engaged Grant Thornton UK LLP to provide independent limited assurance over selected 2026 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.mjgleesonplc.com/sustainability

² 2022 figures have been restated for changes made during the SBTi 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.



Manor Fields,
Pinxton, Derbyshire

This year, we have invested in our environmental and sustainability resource. We have supported our Group Environmental Manager to complete their Practitioner qualification through the Institute of Sustainability and Environmental Professionals (ISEP), the global professional body for anyone working in environment and sustainability. Additionally, we have supported our Group Sustainability Manager to achieve Chartered Environmentalist status (CEnv).

Waste

In the year, we diverted 99.3% (2025: 98.8%) 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.

Whilst we feel that diversion from landfill rates are important and something we will continue to track, reducing waste in the first instance is more important. 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 8,143 tonnes (2025: 7,200 tonnes), a waste intensity of 4.1 tonnes (2025: 4.0 tonnes) per home sold.

Absolute waste has increased by 13%, whilst our waste intensity has increased by 3%.

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 2026, 36% of the homes sold were in areas of high water stress. In total, 40% 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 licensed 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.

WATER CONSUMPTION	2026	2025
Cubic metres of water consumed	63,941	49,716
Cubic metres of water consumed per home sold	32	28
Cubic metres of water consumed per build site	954	654

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.

We continue to install improved water fittings and sanitaryware, providing homes with dual flush toilets, low flow taps, water efficient showers and baths and water meters. As such our homes achieve a water efficiency of between 86 and 94 per litres per person per day. This is significantly 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. Three out of four 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 incorporate 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.

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

Harmonising Design with the **Natural World**

Land case study: Meadow Walk, South Elmsall

A former fireworks factory

Located on Broad Lane, on the outskirts of the former mining village, the Meadow Walk site was previously home to Standard Fireworks, a major manufacturing operation and significant regional employer, particularly for women. Founded in Huddersfield in 1891, the business expanded into South Elmsall in 1950. Following decades of industrial use, UK fireworks production declined, with the business entering receivership in 1998 and manufacturing eventually moving overseas.

A strong case for regeneration

The Broad Lane site subsequently fell vacant in 1995 and remained underutilised for many years, presenting a clear opportunity for regeneration. Gleeson identified the potential to transform this brownfield land into a high-quality residential development, recognising both its strong location within an established community and the demand for affordable housing in the area. Planning permission was secured in 2022 for the redevelopment of the 5.06 acre site into 61 homes, marking a key milestone in bringing the land back into productive use.

Comprehensive and complex land remediation programme

The scheme required a comprehensive programme of site preparation and enabling works prior to construction, including the removal of visible asbestos-containing materials by specialist contractors, the installation of appropriate sulphate-resistant infrastructure and water supply systems, and the importation of clean cover to ensure a minimum of 600mm of suitable material, including topsoil, across landscaped areas. Measures were also implemented to manage ground conditions safely during development, with construction teams adhering to strict health and safety protocols and the use of appropriate personal protective equipment in response to the presence of elevated contaminants.

A sold-out development

Construction commenced in 2022, with the first homes released in 2023 and the first residents moving in during winter 2023. With the site now fully sold out, Meadow Walk is a strong example of Gleeson's ability to unlock industrial brownfield land and create lasting value.



 Meadow Walk,
South Elmsall, West Yorkshire

Sustainability Targets

Progress against our 2026 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 214 (HBF average last three years)

NOT MET

Our AIIR for the year to 30 June 2026 was 465, which is above the HBF three-year average AIIR of 214. This is despite all actions being met and improvements in processes and reporting of incidents and near misses.

2026 ACTIONS	UPDATE	RESULT
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.	The performance parameters benchmark was increased from 85% to 90% and includes senior management follow up, root cause analysis and the close out of actions resulting from the inspection findings.	✓
We will develop and roll out specific HomeSafe campaigns across the Group to provide increased focus on scaffolding, pedestrian and traffic management, and housekeeping.	During the year we have delivered four campaigns across the business, focusing on safe digging (prevention of service strikes), pedestrian and traffic management, scaffolding and housekeeping (slips, trips and falls). Despite this, these remain the higher risk activities due to the dynamic nature of construction sites.	✓
We will provide additional health and wellbeing support by providing medical assessments for all Gleeson telehandler operators.	Medical assessments were provided to all fork lift truck drivers (54) being tested. The majority initially passed their assessment with the remainder successfully passing the assessment with further occupational health and safety support and assessments.	✓
We will implement a revised drug and alcohol policy and, throughout the year, undertake random drug and alcohol testing across 10% of the workforce.	14% of employees and contractors have been randomly tested with 1.29% (two individuals) being found to be unfit through drugs or alcohol. Additionally, we have undertaken "just cause" testing where four individuals tested positive for drugs or alcohol. "Just cause" is where we suspect that a person is unfit through drink or drugs and we instruct our independent tester to attend the site and undertake testing. This demonstrates that we take a zero-tolerance approach to employees or contractors being unfit through drink or drugs.	✓
We will deliver an enhanced environmental auditing process utilising our Safety Culture platform, which will help in reducing risk and ensuring compliance with environmental policies and procedures.	Our Group Environmental Manager reviewed and updated our environmental audit process and programme. Aligning with the environmental legal register, all regions have been audited with any non-conformances or opportunities for improvement being included in weekly SHE reports.	✓
All Gleeson Homes Executive Leadership Team members will complete CITB Director's Role for H&S training.	Our planned CITB training was replaced by enhanced, bespoke training for the Senior Leadership Team covering health and safety, and environmental legislative areas, enforcement and penalties focused on the construction sector with investigation of mock breach scenarios and role playing to further emphasise the potential severity of SHE issues.	✓

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

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)

MET

We closed out the 2024/2025 HBF year at 3.99 (four-star). The 2025/2026 year is currently tracking at 4.20 (five-star). We cannot report a directly comparable HBF score, as the HBF reporting year of March to February differs to our financial year of July to June.

2026 ACTIONS	UPDATE	RESULT
We will update and deliver refresher training on “Customer First”, our internal guide to delivering a five-star customer experience, to all key build, sales and customer care staff.	“Customer First” training has been provided to all key build, sales and customer care staff. Our customer journey continues to evolve in line with our customer service model. As such, training and continuous improvement are very much ongoing.	✓
Review the Group’s “Customer Care” model and processes to free up site time to deliver high quality of build.	The customer care roadmap has been completed and we are currently transitioning to the new model. This is planned to “go live” in the new financial year.	✓
We will achieve 80% of defects closed out within 30 days.	We closed the year out at 77% for all defects. This is an improvement on last year but still short of 80%. This is due to rectifying older defects. Unfortunately the nature of some defects naturally results in some defects taking longer than 30 days, for example, damage to windows, doors, kitchen and bathroom fittings could take longer to receive replacements from our suppliers. Our average close out of all defects is actually 22 days.	✗
We will deliver incentive schemes to include HBF response rates as a criterion and maximise happy customer response rates.	A revised incentive scheme was delivered to help drive improved customer response and service.	✓

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

MET

2026 ACTIONS	UPDATE	RESULT
We will maintain four stars on Glassdoor employer ratings.	Our Glassdoor rating has remained consistently above four stars throughout the year and we finished the year at 4.2 stars, albeit a slight decline from 2025 (4.4 stars). Whilst this is disappointing, it is still a very strong performance.	✓
We will achieve a voluntary staff turnover rate of less than the industry average (22%).	We have improved engagement across the business to understand and address any issues raised, however the business has undergone structural changes within the year. Our voluntary attrition rate for the year was 24.9% which we feel is a result of the changes.	✗
More than 10% of roles in the workforce will be apprenticeships, trainees or graduates.	During the year, Gleeson had 11.3% 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.	Despite the strong presence of learning and development across the business, we have fallen short of our target by 0.6 days providing 2.4 days per employee during the year which helps to upskill and retain talent.	✗
We will continue to deliver a comprehensive campaign and implement a working group to improve financial, physical, mental and workplace wellbeing.	During the year, we have undertaken various initiatives including Women’s Health Breast Cancer Awareness & Menopause training, and Men’s Mental Health “Movember”. We have undertaken domestic abuse awareness training and appointed Domestic Abuse Champions.	✓

Sustainability **Targets** continued

Progress against our 2026 improvement targets

We will reduce scope 3 emissions by >20% over the next three years to 1.393 tCO₂e per m² of floor area of homes sold by FY2028

**ON
TRACK**

Currently on track to achieve 1.393 or below by FY2028

2026 ACTIONS	UPDATE	RESULT
We will reduce waste intensity by 10% per m² of notional/equivalent completions.	We increased our waste intensity by 3% resulting in 0.05 tonnes per m ² (4.1 tonnes per home sold) (2025: 4.0 tonnes per home sold, 0.05 tonnes per m ²), missing this target.	
We will deliver a waste and resource management programme throughout the year to optimise waste and increase recycling.	We have been working with our waste service provider to improve segregation and identify opportunities for recycling. We have undertaken waste 'tip' audits to evaluate the extent of segregation. Waste training has been provided across all regions and we have reduced "wasted journeys" and cross contamination. Waste continues to be a significant risk and impact and we continue to evolve our waste programme.	
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.	The trial showed carbon savings of between 47% and 64% versus a diesel generator and provided associated cost savings. LPG also produces less NOx and SOx emissions and is significantly quieter for residents and staff. Our preferred option would always be to have earliest possible electric supply, however where we do need generators, all future generators will be LPG.	
We will deliver 250 hours of sustainability-themed training throughout the year.	During the year we have provided 273 hours of sustainability-themed training including spills, waste, water management and wider environmental management training. Our Senior Management Team have also attended health, safety and environmental risk and awareness training.	
We will undertake a site-based environmental risk campaign to reinforce early risk identification and risk management/mitigation (graphics campaign and learning sessions).	Whilst a number of initiatives have been delivered and learning sessions provided, we have not undertaken the graphics campaign. We did provide a campaign raising the awareness of site diesel use, highlighting the need for route optimisation, not leaving plant idling unnecessary and reducing speed on site.	
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.	Three of our top ten groundworkers are Bronze members of the Supply Chain Sustainability School. We have struggled to gain buy-in from our groundworkers, something which is echoed by the School itself. We will continue to engage with our groundworkers and review whether this method of engagement is the most appropriate.	

For FY2027, our sustainability targets are incorporated into our bonus and internal targets, with carbon related targets being aligned to the SBTi as set out in the Environment section.



Charlotte and Alfie,
Danum Glade Doncaster, South Yorkshire

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.

Additional assurance over GHG disclosures has been obtained over the 2022 baseline year and our 2026 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 136 to 144.

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.

For more information on the Board of Directors, refer to pages 104 to 105.

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 78 and 79.

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 Moderate	The risk term is aligned to the majority of climate-related frameworks, in particular the Science Based Targets initiative (SBTi). The impact represents annual impact on profits and 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 30 to 35. Impact is combined with likelihood to give an overall risk score. Impact values reflect annual impact on profit.
Medium term: 4–10 years	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 and Future Homes Standard impacts 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 174 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 as a result of climate change.

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.

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

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 172 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 112. 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 2029.

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 35.

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 30. 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	MITIGATING ACTIONS	RISK RATING/ TIMEFRAME
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.	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
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.	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
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.	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

Key – Risk rating

L Low

M Medium

H High

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

RISK	SCENARIO ANALYSIS	MITIGATING ACTIONS	RISK RATING/ TIMEFRAME
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: £5m – £10m 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.	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
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.	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
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.	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.

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

OPPORTUNITY	CATEGORY	TIMEFRAME	ACTIONS
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	Our development of long-term carbon reduction targets validated by the Science Based Targets initiative will support our reputation as a sustainable business. This is important to our stakeholders and may also be an opportunity to obtain more competitive loans linked to sustainability covenants.

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 58 to 69, 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 82 to 86.

We set climate-related targets, and had our near-term and net-zero targets validated by the SBTi which we will report against in future periods. Progress against our climate-related targets and near-term and net-zero targets are set out on page 58.

Sustainability Accounting Standards Board (SASB)

Land use and ecological impacts

CODE/SASB CRITERIA	OUR APPROACH
IF-HB-160a.1 Number of (1) lots and (2) homes delivered on redevelopment sites	In the year to 30 June 2026, we added 275 (2025: 1,259) brownfield land plots to our land pipeline. This accounted for 19% (2025: 30%) of plots acquired in the year. The total number of brownfield plots held at 30 June 2026 was 4,336 (29%) (2025: 6,401, 33%). In the year to 30 June 2026, we had 793 (2025: 704) home sales on brownfield sites. This accounted for 40% (2025: 39%) 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 2026, we acquired 1,176 plots in regions of serious water stress. This accounted for 81% of plots acquired in the year (2025: 1,297 plots, 31%). The total number of plots in areas of serious water stress at 30 June 2026 was 6,039, 40% of the pipeline (2025: 7,242, 37%). In the year to 30 June 2026, we had 713 (2025: 920) home sales in areas of serious water stress. This accounted for 36% (2025: 51%) 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 did not incur any 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. 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.

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

CODE/SASB CRITERIA OUR APPROACH

IF-HB-160a.4

continued

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 and 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.

We also have a number of initiatives ongoing in order to reduce the environmental impact of our sites, with further details on pages 62 to 64.

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 465 in 2026 (2025: 240). The industry average for the house building sector was 239 (2025: 222) (Source: Home Builders Federation). In the year we reported eight RIDDOR incidents (2025: four RIDDOR incidents). Further details are set out on page 70. 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, 98.6% achieve an EPC rating of B or higher due to efficient design and build characteristics in each of our standardised house types (2025: 96.1%).
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 sanitaryware and fittings to be used throughout the homes has been modified to suit this requirement. This is 20% 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.
IF-HB-410a.3 Number of homes delivered certified to a third-party multi-attribute green building standard	All of our homes are designed and constructed in accordance with UK building regulations, which include mandatory requirements relating to energy efficiency, carbon emissions, and water consumption, as referenced in criteria IF-HB-410a.1 and IF-HB-410a.2. Whilst recognised third-party sustainability certification schemes such as BREEAM, Home Quality Mark and Passivhaus are available within the UK residential sector, these are not widely adopted across mainstream volume housebuilding. Instead, sustainability performance is principally assessed through compliance with building regulations and associated standards. The former Code for Sustainable Homes was withdrawn by the UK Government in 2015, with its key sustainability requirements subsequently incorporated into building regulations and national planning policy. As a result, the Company does not currently certify homes against a third-party residential sustainability standard but delivers homes that comply with all applicable regulatory requirements, which are now broadly in line with the principles of enhanced standards previously implemented.

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

CODE/SASB 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 adopt a fabric-first approach, combining efficient house type design with enhanced building fabric and low-carbon technologies to reduce energy demand of our homes. Energy assessments are undertaken for each plot on every development to ensure compliance with current regulations and to optimise the performance of each home. Testing, certification, and quality assurance processes are implemented throughout construction to help ensure that homes are built to the required thermal performance standards, reducing heat loss and improving overall energy efficiency.

To support the transition towards lower-carbon homes and align with future regulatory requirements, our homes incorporate a range of resource-efficient measures, including:

- Air source heat pumps and hot water cylinders
- Enhanced insulation and thermal detailing
- Air permeability standards of four or better
- Decentralised mechanical ventilation system designed to maintain indoor air quality
- Photovoltaic/solar panels where required (these are a functional requirement of the Future Homes Standard; use will increase exponentially over the coming years).

The incorporation of resource-efficient technologies presents a number of opportunities, including reduced operational carbon emissions, improved comfort levels, and future resilience to changing energy regulations. Resource-efficient design also supports our ambition to deliver affordable, high-quality homes that are fit for the future. Potential risks include increased capital costs, evolving regulatory requirements, supply chain constraints, emerging technology performance, and the need to ensure that products and systems are both buildable and easily understood by homeowners. These risks are managed through ongoing product evaluation, collaboration with specialist consultants and manufacturers, customer feedback, and regular reviews of emerging legislation and industry best practice.

As part of our move towards all-electric homes, gas boilers have been removed from our standard specification and replaced with low-carbon heat pumps. This transition, together with the introduction of solar PV systems and enhanced fabric standards for the forthcoming Future Homes Standards, will help further reduce operational energy demand and prepare our homes for a zero-carbon future. We continue to review new products, construction methods and material specifications that can improve resource efficiency whilst maintaining affordability. Where practicable, lower-carbon and responsibly sourced materials are incorporated into our specifications to help reduce the environmental impact of construction.

The benefits of these measures are communicated to customers through the sales process, home demonstrations, Energy Performance Certificates (EPCs), homeowner handbooks, customer care information, and digital guidance materials. These resources help customers understand how their home operates, how to use installed technologies effectively, and how they can maximise energy efficiency and minimise running costs throughout the life of their home.

Sustainability Accounting Standards Board (SASB) continued

Community impact of new developments

CODE/SASB 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 2026, 84% of our developments were infill sites (2025: 84%). In the year to 30 June 2026, we completed the sale of 1,729 (2025: 1,634) homes on infill sites representing 88% (2025: 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 1,968 homes on such developments in the year to 30 June 2026 (2025: 1,793 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".

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

Climate change adaptation

CODE/SASB CRITERIA	OUR APPROACH
IF-HB-420a.1 Number of lots located in 100-year flood zones	In the year to 30 June 2026, we acquired 196 plots in regions within flood zone 3. This accounted for 14% of plots acquired in the year (2025: 473 plots acquired, 11% of plots acquired). The total number of pipeline plots within areas of flood zone 3 at 30 June 2026 was 2,474 (17%) (2025: 3,243 pipeline plots, 17% of total pipeline). In the year to 30 June 2026, we had 303 home sales within areas of flood zone 3. This accounted for 15% of our total annual completions (2025: 333 home sales, 19% 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.
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 35. 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 74 to 81.

Activity metrics

CODE/SASB CRITERIA	OUR APPROACH
IF-HB-000.A Number of controlled lots	At 30 June 2026, our owned land pipeline stood at 7,218 plots (2025: 7,511 plots).
IF-HB-000.B Number of homes delivered	In the year to 30 June 2026, we completed 1,968 homes (2025: 1,793 homes). Notes: Completions mean all legally completed sales to customers during the year and equivalent units under partnership contracts.
IF-HB-000.C Number of active selling communities	In the year to 30 June 2026, we were actively selling from an average of 57 sales sites (2025: 63 active sales sites). Notes: Active sales sites are sites which are actively selling homes and with at least five homes remaining to sell.

Stakeholder Engagement and Section 172 Statement

Considering the needs of our stakeholders is key to our business model, and is fundamental to effective Board Decision-making and the long-term success of the Group. It enables the Board to understand the views, priorities and concerns of those affected by the business, to respond to evolving expectations, and to take these perspectives into account when promoting the sustainable success of the Group for the benefit of its members as a whole.

Section 172 Statement

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

Section 172(1) of the Companies Act requires the directors of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole.

In doing this, s.172(1) requires a director to have regard, amongst other matters, to the:

- likely consequences of any decision in the long term;
- interests of the company's employees;

- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct; and
- need to act fairly as between members of the company.

For the year-ended 30 June 2026, the Board of Directors of MJ Gleeson plc consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole.

Section 172 disclosure

SECTION 172 PRINCIPLE	HOW THE BOARD CONSIDERED IT	PAGE	SECTION 172 PRINCIPLE	HOW THE BOARD CONSIDERED IT	PAGE
A. Likely consequences of any decision in the long term	■ Our business model	18	D. The impact of the company's operations on the community and the environment	■ Our business model	18
	■ Our engagement with stakeholders	91 to 93		■ Our engagement with stakeholders	91 to 93
	■ Our commitment on sustainability	36		■ Our commitment on sustainability	70
	■ Our approach to risk management	30 to 35		■ Sustainability Committee Report	126
B. The interests of the company's employees	■ Our engagement with stakeholders	91	E. The desirability of the company maintaining a reputation for high standards of business conduct	■ Our business model	18
	■ Our values and culture	39 to 43		■ Our approach to risk management	30 to 35
	■ Our health and safety culture	38		■ Our KPIs	24
C. The need to foster the company's business relationships with suppliers, customers and others	■ Our business model	18		■ Audit Committee Report	118
	■ Our engagement with stakeholders	89 to 95		■ Directors' Report	144
	■ Our business strategy	22	F. The need to act fairly as between members of the company	■ Our business model	18
				■ Our engagement with stakeholders	90
				■ Directors' Report	144
				■ Remuneration Committee Report	130

Board decision-making

Effective engagement improves Board decision-making as it enables the Board to understand stakeholder priorities and concerns before decisions are made, to test whether proposed actions are aligned with our purpose and strategic objectives and balance short-term decisions with medium and long-term strategies.

The Board therefore takes stakeholder perspectives into account in our discussions and decision-making.

Major decisions of the Board

CASE STUDY

Section 172 Decision Making in Practice

Decision: Approval of organisational changes through the implementation of Project Transform.

Context

During the year, the Board reviewed the Group's short and medium-term strategy in light of prevailing market conditions and operational priorities. As part of this review, the Board worked closely with senior management and external advisers to assess opportunities to strengthen the operating model through Project Transform.

The review identified an opportunity to reshape the way regional teams operate. This included transferring responsibility for managing defects from site teams to dedicated regional customer care teams and investing in the people, processes and systems required to improve the consistency and quality of after-sales service.

Stakeholder considerations

Customers

Customers remain central to the Group's purpose and strategy. In reaching its decision, the Board considered the limitations of the existing approach to defect management and its alignment with the Company's strategic objectives. The Board concluded that increasing resources within regional customer care teams, supported by more effective defect-management systems and processes, would improve the timeliness, consistency and overall quality of service provided to customers.

Employees

The Group's performance depends on the commitment and expertise of its employees. The Board considered that transferring the administration of defects to dedicated customer care teams would enable site teams to focus more effectively on construction delivery, while providing clearer accountability and appropriate support for after-sales matters. The changes were also expected to strengthen employees' sense of purpose, reduce avoidable complaints and support a more effective working environment.

Shareholders and other stakeholders

In considering the Company's medium-term strategy, the Board recognised the importance of investing in both build delivery and after-sales care. The revised regional operating model is intended to support more efficient construction, improve customer outcomes and strengthen the Company's ability to deliver sustainable long-term value for shareholders and its wider stakeholders.

Strategic partners

As the Company continues to strengthen its relationships with key strategic partners, the timely delivery of high-quality homes and prompt resolution of defects remains ever critical. The Board recognised that the organisational changes would enhance accountability, improve the consistency and responsiveness of defect management, and better position the Company to meet the expectations of its strategic partners.

Stakeholder Engagement and Section 172 Statement continued

Key Stakeholders and Engagement Outcomes

How We Engage

The Board undertakes a proportionate level of engagement with relevant stakeholders and, in its decision-making, has had regard to the feedback and responses arising from that engagement, together with the need to maintain a reputation for high standards of business conduct and to act fairly between the members of the Company.

Our Shareholders, Investors, Analysts and Advisors

We believe that engaging with our shareholders and encouraging open, meaningful dialogue is important in helping the Company and its shareholders understand each other.

How we engage Throughout the year, the Chief Executive Officer and Chief Financial Officer had the opportunity to meet with some of the Group's investors and analysts at a number of presentations, group and one-to-one meetings. Formal roadshows are hosted twice-annually to present the Group's full and half-year results. These roadshows help investors develop a better understanding of the business, whilst also providing the Executive Directors with insight into the matters that are most important to the market. The Chair, Senior Independent Director and other Non-Executive Directors invite major shareholders to meetings to discuss strategy and shareholder priorities, helping to strengthen relationships, improve mutual understanding and ensure the Board remains informed of investor views. The whole Board attends the AGM as an important opportunity to engage directly with shareholders, listen to their views and address any questions they raise in an open and transparent manner.	Topics raised from engagement ■ Government policy ■ Market conditions ■ Land pipeline ■ Growth strategy ■ Project Transform Key outcomes All resolutions put to shareholders at the 2025 AGM were passed with over 90% of votes in favour. A continued commitment to transparent and timely disclosure to the market, reinforcing trust in the Company's governance and strategy, and helping to ensure that investor feedback is appropriately reflected in our communications.
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Our People

Our people are our greatest asset. We believe they play a central role in delivering excellent service to our customers and helping us achieve our objectives.

How we engage

The Non-Executive Directors attend the Gleeson Homes regional roadshows, giving them the opportunity to engage directly with employees, hear their perspectives and gain a better understanding of regional operations, priorities and challenge.

Board meetings are held in regional locations and incorporate site visits, with locations rotated annually to give Directors the opportunity to meet regional management teams, see operations first-hand and build a broader understanding of the business.

In the year the Board visited Gleeson Land's Aylesbury development and received a half-day presentation from the management team, enabling Directors to see the site first-hand, gain a deeper understanding of the business's operations and strategic priorities, and engage directly with management on the opportunities and challenges facing the development.

Topics raised from engagement

- Project Transform
- Regional management autonomy
- Pay and benefits
- Growth and strategy
- Market challenges
- Health and safety in build

Key outcomes

Greater visibility of employee views, particularly on the Project Transform changes and the impact these have had on operations and regional autonomy.

A deeper understanding of Gleeson Homes' development sites, including first-hand insight into the positive impact of investment in welfare facilities, as well as how our product has evolved to reflect the needs of the markets in which we operate.

Our Customers

Our customers are central to our business. By engaging with customers directly we gain insights into the challenges they face, allowing us to evolve our product and services to meet their needs.

How we engage

We engage with customers on an ongoing basis through digital channels enabling us to respond quickly to enquiries, share timely information and gain direct insight into customer views and experience. This helps us monitor customer satisfaction and support the customer journey by identifying areas for improvement.

All enquiries submitted through the website are passed directly to our sales teams, who then make direct contact with customers to begin their homeownership journey with us.

Independent surveys are issued to customers eight weeks and nine months after completion in order to obtain feedback and satisfaction ratings in relation to the sales process, build quality and after-sales service. Constructive feedback is used to inform the ongoing development of our products and services.

Topics raised from engagement

- Customer service
- Sales journey
- Our product and quality
- NHQC

Key outcomes

A clearer understanding of our customers' expectations in relation to after-sales service which led to a restructure of our customer service function, with additional resources allocated to regional office teams to help ensure defects are addressed in a more expedient and efficient manner.

Achieving four-star housebuilder status under the HBF's customer satisfaction ratings and on-track towards five-star.

Stakeholder Engagement and Section 172 Statement continued

Our Suppliers and Subcontractors

A reliable and sustainable supply chain is critical to our success. We are committed to building long-term relationships with our supply chain that provide resilience and support through periods of market volatility.

How we engage

The Group procurement team hold quarterly meetings with all suppliers and subcontractors on Group purchasing agreements, providing a forum to monitor performance, discuss market conditions and collaborate on cost, quality and innovation.

We undertake site visits to manufacturers and suppliers to gain first-hand insight into production processes, capacity and quality standards. These visits help us identify risks early, reinforce compliance and promote best practice across the supply chain.

Group Procurement actively engage in industry events (i.e. conferences and exhibitions) to stay informed of emerging trends, new products and innovations. This enables us to bring forward-thinking solutions into the business and deepen relationships across our supplier and subcontract network.

Topics raised from engagement

- Market conditions and cost pressures
- Building regulation changes and impacts
- Programme, capacity and resourcing
- Product quality and performance
- Health, safety and compliance
- Sustainability and environmental considerations
- Innovation and new product development

Key outcomes

Improved visibility of supplier performance, capacity and market dynamics enables more informed procurement decisions and stronger operational resilience, which is particularly pertinent in a challenging and competitive market as it allows the Group to respond more effectively to market volatility.

Stronger, more collaborative relationships with strategic suppliers and subcontractors supports the early identification of risks and opportunities across the supply chain. It allows us to build a better, more reliable supply chain and drive value through cost savings and rebates.

Our Partners

Our partners play an increasingly important role as we continue to grow our partnerships business. It is therefore important that we build long-term relationships that support the sustainable success of the business.

How we engage

We engage regularly with housing associations to discuss funding and partnership opportunities, helping us to understand their priorities, identify opportunities for collaboration and support the delivery of homes that meet local housing needs.

We host regional open days for existing and prospective partners, attended by senior management, providing an opportunity to build relationships, showcase our operations and capabilities, and develop a better understanding of partner priorities and opportunities for collaboration.

Our senior management attend industry events such as UKREiIF, the Single Family Housing UK Conference and Housing 2026, enabling us to build relationships with existing and prospective partners, including housing associations and single family housing providers, stay informed of market trends and policy developments, and identify opportunities that support the delivery of homes that meet local housing needs.

Topics raised from engagement

- Government policy
- Funding options and availability
- Partnerships opportunities
- Land pipeline

Key outcomes

Improved clarity on housing association funding priorities has enabled earlier alignment on tenure mix and more efficient deal structuring, accelerating legal negotiations.

Strengthened partner relationships through ongoing engagement and events have increased confidence in Gleeson's delivery and expanded the active partnerships pipeline.

Local Authorities, Government and Regulators

We engage regularly with local authorities, government bodies and regulators, as their policies, guidance and decisions shape the framework within which we operate and influence how and where we acquire, promote and develop land.

How we engage

Our senior management hold meetings with local planning authorities and councillors in the areas where we operate, enabling us to build constructive relationships, understand local priorities and planning considerations, and help ensure our proposals are informed, aligned and capable of delivering sustainable development.

Through both Gleeson Homes and Gleeson Land, we respond to local policy guidance consultations and submit representations on Local Plans, helping to ensure that our views are considered in the development of planning policy.

We host visits by MPs and MHCLG representatives to our development sites, providing an opportunity to demonstrate first-hand the quality of our developments, the needs of our customers and communities, and the practical impact of government policy on delivery across the sector.

Senior management attend various HBF and other industry or government working groups, including technical, design, IT and legal forums, enabling us to contribute to industry discussions and keep abreast of developments.

Topics raised from engagement

- Government policy
- Local planning policy
- Industry headwinds
- Land pipeline
- Future regulatory developments and industry standards

Key outcomes

Through early consultation with The Future Homes Hub, we have helped shape emerging sustainability-related regulation and used the insights gained to model the financial impact of future regulatory changes, incorporating these into our land appraisals.

Engagement with the Prime Minister's policy delivery team provided an opportunity to highlight the challenges facing the industry, particularly in relation to affordable housing, and to demonstrate the financial impact on a typical Gleeson home and development. This resulted in government officials requesting further case study evidence, helping to inform policy discussions with direct insight from the sector.

Stakeholder Engagement and Section 172 Statement continued

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



Top issues

- Affordability
- Build quality
- Energy efficiency

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 People



Top issues

- Health and safety
- Recognition and reward
- Career development

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.

Communities



Top issues

- Land use
- Build quality and design
- Affordability

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



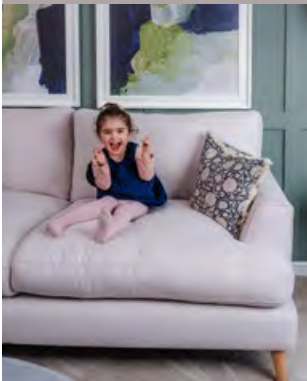
Top issues

- Land use
- Affordability
- Environment

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.

Future Generations



Top issues

- Carbon emissions
- Biodiversity
- Affordability

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.

Shareholders and Banks



Top issues

- Profitability
- Strong balance sheet
- Sustainability

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.

Government and Regulators



Top issues

- Health and safety
- Planning regulations
- Tax and compliance

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.

Suppliers and Subcontractors



Top issues

- Health and safety
- Timely payment
- Clear communication

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.

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	Pages 39 to 47
	Anti-Harassment and Bullying Policy, Health and Safety Policy, Equal Opportunities Policy	www.mjgleesonplc.com
	Approach to employee relations and the involvement of our Workforce Representative	Page 132
	Health and safety reporting and improving the safety and welfare of colleagues and visitors to our sites and offices	Pages 38 and 70
	Commitment to employing local people, training and developing all of our colleagues, especially apprentices, raising awareness about mental health and promoting women in construction	Pages 39 to 47
	Gender pay reporting	Page 47
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	Page 123
	Approach to anti-bribery and corruption	Page 123
	Anti-Bribery Policy, Anti-Money Laundering Policy and Corporate Criminal Offence Policy	www.mjgleesonplc.com
	Reporting of registers of gifts and hospitality given or received by Directors and employees of the Group	Page 123
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	Page 124 and www.mjgleesonplc.com
	Payment terms and performance in relation to payment practices	gov.uk and www.mjgleesonplc.com
	Accredited by the Real Living Wage Foundation, paying employees the Real Living Wage or higher, and expecting our subcontractors to do the same	Pages 47 and 132
	Data Protection Policy	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	Pages 58 to 65
	Reporting against Science Based Targets	Pages 58 to 61
	Focus on more efficient and more sustainable materials	Pages 62 to 64
	Sustainable Procurement Policy, Timber Sourcing Policy Climate and Environmental Policy, Waste Policy, Packaging Policy	www.mjgleesonplc.com
	Investment in the communities, schools and areas in which we operate	Pages 48 to 57
	Biodiversity Policy	Page 68
Other information Additional non-financial information required under the Companies Act.	Our Business Model	Pages 18 to 19
	Principal risks affecting the Group and mitigating actions undertaken	Pages 30 to 35
	Sustainability and operational key performance indicators	Pages 24 to 25
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	Pages 22 to 23
	Risk Management	Pages 30 to 35
	Task Force on Climate-related Financial Disclosures statement (TCFD)	Pages 74 to 81
	Sustainability Committee Report	Pages 82 to 86

Strategic Report approval statement

The Strategic Report, contained in pages 01 to 97 has been approved by the Board of Directors and is signed on its behalf by:

Graham Prothero
Chief Executive Officer

14 September 2026

Corporate Governance



Poppy Fields,
Horncastle, Lincolnshire



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Chair's Introduction



“

I am immensely proud of the resilience our colleagues have demonstrated in navigating a challenging year for both the Group and the sector.”

Fiona Goldsmith

CHAIR

I am pleased to introduce our Governance Report for the year ended 30 June 2026, 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 the delivery of long-term sustainable success for the benefit of our stakeholders.

Governance best practice

Delivering our mission across both Gleeson Homes and Gleeson Land remains central to the Group's purpose. During the year, the Board has maintained a clear focus on strengthening the governance framework to support the delivery of the Group's strategy and its responsibilities to stakeholders. The Board recognises that effective governance depends on a culture of open and constructive dialogue, underpinned by mutual trust and respect, and I am pleased to say that these principles continue to shape Board discussions and interactions.

Board changes

There has been one change to the composition of the Board during the year. Keith Adey joined the Board on 1 January 2026 in his first Non-Executive Director position, following a successful executive career in finance, most recently as CFO of Bellway plc. Keith was appointed Chair of the Audit Committee, as well as a member of the Remuneration and Nomination Committees.

Our commitment to engaging with stakeholders

The Board recognises the importance of maintaining open and constructive dialogue with shareholders and values regular engagement as an essential part of effective governance. Board members and executives regularly engage with institutional shareholders, investors and market analysts, and feedback is shared with the Board to support its understanding of shareholder views and to inform decision-making.

The Board also welcomes the opportunity to engage directly with shareholders at the AGM. Further details of the Company's wider stakeholder engagement are set out in the Section 172 statement on pages 88 to 93.

Our focus on strategy

The Board held a detailed strategy session in June 2026 to review the Group's short, medium and long-term strategic priorities in the context of a challenging UK housing market. This included robust consideration of the Group's growth plans, capital allocation framework and appropriate levels of gearing, to ensure that the strategy remains resilient, disciplined and aligned to long-term value creation for stakeholders. Throughout the year, the Board also undertook a number of deep-dive sessions on key strategic and operational matters with senior management to further inform its oversight and decision-making.

Board effectiveness

In June 2026, we completed an internal evaluation to review the effectiveness of the Board and its Committees. Details of this review and the Board's proposals for future years are set out in the Nomination Committee Report on page 114.

Culture and people

The Board recognises the importance of setting the tone from the top and, as Chair, one of my principal responsibilities is to ensure that the culture and values supporting the Group's strategic priorities remain embedded across the business.

The Board has supported senior management in the implementation of Project Transform within Gleeson Homes. While periods of change can be unsettling and disruptive, each Non-Executive Director attended a regional roadshow during the year and had the opportunity to hear directly from colleagues affected. It has been encouraging to see the resilience, professionalism and commitment shown by our colleagues throughout this period.

The Board commends the work being undertaken across the Group to identify, develop and retain talent, recognising its importance to long-term sustainable success. Through oversight of talent mapping, leadership development programmes and structured career pathways, the Board seeks to support the development of organisational capability and succession strength across the business.

Diversity

The Board promotes diversity. At the date of this report, women represent 43% of the Board, and the positions of Chair and Senior Independent Director are held by myself and Nicola Bruce respectively. Current female representation on the Board 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 2026, the proportion of women in employment was 34% (2025: 32%).

Sustainability

The Board continues to oversee the Group's approach to environmental, social and governance matters, recognising their importance to long-term value creation and sustainable success. Sustainability remains an area of strategic focus for both the Board and the wider business. Details of the progress made during the year are set out in the Strategic Report and Sustainability Committee Report on pages 36 to 72 and pages 126 to 129.

Code compliance

Implementation of the 2024 UK Corporate Governance Code

During the period under review, the Company was subject to the 2024 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 pages 111 to 112.

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 on 6 November 2026.

Fiona Goldsmith
Chair

14 September 2026

Corporate Governance Framework

The Board



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

NOMINATION COMMITTEE

See pages 114 to 117

AUDIT & RISK COMMITTEE

See pages 118 to 125

SUSTAINABILITY COMMITTEE

See pages 126 to 129

REMUNERATION COMMITTEE

See pages 130 to 132

Executive Leadership Team



For more information, see page 103



THE BOARD

The Board comprises five Non-Executive Directors and two Executive Directors. It is responsible to shareholders for the direction, management, performance, and long-term sustainable success of the Group.

NOMINATION COMMITTEE

Considers the structure, size and composition of the Board and its Committees.

Considers and recommends candidates to be appointed to the Board, Committees and senior management.

Has oversight of equality, diversity and inclusion within the business.

Ensures succession plans are in place for the Board and senior management.

Reviews the independence of Non-Executive Directors.

Drives Board employee engagement.

SUSTAINABILITY COMMITTEE

Determines and monitors performance against appropriate short, medium and long-term sustainability targets.

Reports on sustainability-related matters to the Board.

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

Advises the Audit Committee on sustainability-related risks.

Contributes to the target setting for Executive bonuses and share incentive schemes.

Assists the Board in ensuring that existing and emerging environmental and sustainability regulatory requirements are met.

AUDIT COMMITTEE

Monitors the integrity of financial reporting and significant accounting judgements.

Reviews and recommends to the Board the Group's annual and interim financial statements.

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

Monitors the effectiveness of the internal audit function and approves the internal audit plan.

Has oversight of the relationship with the external auditors and recommends their reappointment and removal.

Reviews the policies and procedures for detecting and preventing fraud, competition law breaches and bribery, and ensures appropriate whistleblowing procedures are in place.

REMUNERATION COMMITTEE

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

Sets the remuneration of the Chair, Executive Directors, Company Secretary and other senior management whilst considering pay and employment conditions across the workforce.

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

EXECUTIVE LEADERSHIP TEAM

Led by the Chief Executive Officer, the Executive Leadership Team is responsible for the day-to-day delivery of the Group's strategy, oversight of its two core business units, management of people-related matters including culture, talent and development, and supervision of legal and regulatory affairs. The Executive Leadership Team considers significant matters prior to their escalation to the Board or the relevant Board Committee, as appropriate.

The Executive Leadership Team comprises the Executive Directors, the Managing Director of Gleeson Land, the Divisional Chair of Gleeson Homes, the Head of Legal and Company Secretary, and the Group HR Director. The Chief Information Officer and the Finance Director of Gleeson Homes regularly attend to support strategic discussion and decision-making.

Board of Directors



Fiona Goldsmith

FCA

Chair

Committee membership

N

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.



Graham Prothero

MA, FCA

Chief Executive Officer

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

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



Stefan Allanson

ACMA, FCT

Chief Financial Officer

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.



Christopher Mills

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

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.

Key

A Audit Committee

N Nomination Committee

R Remuneration Committee

S Sustainability Committee

Committee Chair

**Elaine Bailey**

Independent
Non-Executive Director

Committee membership

A N R S

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.

**Nicola Bruce**

MA, FCMA

Senior Independent
Non-Executive Director

Committee membership

A N R

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 Senior Independent Director at Ibstock plc. Non-Executive Director at Ofwat.

**Keith Adey**

FCA

Independent
Non-Executive Director

Committee membership

A N R

Appointment to the Board

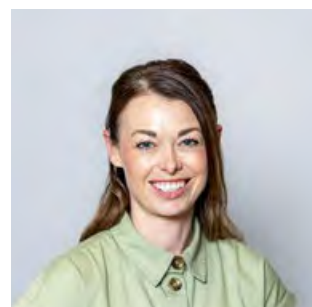
Keith was appointed to the Board in January 2026.

Background and experience

Keith is a qualified chartered accountant with vast industry experience, having been Chief Financial Officer at Bellway plc for 13 years. He has also worked at KPMG and Grainger plc.

Key strengths

Housebuilding. Risk management. Finance and audit. Strategy development. Business continuity. Corporate Governance. Investor relations.

**Leanne Johnson**

LLB, ACG

Head of Legal and
Company Secretary

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 an Associate 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 division of responsibilities between Board members. The Chair is responsible for the effective leadership of the Board, promoting high standards of integrity and corporate governance, setting the Board agenda and ensuring sufficient time for informed discussion, challenge and debate. The Chief Executive Officer is responsible for leading the business and delivering the Group's strategy, working closely with the Chair and Chief Financial Officer. The Non-Executive Directors provide constructive challenge, strategic guidance and oversight of management. The Board meets regularly throughout the year and operates within a formal schedule of matters reserved for its decision, ensuring appropriate oversight of strategic, financial, operational and compliance matters.

Board balance and composition

The Board comprises a Chair, three 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

The Board held six scheduled meetings during the year, together with a scheduled review of the Group's strategy. Detailed papers are circulated in advance, covering current trading, financial performance and progress against budget, forecasts and against the prior year. Standing agenda items include health and safety, operational performance, risk management, governance and corporate strategy. Senior management regularly attend Board meetings and separate 'deep dive' sessions to update the Board on key strategic and operational matters. Directors also receive updates between meetings, including the latest financial and trading performance. Minutes of all Board and Committee meetings are taken by the Company Secretary and record decisions, queries and any unresolved concerns.

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 114
Audit Committee	Page 118
Sustainability Committee	Page 126
Remuneration Committee	Page 130

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 independence of Non-Executive Directors is kept under review and the Board is satisfied that three Non-Executive Directors are considered independent which represents at least half of the Board, excluding the Chair, in compliance with the requirements of the Code.

TOPIC	KEY ACTIVITIES IN FINANCIAL YEAR ENDED 30 JUNE 2026
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. ■ Reviewed the Group's credit facility, liquidity position and debt gearing. ■ Approved the budget and plan for financial year ending 30 June 2027 and the medium-term targets for financial years ending 30 June 2028 to 30 June 2029. ■ Recommended the payment of a final dividend in November 2025 and approved the payment of the interim dividend in April 2026. ■ Approved the Group's tax strategy for financial year ended 30 June 2026. ■ 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. ■ Reviewed and approved the Group's material risks and controls under Provision 29 and received initial reports on testing. ■ Received regular updates on legal, regulatory and governance matters, including oversight of whistleblowing reports. ■ Reviewed and approved an updated modern slavery statement. ■ Reviewed and approved a new Anti-Competitive Behaviour Policy. ■ Reviewed cyber risk across the Group. ■ Reviewed the Group's policies and procedures on environmental regulation, including the Group's legal register, and received regular updates from management on progress.
Strategy	■ Monitored progress against the Group's strategic priorities. ■ Reviewed and approved the Group's sustainability targets. ■ Undertook a strategy day to review the business plans for Gleeson Homes and Gleeson Land. ■ Oversaw the implementation of Project Transform and the resulting structural changes in Gleeson Homes.
People and employee engagement	■ 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, and early talent and development. ■ Attended the regionally held employee roadshows, hosted by the Executive Directors and senior management, 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. ■ Chair and Company Secretary joined a panel discussion on women in housebuilding.

Corporate Governance Report continued

TOPIC	KEY ACTIVITIES IN FINANCIAL YEAR ENDED 30 JUNE 2026
Sustainability	■ Reviewed progress against the Group's published Science Based Targets. ■ Reviewed progress against sustainability targets and actions undertaken. ■ Oversight of sustainability-led Group policies. ■ Reviewed the Group's sustainable business strategy. ■ Reviewed the Group's materiality assessment. ■ Implementation of the sustainability targets that are linked to Executive remuneration.

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
Keith Adey*	3	2	4	1	n/a

* Appointed to the Board from 1 January 2026, attending 100% of Board and Committee meetings since appointment.

Notes

- 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 for 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.

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.

Corporate Governance Report continued

KEY RESPONSIBILITIES

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.
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.

	PRINCIPLES OF THE CODE	READ MORE	PAGES
Board leadership and company purpose	Long term, sustainable success of the Company	Viability statement	112 to 113
		Chair's Statement	100 to 101
		Board activity	107 to 108
		Our Business Strategy	22 to 23
	Purpose and culture	Business at a Glance	2 to 3
		Sustainability Dashboard	36 to 37
		Values and Culture	38 to 39
	Outcomes based governance reporting	Corporate Governance Report	106 to 113
	Stakeholder (including workforce) engagement	Our Stakeholders	94 to 95
		Section 172 statement	88 to 93
	Workforce policies and practices	People	38 to 47
Division of responsibilities	Chair leadership	Chair's Statement	100 to 101
		Board effectiveness review	117
	Board composition and diversity	Board of Directors	104 to 105
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	Role of non-executive directors	Board of Directors	104 to 105
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	Board procedures	Board effectiveness review	117
Composition, succession and evaluation	Appointments to the Board and succession planning	Nomination Committee Report	114 to 117
	Balanced Board	Board balance and composition	106
	Board performance and evaluation	Nomination Committee Report	114 to 117
Audit, risk and internal control	Independent and effective internal and external audit	Audit Committee Report	118 to 125
	Principal risks and uncertainties	Risk Management	30 to 35
Remuneration	Executive Remuneration	Annual Report on Remuneration	136 to 143
	Remuneration policy and procedure	Remuneration policy report	Annual Report and Accounts 2025
	Independence in decision making	Nomination Committee Report	114 to 117

Corporate Governance Report continued

Code compliance statement

The Company complied with all principles of the Code during the year ended 30 June 2026 and, save as explained below, with all of its provisions.

The Code recognises that good governance can be achieved by other means, and the Board believes the approach taken in the year is the most appropriate for the Group and its shareholders, whilst remaining consistent with the spirit of the Code.

Details of how the Code has been applied can be found throughout this Corporate Governance Report, the Strategic Report and the Committee reports.

Explanation of non-compliance

The Board has adopted an alternative approach to workforce engagement to that envisaged by Provision 5 of the Code. Responsibility for workforce engagement is shared between the Chair and the independent Non-Executive Directors, rather than being assigned to a single designated Director. The Board considers that this approach provides broader and more effective engagement across the workforce, while enabling individual Directors to contribute in areas aligned with their respective skills, experience and perspectives. However, the Board takes on feedback received through the Board performance review process and is considering ways it can enhance the means of engagement.

Provision 24 of the Code provides that the Chair of the Board should not be a member of the Audit Committee. During the period from 1 July 2025 to 31 December 2025, Fiona Goldsmith, Chair of the Board, also chaired the Audit Committee. This was a temporary arrangement pending the appointment of a new independent Non-Executive Director with the appropriate skills and experience to chair the Committee. During this period, the Board was satisfied that Fiona continued to demonstrate sufficient independence, judgement and understanding to discharge the role effectively. Following Keith Adey's appointment to the role with effect from 1 January 2026, the Board confirms that the Company now complies with this provision.

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 118 to 125 and in the Strategic Report on pages 1 to 97.

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.

The Board is aware of the forthcoming requirements under Provision 29 which will be applicable in the next financial year (FY2027), and it intends to be compliant.

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 2029, which is covered by the Group's financial budget and plan approved by the Board in July 2026. 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 112.



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 2028. At the balance sheet date, the Group had net borrowings of £2.6m (2025: £0.8m), with the total unused facility being £125.0m (2025: £127.7m).

The Group continues to have sufficient liquidity including under the severe but plausible scenario, to continue in operation, and meet its liabilities as they fall due. To the extent that a bank facility is required, the Group would be able to operate within its financial covenants over the three-year viability period. Whilst the mitigating actions would disrupt the Group's ability to grow over the long term, this would be restored when normal market conditions return.

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
Keith Adey



The Committee has an important role to play in ensuring that Board appointments are rigorous, transparent and aligned with the Group's long-term needs. During the year, we strengthened our Board composition with the appointment of an independent Non-Executive Director with the financial expertise to chair the Audit Committee."

Fiona Goldsmith
CHAIR OF THE NOMINATION COMMITTEE

KEY ACHIEVEMENTS FOR 2026

- The appointment of Keith Adey as Independent Non-Executive Director, and Chair of the Audit Committee.
- Executive and senior management development and succession planning.
- Oversight of Project Transform organisational changes.
- Oversight of the Group's developing Equity, Diversity, and Inclusion strategy.
- Oversight of the Group's Graduate and Apprenticeship Schemes.

AREAS OF FOCUS FOR 2027

- Further strengthen executive and senior management development and succession planning to support the Group's short, medium and long-term strategic priorities.
- Continue to oversee the development and implementation of the Group's Equity, Diversity and Inclusion strategy.
- Monitor the evolution of the Group's culture following Project Transform and the transition to greater regional autonomy.
- Prepare for the externally facilitated Board performance review scheduled for 2027.

Dear shareholder,

On behalf of the Board, I am pleased to present the Nomination Committee Report for the year ended 30 June 2026. The Committee has an important role to play in ensuring that Board appointments are rigorous, transparent and aligned with the Group's long-term needs. During the year, we strengthened our Board composition with the appointment of an independent Non-Executive Director with the financial expertise to chair the Audit Committee. We continue to monitor the Group's Equity, Diversity and Inclusion Strategy, and support the business in delivering its early talent development programme.

Operation of the Committee

The Committee comprises the Chair and three 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.

Committee changes

Keith Adey was appointed to the Committee in June 2026.

Activities during the year

The Committee's main activities included:

- The appointment of Keith Adey as Independent Non-Executive Director, and Chair of the Audit Committee.
- Board and senior management development and succession planning, particularly looking at talent mapping key roles within the senior management team and identifying gaps or areas for improvement.
- Oversight of the Equity, Diversity, and Inclusion strategy, including involvement with the Group's Inclusion Network and roundtable discussions.
- Oversight of the Group's talent development programme including the Graduate and Apprenticeship Schemes.
- Consideration of the Group's annual people survey results and oversight of action plans for the following year, helping management shape the framework for embedding culture.
- A review of the annual Board and Committee evaluation.
- An annual review of the Committee's terms of reference.

Board and Committee appointments

In July 2025, the Committee appointed Lygon Group as external recruitment partner to lead a rigorous search for an Independent Non-Executive Director. The search focused on candidates with housebuilding sector knowledge and strong financial expertise, reflecting the skills required to chair the Audit Committee. A diverse longlist was presented to the Committee, from which a shortlist of candidates was interviewed for the role.

The search concluded in November 2025, with Keith Adey appointed as an Independent Non-Executive Director and Chair of the Audit Committee, effective from 1 January 2026. He also serves on the Remuneration and Nomination Committees.

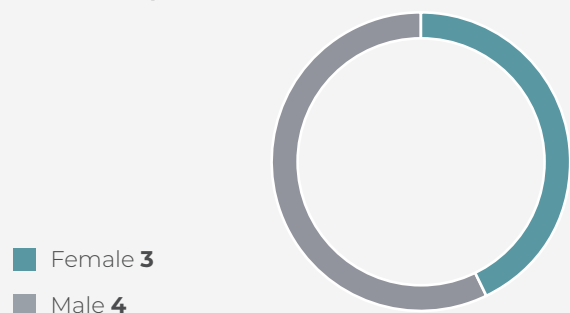
Length of service on Board

Fiona Goldsmith	●●●●●●●●	7 years
Graham Prothero	●●●	3 years
Stefan Allanson	●●●●●●●●●● ●●	11 years
Christopher Mills	●●●●●●●●●●●● ●●●●●●●●	17 years
Elaine Bailey	●●●●●●	5 years
Nicola Bruce	●●●	3 years
Keith Adey	●	9 months

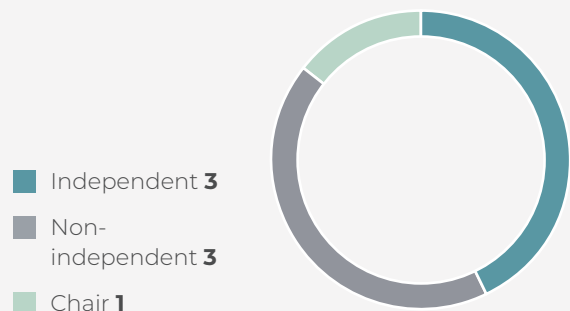
Board attendance

100%

Gender representation



Board independence



Nomination Committee Report continued

Re-election of Directors

In accordance with the requirements of the 2024 UK Corporate Governance Code, all Directors will retire and offer themselves for re-election at the AGM in November 2026.

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 over 40% 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 2026 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	4	57%	2	4	66.7%
Women	3	43%	2	2	33.3%
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 Divisional Chair 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	7	100%	4	6	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 Divisional Chair 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 has in place an equality and diversity policy in respect of its wider workforce, with further details set out on page 42.

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

For the appointment of Keith Adey, the Committee appointed an external recruitment partner, Lygon Group, to lead the process.

Board performance review

Process

Following the Board changes during the year, the Board agreed to undertake an internally facilitated performance review. Led by the Company Secretary, the evaluation required all Directors to complete questionnaires covering the same thematic areas as the 2025 evaluation but structured to elicit more qualitative feedback.

The scope of the questionnaire focused on the following themes:

- Board composition: relevance and effectiveness of the size, diversity, mix of skills and experience of the Board and succession planning.
- Conduct of Board meetings: matters reviewed by the Board, use of Board time, effectiveness of discussions and decision making.
- Stakeholder engagement: effectiveness of the stakeholder engagement mechanisms in place, including shareholders, workforce and other external stakeholders.
- Board roles and relations: effectiveness of the working relationship between the Chair, Executive Directors and Non-Executive Directors, and company secretarial support.
- Strategy and management: focus on key strategic areas and risk.

- Board Committees: effectiveness of the Board Committees.
- Other: oversight of culture and leadership and the development of knowledge and skills on the Board.

The Senior Independent Director also undertook a thorough review of the Chair's performance through individual discussions with each Director, covering Board leadership, role fulfilment, Board effectiveness and decision-making, stakeholder relationships, and culture, ethics and values.

Areas of focus identified by the review

Based on the feedback received during the evaluation process, the following key themes and actions will be monitored by the Nomination Committee.

KEY THEMES AND ACTIONS

Mix of skills: an acknowledgment of the industry experience and insight that Keith Adey has brought to the Board since his appointment, which is contributing positively to Board discussions and decision-making.

Board papers: keep Board and Committee agendas under review and continue to streamline papers to ensure Board discussions are focused on key metrics and material risks, which will contribute to its long-term sustainable success.

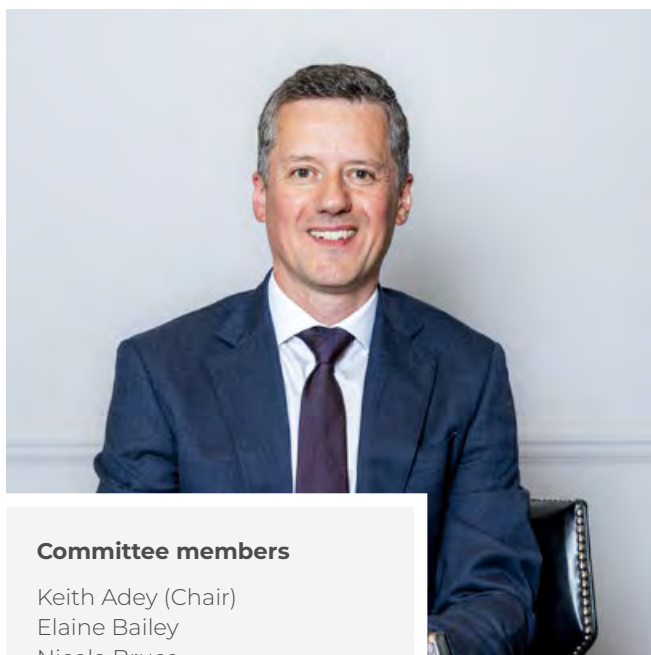
Technology and AI: provide the Board with teach-ins and other updates on technology and AI advancements in the sector, including where targeted investment may benefit the Group and support its strategic objectives.

Workforce engagement: keep under review the methods of engagement between the Board and the workforce to ensure they remain effective in providing the Board with insight into employee views, culture and the impact of key decisions across the Group.

Fiona Goldsmith
Chair of the Nomination Committee

14 September 2026

Audit Committee Report



Committee members

Keith Adey (Chair)
Elaine Bailey
Nicola Bruce



The Group continues to make good progress with its readiness for Provision 29 and developing a robust system of controls and risk management that aligns with its restructured regional operations."

Keith Adey

CHAIR OF THE AUDIT COMMITTEE

KEY ACHIEVEMENTS FOR 2026



- Oversight of the work over risk management and controls in preparation for Provision 29 of the UK Corporate Governance Code 2024.
- Completing a competitive tender process for the external audit in respect of the 2027 financial year onwards.
- Agreeing the Group's internal audit plan and reviewing updates and findings, including costs to complete audits.
- Approval of the Group's risk management and internal audit and assurance policies.
- Reviewing other significant accounting judgements and estimates, including legacy site provisions and the Group's assessment of going concern.
- Monitoring the Group's exposure to building safety in conjunction with the Board, including progress to date, and adequacy of provisions.
- Ongoing monitoring of the requirements in relation to ECCTA, tax, whistleblowing, modern slavery, Corporate Criminal Offence and anti-bribery and corruption.

AREAS OF FOCUS FOR 2027



- Continued oversight of the Group's preparations for Provision 29 to enable the Board to make the required declaration of effectiveness of material controls at 30 June 2027.
- Strengthening the internal audit scope and plan, including commercial costs to complete audits.
- Continued focus on commercial processes, cost management, profit and margin recognition including any assumptions and areas of judgement.
- Ongoing assurance over the financial and operational controls, regulatory compliance and risk management processes of the Group.

Dear shareholder,

This is my first report as Chair of the Audit Committee, following my appointment in January 2026 as successor to Fiona Goldsmith.

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 104 and 105.

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 external auditors without the presence of Executive Directors or senior management on one occasion during 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 four times to discharge its duties. Audit Committee activities in 2026:

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 2026 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 2026 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 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 reporting under Provision 29 of the 2024 Corporate Governance Code from June 2027. The Committee agreed the definition and list of material controls for the Group. The Committee received regular updates on progress with testing of the financial, operational and compliance controls across the Group, which will enable a full and meaningful assessment of control effectiveness as well as any remediating actions. A summary of principal Group risks and any changes during the year is set out in Risk Management on pages 30 to 35.	The Committee and the Board understand and manage the balance of risks in the business. The Committee supports the Board in moving to an enhanced risk management and control framework in readiness for reporting under Provision 29.
External audit tender	The Committee received and discussed the external audit tender plan and agreed the process of selection including key criteria and scoring. A competitive tender was undertaken and the Committee concluded the re-appointment of the incumbent firm, PwC in respect of the 2027 financial year onwards.	The Committee is satisfied that the audit tender was completed in line with best practice and FRC guidance.

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 tax compliance, including VAT, Corporation Tax, RPDT, 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 2026 and recommended its approval to the Board. A copy of the Tax Strategy 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 with works to remediate fire-safety issues on buildings which the Group had some involvement in developing over the last 30 years under the DLUHC Self-Remediation Terms and the Responsible Actors Scheme. The Committee and Board also reviewed reports on claims associated with the legacy businesses, being the contracting and engineering businesses sold more than ten years ago. This includes downstream claims indirectly as a result of the Building Safety Act 2022.	The Committee is satisfied that the Group is complying with its obligations under the Self-Remediation Terms, and that the building safety provisions remain adequate.
Internal audit	The Committee reviewed the internal audit plan for the financial year ended 30 June 2026 at its meeting in September 2025. As covered under "Internal audit", the Committee received and reviewed reports from the internal auditor during the year on internal audits conducted across the business. This included commercial site audits and cost reviews.	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 2026. Following completion of the audit of the Group, the external auditors presented their findings to the Committee in September 2026.	The Committee remains satisfied with the effectiveness of the external auditors and the audit process.
Cyber security	The Committee received updates from the Chief Information Officer on cyber security including any known or suspected incidents, threat status and the results of internal and external testing of IT security. These updates included information on best practice, industry comparison and priorities.	The Committee remains satisfied that the Group is taking the necessary steps to manage and mitigate cyber risk as far as possible.

Other activities

During the year, the Committee also reviewed reports on corporate disclosures and Market Abuse Regulations, General Data Protection Regulations, credit risk, Corporate Criminal Offence, anti-bribery and malpractice monitoring and whistleblowing.

Financial reporting and significant judgements

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:

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 understands the judgement and estimates applied in the margin recognition policy on the sale of homes and reviews the findings of the external auditors in relation to profit recognition.	The Committee satisfied itself that the internal controls over the key processes employed by the Group in site development activities and the forecasting of future costs, revenue and profit have continued to operate effectively. The Committee remains satisfied that the assumptions applied by management, supporting the profit margin recognised on the sale of homes, are 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 including the management of working capital and work in progress. The Committee, in conjunction with the Board, monitors the carrying value of land and work in progress in Gleeson Homes and Gleeson Land.	The Committee satisfied itself that the associated processes and controls have continued to operate effectively across the Group and that the assessment by management of the carrying value of work in progress by management remains appropriate.
Legacy site costs	During the year, Gleeson Homes identified issues on a number of previously completed legacy developments, which require rectification in order to achieve adoption of the roads and other statutory services by the relevant local authorities. The Group has established a provision for the additional rectification costs in order to achieve adoption, over and above the normal costs of completion. The Committee received updates from management on the assessment of the legacy site costs and reviewed the assumptions and judgements in establishing a provision at 30 June 2026.	The Committee satisfied itself that the assumptions and judgements in establishing a legacy site costs provision are appropriate.

Audit Committee Report continued

ACTIVITY	WORK CARRIED OUT	OUTCOME
Building safety	The Committee and Board review progress on the remediation of fire-safety issues on buildings which the Group had some involvement in developing over the last 30 years. 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 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 all fire-safety matters, and that the provisions recognised remain appropriate.
Climate change and environmental risk	The Committee reviewed the risk and impact of climate change as part of the Group 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 be recognised in these financial statements as a direct result of climate change or environmental risks.
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 172. 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 pages 112 to 113. 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 as needed.	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.

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 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 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 30 to 35 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



 4 bedroom Dalkey,
Danum Glade, Doncaster

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 currently focuses on the testing of control effectiveness across the Group in readiness for reporting under Provision 29.

During the year, the Committee received reports from the internal auditor on the findings of internal audits conducted, 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;
- operational and compliance controls including HR, Commercial and Environmental.

The findings of these reports were debated by the Committee with the internal auditor and with management.

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. The Committee is keen to see further strengthening of the internal audit function and the Group is currently actively recruiting for a commercial internal audit role.

External audit

PricewaterhouseCoopers LLP ("PwC") were first appointed as auditors to the Group in December 2016 and were most recently reappointed following approval by shareholders at the AGM on 14 November 2025.

In accordance with the provisions in the Code, the Group was required to tender the external audit for the year ending 30 June 2027. A competitive tender has been carried out in the year comprising of PwC and two other external audit firms. Following a robust and objective review of the outcomes, the Committee has recommended that PwC are retained as the external auditors for the FY2027 audit.

In February 2026, the auditors presented their Group audit plan to the Committee, identifying their assessment of key risks in the Group's financial reporting. For the 2026 financial year, as in prior years, the primary risks identified were in relation to inventory valuation and profit recognition in Gleeson Homes, carrying value of inventory in Gleeson Land, management override of controls and fraud in revenue recognition. Valuation of the building safety provision has been reduced from a significant risk in the prior year owing to reduced activity in the provision whilst still recognising a level of heightened estimation uncertainty given limited settlements to date. Provision for road adoption costs on legacy sites and classification of legacy site costs as exceptional have been added as additional elevated risks.

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 2026, 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.

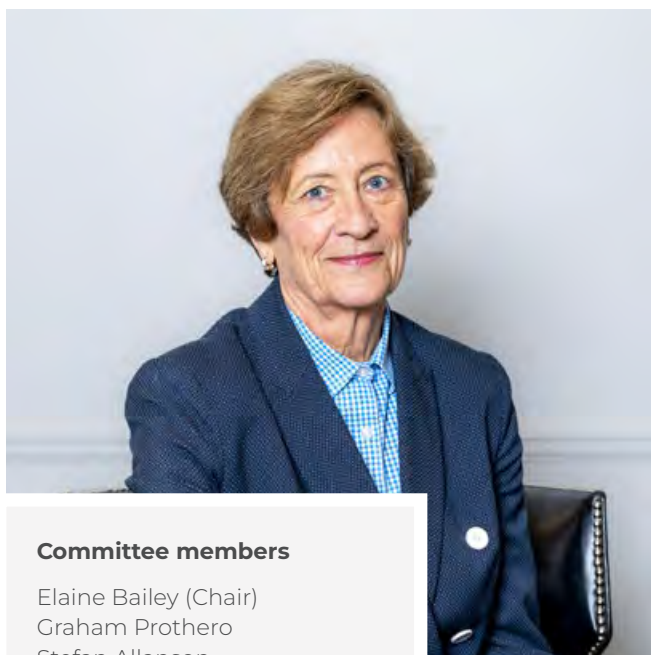
The Committee assesses the performance and effectiveness of the external auditors on an annual basis. When making their assessment, the Committee considers feedback from the Chief Financial Officer and other senior finance management, the auditors' fulfilment of the agreed audit plan, and the auditors' 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, and following the outcome of the competitive tender in the year, a resolution that they be reappointed will be proposed at the next AGM of the Company on 6 November 2026.

Keith Adey
Chair of the Audit Committee

14 September 2026

Sustainability Committee Report



Committee members

Elaine Bailey (Chair)
Graham Prothero
Stefan Allanson

“

Despite overall progress in our sustainability performance, we are disappointed with our health and safety AIIR over the year and recognise that we need improved performance in 2027 and beyond.”

Elaine Bailey

CHAIR OF THE SUSTAINABILITY
COMMITTEE

KEY ACHIEVEMENTS FOR 2026 ▼

- Reviewed progress against our Science Based Targets initiative (SBTi) near-term and net-zero targets, including ‘FLAG’ emissions.
- Reviewed progress against 2026 sustainability targets and setting of 2027 targets.
- Agreement to continue our support of the United Nations Global Compact (UNGC) and its ten principles across human rights, labour, environment and anti-corruption
- 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 Waste Management Policy with greater emphasis on compliance and circularity.
- Formal inclusion of relevant sustainability material controls to comply with Provision 29 of UK Corporate Governance Code

AREAS OF FOCUS FOR 2027 ▼

- Monitor progress against 2027 sustainability targets and actions.
- Continue to monitor and support the delivery of carbon reduction initiatives against Science Based Targets.
- 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 2026, 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 three occasions, all of which were scheduled meetings.

Activities during the year

During the year, the Committee dealt with the following key matters:

- Reviewing progress against 2026 sustainability targets and actions.
- Agreeing new sustainability targets and actions for 2027.
- Reviewing the Group's environmental risk register.
- Undertaking an effectiveness review of the Sustainability Committee.
- Reviewing sustainability-related policies.
- Agreeing further steps for the Group in respect of:
 - reviewing progress against near-term and net-zero targets across scopes 1, 2 and 3 including FLAG emissions;
 - enhancing employee engagement;
 - enhancing the customer experience;
 - agreeing a range of climate-related scenarios and reviewing their impact on the Group;
 - reviewing climate-related disclosures in accordance with the Task Force on Climate-related Financial Disclosures ("TCFD") and the Sustainability Accounting Standards Board ("SASB"); and
 - reviewing sustainability-related material risks to comply with Provision 29 of the UK Corporate Governance Code.

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 out 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 58 to 65.

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.

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 2026

ACTIVITY	WORK CARRIED OUT	OUTCOME
Carbon emissions	Following 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.	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.
Sustainability targets	The Committee received updates on progress against the 2026 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 2026 targets can be found on pages 70 to 73.	The Committee was disappointed with performance against the 2026 targets, particularly the H&S AIIR target not being met despite the progress in systems across safety, health and environment (SHE). The Committee approved the targets and actions proposed for 2027.
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 30 to 35.	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 74 to 81, and the relevant SASB Industry Standards, which can be found on pages 82 to 86.	The Committee approved the disclosures for inclusion in this Annual Report and Accounts.

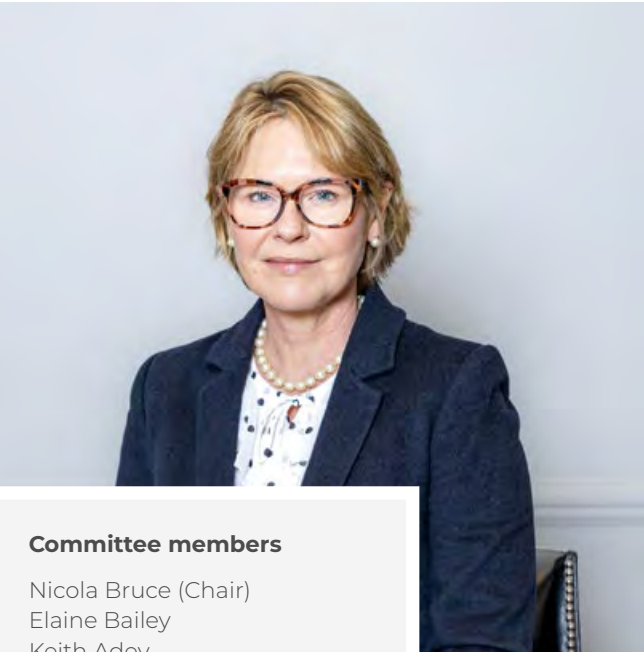
Elaine Bailey
Chair of the Sustainability Committee

14 September 2026



Mariners View,
Hornsea, East Yorkshire

Remuneration Committee Report



Committee members

Nicola Bruce (Chair)
Elaine Bailey
Keith Adey



A key focus for the Committee this year has been setting targets and determining performance outcomes in challenging market conditions."

Nicola Bruce
CHAIR OF THE REMUNERATION
COMMITTEE

KEY ACHIEVEMENTS FOR 2026

- Reviewing the Group's Long Term Incentive Plan (LTIP) rules and Annual Deferred Bonus Plan rules for shareholder approval at the 2026 AGM.
- Reviewing the current LTIP 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.
- Reviewing, assessing and approving annual bonus and LTIP outcomes for 2026.
- Approving performance targets for annual bonus and LTIP awards for Executive Directors and senior management for 2027.
- Approving salary increases for Executive Directors and senior management for 2027.

AREAS OF FOCUS FOR 2027

- Monitoring the effectiveness of our remuneration policy to motivate and retain our leadership teams to deliver our business strategy.
- 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 2026.

The report is split into two 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 2026, and how the Committee intends to apply the new Directors' Remuneration Policy in 2027.

Our Directors' Remuneration Policy ("Remuneration Policy") was subject to a shareholder vote at the 2025 AGM and was approved with 99.9% of votes cast in favour. The Policy will continue to apply for FY2027 and a full copy of the Policy can be found within the 2025 Annual Report and Accounts, available at www.mjgleesonplc.com.

Pay and performance outcomes for 2026 Results for the year

Gleeson Homes completed the sale of 1,968 homes during the year, as compared to 1,793 homes during 2025. Gleeson Land completed five land transactions during the year and ended the year with a portfolio of 82 sites with the potential to deliver 22,749 plots for housing development.

FY2026 Annual bonus

In line with our policy, Graham Prothero and Stefan Allanson had annual bonus opportunities of 150% and 125% of salary respectively for the year ended 30 June 2026. Their bonuses were based on Group profit before tax (pre-exceptional items) with regard to 80% of the potential award, and strategic performance for 20% of the potential award.

The Group achieved profit before tax (pre-exceptional items) of £10.8m for the year ended 30 June 2026 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 and sales site openings. The customer experience measure was achieved in full while the threshold target for sales site openings was not achieved.

Consequently, Graham Prothero and Stefan Allanson each earned a bonus equal to 10% of their maximum bonus potential (equivalent to 15% of salary and 12.5% of salary respectively). Full disclosure of the targets and performance against strategic objectives is set out on pages 137 and 138.

The Committee has reflected carefully on whether payment of bonus would be appropriate when the financial target has not been achieved. We have consistently set challenging profit targets which assumed a recovery in the housing market that has not yet materialised. Nonetheless, following the extensive remedial actions undertaken at Gleeson Homes and the further improvements to the quality of Gleeson Land's portfolio, the Group is ready to benefit from improved market conditions when they occur. The Committee also noted the importance of the customer quality measure to our customers, and the requirement for robust quality control as we prepare for improved market conditions.

The Committee therefore concluded that the formulaic bonus outcome of 10% 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 outcome either upwards or downwards.

2023 LTIP

Graham Prothero and Stefan Allanson were both granted LTIP awards in 2023 with a face value of 150% of salary. The awards were subject to three-year performance targets based on EPS for 50% and relative TSR for 50% of the awards. Neither of the threshold levels for either EPS or relative TSR were achieved. The Committee determined that it was not appropriate to adjust the formulaic vesting outcome for these awards in light of the Group's performance. Consequently, these awards will lapse in full.

Remuneration in 2027

The Directors' Remuneration Policy will continue to apply for the year ending 30 June 2027. An overview of how we intend to apply this during the year ending 30 June 2027 is set out on pages 133 to 135.

For the 2027 annual bonus, we will once again allocate an 80% weighting to financial measures and 20% to strategic measures.

For the financial element, 80% will relate to Group profit before tax (pre-exceptional items) in line with the measure used in previous years.

For the strategic element, 10% will relate to customer experience, in line with the measure used in previous years, and 10% will relate to the achievement of stretching operating profit targets for our Homes Division. Following the successful completion of Project Transform and associated investment in strong regional management teams, the Committee believes a particular focus on divisional profit is warranted.

The LTIP will continue to be based on EPS, relative TSR and carbon reduction. The Committee is conscious of the fall in the Company's share price and the impact this has on the number of LTIP awards that will be granted in 2027. The Committee will ensure that an assessment of windfall gains is undertaken at the point of vesting which will enable the Committee to reduce vesting if it feels it is appropriate to do so.

Remuneration Committee Report continued

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 2026 an average salary increase of 2.7% 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 pay gap is 21.1% in favour of men, versus the 2025 national median of 6.9% 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

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 2026.

I do hope we will again receive your support for the resolution 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

14 September 2026

Implementation of the Remuneration Policy

For the year ending 30 June 2027

Executive Directors

Set out below is a summary of the key elements of the Remuneration Policy for Executive Directors, together with how the Policy is intended to be implemented for the year ending 30 June 2027.

	KEY FEATURES	IMPLEMENTATION FOR YEAR ENDING 30 JUNE 2027
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 2026. This compares with the average salary increase of 2.7% for the wider workforce. Salary from 1 July 2026: ■ Graham Prothero: £596,045 ■ Stefan Allanson: £370,640
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 2026.
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.

Implementation of the **Remuneration Policy**

For the year ending 30 June 2027 continued

	KEY FEATURES	IMPLEMENTATION FOR YEAR ENDING 30 JUNE 2027
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% relates to achieving a five-star customer experience and 10% is based on Homes Division Operating profit. 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 2029. Details of the EPS, relative TSR and carbon reduction performance targets are set out below.

2026 LTIP awards

At the time of signing this report, the Committee is still determining the EPS targets that will apply to the 2026 LTIP awards. The targets will be disclosed in the RNS stock exchange announcement at the time the awards will be made. The TSR measure is set out below and 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 58).

2026 LTIP awards (continued)

	Threshold (20%) of award vests	Maximum (100%) of award vests ⁴
EPS for the year ending 30 June 2029 (50% of award)	To be determined	To be determined
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)	1.339	1.211

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 2027

	KEY FEATURES	IMPLEMENTATION FOR YEAR ENDING 30 JUNE 2027
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 2.5% with effect from 1 July 2026. Her fee from that date is £160,746 which is inclusive of the fee for the chairing of the Nomination Committee. The basic fee for the Non-Executive Directors increased by 2.5% with effect from 1 July 2026. 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 2026 are therefore as follows: Basic fee: £55,741 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 2026 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 140.

Single total figure of remuneration for each Director for the years ended 30 June 2026 and 30 June 2025 (audited)

	2026								2025							
	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
Fiona Goldsmith ²	162	–	–	162	–	–	–	162	28	–	–	28	–	–	–	28
Executive Directors																
Graham Prothero	582	12	38	632	87	–	87	719	567	17	37	621	43	–	43	664
Stefan Allanson	362	16	24	402	45	–	45	447	353	19	23	395	22	–	22	417
Non-Executive Directors																
Elaine Bailey	65	–	–	65	–	–	–	65	64	–	–	64	–	–	–	64
Nicola Bruce	75	–	–	75	–	–	–	75	64	–	–	64	–	–	–	64
Fiona Goldsmith	–	–	–	–	–	–	–	–	62	–	–	62	–	–	–	62
Christopher Mills	54	–	–	54	–	–	–	54	53	–	–	53	–	–	–	53
Keith Adey	32	–	–	32	–	–	–	32	–	–	–	–	–	–	–	–
Total	1,332	28	62	1,422	132	–	132	1,554	1,319	36	60	1,415	65	–	65	1,480

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. She also remained Chair of the Audit Committee until 1st Jan 2026.

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 2026 and 30 June 2025 are set out below.

	Salary from 1 July 2025 £	Salary from 1 July 2024 £
Graham Prothero	581,507	567,324
Stefan Allanson	361,600	352,781

Details of fees for Non-Executive Directors for the years ended 30 June 2026 and 30 June 2025 are set out below.

	Fees from 1 July 2025 £	Fees from 1 July 2024 £
Chair ¹	156,800	153,000
Non-Executive Director fee	54,381	53,055
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 2026 (and their associated values) were: car allowance of £9,750 for Graham Prothero and £13,000 for Stefan Allanson; car fuel of £1,000 for Graham Prothero and £2,000 for Stefan Allanson; private medical insurance of £1,000 for Graham Prothero and £1,000 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 2026, 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 2026 annual bonus

Graham Prothero had a maximum bonus opportunity of 150% of salary and Stefan Allanson's maximum bonus opportunity was set at 125% of salary. Their bonuses were based on Group profit before tax (pre-exceptional items) for 80% of the award and performance against strategic targets for the remaining 20% of the award.

Profit performance

The Group achieved profit before tax (pre-exceptional items) of £10.8m for the year ended 30 June 2026, 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.

	Profit measure £m	Bonus achievable as percentage of maximum ¹
TARGET		
Threshold	23.1	20%
Target	24.3	50%
Maximum	25.5	100%

¹ Straight-line vesting between points.

Strategic performance

Performance against the strategic objectives for the year ended 30 June 2026 is detailed below.

OBJECTIVE	Performance	Weighting	Outcome
Customer experience			
Gleeson Homes achieving an equivalent 5-star HBF customer rating based on National New Homes Customer Satisfaction Surveys, for its financial year.	Achieved an equivalent five-star rating for the full financial year	10%	10%
Sales site openings			
Target ranges for Gleeson Homes sales site openings for the year ended 30 June 2026.	Target was not achieved.	10%	0%
Total		20%	10%

Annual Report on Remuneration continued

The Committee has reflected carefully on whether payment of bonus would be appropriate when the financial target has not been achieved. We have consistently set challenging profit targets which assumed a recovery in the housing market that has not yet materialised. Nonetheless, following the extensive remedial actions undertaken at Gleeson Homes and the further improvements to the quality of Gleeson Land's portfolio, the Group is ready to benefit from improved market conditions when they occur. The Committee also noted the importance of the customer quality measure to our customers, and the requirement for robust quality control as we prepare for improved market conditions.

Therefore, the overall bonus payout for the year ended 30 June 2026 was 10% of maximum opportunity which is equal to 15% of salary for Graham Prothero and 12.5% for Stefan Allanson.

	Bonus payable	
	% maximum	£000
Graham Prothero	10%	87
Stefan Allanson	10%	45

In accordance with the Remuneration Policy, one-third of the bonus payable is deferred into shares for two years.

2023 LTIP vesting outcome

The 2023 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 2026		
	EPS for the year ended 30 June 2026	Relative TSR ¹	Total
Threshold – 20% vesting	61.5 pence	Median	20%
Maximum – 100% vesting	70.0 pence	Upper quartile	100%
Actual performance	14.1 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 thresholds for both the EPS and relative TSR measures were not met and therefore this award will lapse in full.

The Committee considered this performance and determined that it was not appropriate to apply discretion to adjust the formulaic vesting outcome for these awards.

LTIP awards granted in the year ended 30 June 2026 (audited)

LTIP awards equal to 150% of salary were granted to both Graham Prothero and Stefan Allanson on 23 October 2025.

The awards are based on the achievement of EPS performance (as regards 50% of the award) relative TSR performance (as regards 40% of the award) and carbon reduction (as regards 10% of the award) measured over a period of three financial years ending 30 June 2028.

Following the end of the performance period on 30 June 2028, 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 the market as a whole.

Details of the awards are as follows:

DIRECTOR	Number of shares granted No.	Face value at grant ¹ £000
Graham Prothero	247,099	872
Stefan Allanson	153,654	542

¹ Calculated based on the mid-market closing share price as at the date preceding the date of grant (23 October 2025: £3.53).

	Threshold (20%) of award vests	Maximum (100%) of award vests ¹
EPS for the year ending 30 June 2027	50.0p	64.0p
Relative TSR ²	Median	Upper quartile
Reported scope 3 emissions for the year ending 30 June 2028	1.463tCO ₂ e	1.323tCO ₂ e

¹ Straight-line vesting between threshold and maximum performance.

² The TSR component has a 40% weighting. 20% is measured 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). The other 20% is measured against the constituents of the FTSE SmallCap index excluding investment trusts, financial services companies and mining and extraction companies.

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 2026.

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 2026, Graham Prothero and Stefan Allanson held shares equivalent to 42% of salary and 125% of salary respectively (calculated using the mid-market closing share price on 30 June 2026 of £2.46). 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 2026 (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 2026 ¹
Chair						
Fiona Goldsmith	Shares	40,000	–	–	–	40,000
Executive Directors						
Graham Prothero	Shares	92,768	–	426 ²	–	93,194
	LTIP 2023 ³	–	195,845	–	–	195,845
	LTIP 2024	–	139,964	–	–	139,964
	LTIP 2025	–	247,099	–	–	247,099
	Deferred bonus share award 2023 ⁴	–	–	–	8,983	–
	Deferred bonus share award 2024	–	–	7,887	–	7,887
	Deferred bonus share award 2025	–	–	3,608	–	3,608
Stefan Allanson	Shares	180,431	–	425 ²	–	180,856
	LTIP 2023 ³	–	121,783	–	–	121,783
	LTIP 2024	–	87,034	–	–	87,034
	LTIP 2025	–	153,654	–	–	153,654
	Deferred bonus share award 2023 ⁴	–	–	–	1,361	–
	Deferred bonus share award 2024	–	–	4,087	–	4,087
	Deferred bonus share award 2025	–	–	1,870	–	1,870
Non-Executive Directors						
Elaine Bailey	Shares	–	–	–	–	–
Keith Adey	Shares	–	–	–	–	–
Nicola Bruce	Shares	6,835	–	–	–	6,835
Christopher Mills ⁵	Shares	6,052,000	–	–	–	6,052,000

¹ Or the date the Director stepped down from the Board if earlier.

² Matching shares granted under the HMRC tax-qualifying all-employee scheme that have not yet vested.

³ The 2023 LTIP awards will lapse in full following the Committee's assessment of the outcome of the performance targets.

⁴ The deferred bonus awards were vested and exercised in the year, and are included in the number of shares held outright.

⁵ Shares are held by funds managed by Harwood Capital LLP of which Christopher Mills is a Member/Director.

As at the date of this report the total interests held by Fiona Goldsmith were 40,000 shares, Graham Prothero were 93,346 shares, Stefan Allanson were 181,008 shares, Christopher Mills were 6,052,000 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 2025	Granted during year	Vested and exercised during year	Lapsed during year	Share price at grant date	Total interests outstanding at 30 June 2026	End of performance period
Graham Prothero	LTIP 2022 ¹	296,053	–	–	(296,053)	£4.56	–	30/06/2025
	LTIP 2023 ²	195,845	–	–	–	£4.26	195,845	30/06/2026
	LTIP 2024	139,964	–	–	–	£6.07	139,964	30/06/2027
	LTIP 2025	–	247,099	–	–	£3.63	247,099	30/06/2028
Stefan Allanson	LTIP 2022 ¹	127,839	–	–	(127,839)	£3.94	–	30/06/2025
	LTIP 2023 ²	121,783	–	–	–	£4.26	121,783	30/06/2026
	LTIP 2024	87,034	–	–	–	£6.07	87,034	30/06/2027
	LTIP 2025	–	153,654	–	–	£3.63	153,654	30/06/2028

¹ The 2022 LTIP awards have lapsed in full following the Committee's assessment of the outcome of the performance targets.

² The 2023 LTIP awards will lapse in full as the performance targets have not been achieved.

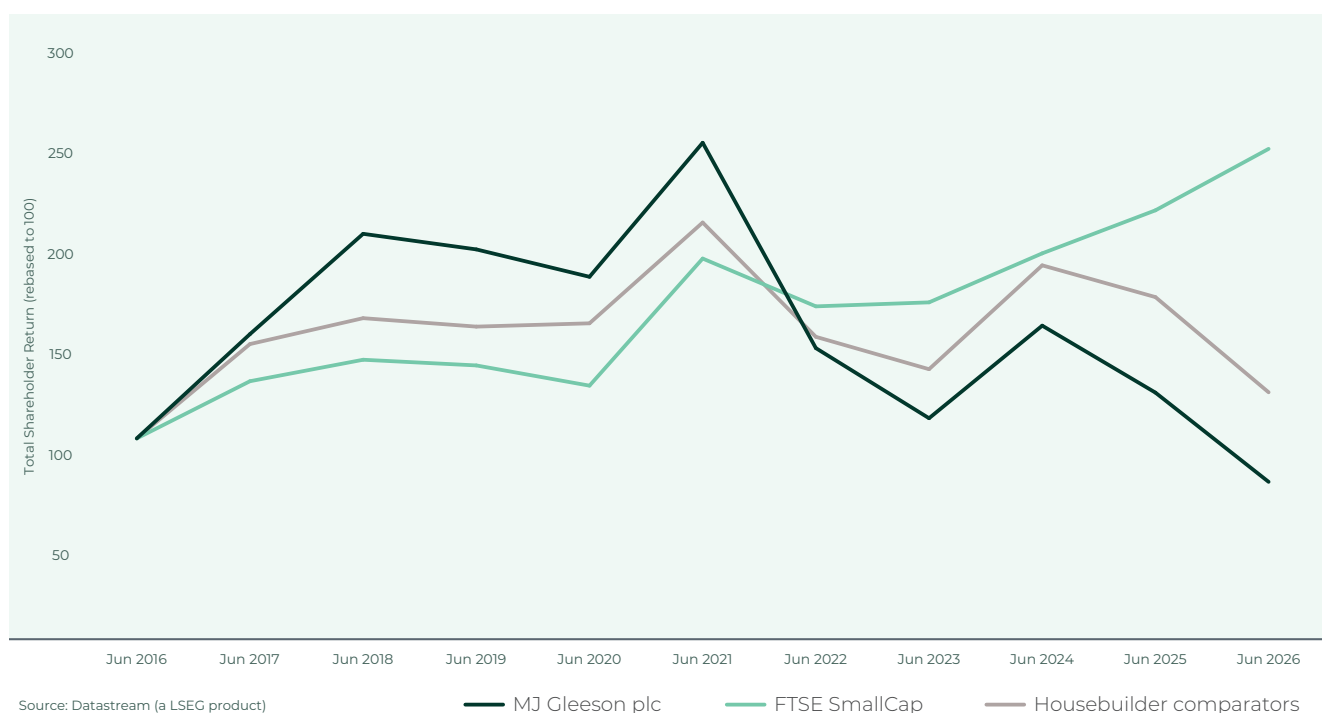
Malus and clawback

The Group's malus and clawback provisions are set out in the Remuneration Policy report which can be found in the 2025 Annual Report. The Group did not use the malus and clawback provisions during the year ended 30 June 2026.

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 2016 to 30 June 2026:



Annual Report on Remuneration continued

Chief Executive Officer's remuneration 2017 to 2026

YEAR	Chief Executive Officer	Single figure of total remuneration £000	Annual bonus paid against maximum opportunity	LTIP awards vesting against maximum opportunity
2026	Graham Prothero	719	10.0%	0%
2025	Graham Prothero	664	5.0%	0%
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%

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
2026	Option B	22:1	16:1	9:1
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

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 the mix in employees of the year shifting the median for the year ended 30 June 2026.

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
2026				
Total pay and benefits ²	719	33	46	78
Salary component	582	29	34	62
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

¹ The Chief Executive Officer's remuneration is the total single figure remuneration for the relevant financial year as disclosed on page 136. 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.

	2026 £m	2025 £m	Difference in spend £m	Difference as percentage
Remuneration for all employees	54.0	49.5	4.5	9.1%
Total distributions paid	6.4	6.4	–	–

The Remuneration Committee

The Committee comprised Nicola Bruce as Chair, Elaine Bailey and Fiona Goldsmith up until 1st January 2026 when Keith Adey joined the Board from which point, the Committee comprises Nicola Bruce as Chair, Elaine Bailey and Keith Adey, all 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 104 and 105, and details of their attendance at scheduled meetings of the Committee during the year ended 30 June 2026 are shown on page 108.

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;

Annual Report on Remuneration continued

- 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:

- approving outcomes for annual bonus and LTIP awards for the Executive Directors and senior management for the year ended 30 June 2025 and assessing the fairness of these outcomes;
- setting the annual bonus and LTIP measures, weightings and targets for the Executive Directors and senior management for the year ended 30 June 2026;
- approving salary increases for the Executive Directors and senior management with effect from 1 July 2026;
- approving the 2026 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 2027; 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 until October 2025. The Remuneration Committee subsequently appointed FIT Remuneration Consultants LLP as its independent advisor and FIT provided advice for the remainder of the 2026 financial year. Both FIT and Deloitte are founder members of the Remuneration Consultants Group and, as such, voluntarily operate under its Code of Conduct in relation to Executive remuneration in the UK. The Committee is satisfied that the external advice received from FIT is objective and independent. The fees paid to FIT and Deloitte LLP for their services to the Committee during the year, based on time and expenses, amounted to £33,000 and £15,000 respectively. FIT and 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.	%		
2025 AGM: Approval of the Annual Report on Remuneration	40,686,398	98.95	429,887	1.05	41,116,285	22,303
2025 AGM: Approval of the Directors' Remuneration Policy	41,081,822	99.92	33,455	0.08	41,115,277	23,311

Approved by the Board and signed on its behalf by:

Nicola Bruce
Chair of the Remuneration Committee

14 September 2026

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 2026 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 1 to 97.

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 4 and 5, the Chief Executive's Statement on pages 10 to 13 and the Financial Review on pages 26 to 28.

The Group's sustainable business strategy is set out in the Strategic Report on pages 22 and 23. The key performance indicators are set out in the Strategic Report on pages 24 and 25.

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 per share (approved by shareholders at the Annual General Meeting on 14 November 2025) for the financial year ended 30 June 2025, and an interim dividend in respect of the financial year ended 30 June 2026 to shareholders of 4.0 pence per share.

The Board proposes to pay, subject to shareholder approval at the 2026 Annual General Meeting ("AGM"), a final dividend of 1.0 pence per share on 20 November 2026 to shareholders on the register at the close of business on 23 October 2026. The total dividend for the year to 30 June 2026 will be 5.0 pence.

Dividend policy

The current year dividend represents a dividend cover of 2.8 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 2026 and the subsequent position as at 31 August 2026 are shown below:

	As at 30 June 2026		As at 31 August 2026	
	Number of shares	% of voting rights	Number of shares	% of voting rights
Funds managed by Harwood Capital LLP	6,052,000	10.36	6,052,000	10.36
Aberforth Partners	5,804,666	9.93	5,804,666	9.93
Fidelity International	5,221,938	8.94	5,223,660	8.94
Schroder Investment Management	3,965,000	6.79	3,965,000	6.79
Artemis Investment Management	2,742,281	4.69	2,887,692	4.94
Cooper Family	2,293,308	3.93	2,205,150	3.77
Jupiter Asset Management	1,993,351	3.41	2,088,568	3.57
Interactive Investor	1,952,992	3.34	2,010,840	3.44
Hargreaves Lansdown, stockbrokers	1,761,759	3.02	1,740,534	2.98

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 100 to 149.

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 104 and 105.

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 2026 are disclosed in the Annual Report on Remuneration on pages 136 to 144. Details of the interests of the Executive Directors in share options and awards of shares can be found on page 141 within the same report.

Directors' service contracts and letters of appointment

Details of unexpired terms of Directors' service contracts and/or letters of appointment of the Non-Executive Directors proposed for reappointment at the AGM on 6 November 2026 will be available

for review at the AGM. Graham Prothero and Stefan Allanson each have service agreements which require a termination notice period of one year to the Director. Non-Executive Directors, including the Chair, do not have service contracts. All Non-Executive Directors have letters of appointment and their appointment and subsequent reappointment is subject to approval by shareholders. Non-Executive Director appointments are typically for three years; however, they may be terminated without compensation at any time.

Environmental policies and disclosures

Details of our focus on sustainability and the environment can be found in the Strategic Report on pages 36 to 73, the Sustainability Committee Report on pages 126 to 129, and our reports under the Task Force on Climate-related Financial Disclosures ("TCFD") and the Sustainability Accounting Standards Board, as set out on pages 74 to 81 and 82 to 86 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 39 to 47.

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 88 to 93.

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 2026, 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 2026 AGM will be conducted by way of a poll.

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.

Directors' Report continued

Authority to purchase own shares

At the 2025 AGM, shareholders gave the Company the authority to purchase its own shares up to a number of 5,842,813, 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 2026 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 2026 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.

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

A formal tender process has taken place in the year in respect of the 2027 financial year audit. As set out on page 125, the current auditors, PricewaterhouseCoopers LLP, have been successful in retaining the audit, and a resolution that they be reappointed will be proposed at the next AGM on 6 November 2026.

Annual General Meeting

The Notice of AGM to be held on 6 November 2026, 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

Leanne Johnson
Company Secretary

14 September 2026

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

Stefan Allanson
Director

14 September 2026

Financial Statements



Mariners View,
Hornsea, East Yorkshire



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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 2026 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report & Accounts (the "Annual Report"), which comprise:

- the Group and Company Statements of Financial Position as at 30 June 2026;
- the Consolidated Income Statement for the year then ended;
- the Consolidated Statement of Comprehensive Income for the year then ended;
- the Group and Company Statements of Changes in Equity for the year then ended;
- the Consolidated Statement 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.

Other than those disclosed in note 4, 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 we considered to be significant based on size and risk, therefore, requiring an audit of their complete financial information, together with consolidation adjustments.
- This scope covered approximately 100 per cent of the group's revenue, 95 per cent of the group's profit before tax and 80 per cent of the group's total assets. These coverages are based on absolute values of the financial statement line item amounts within the Consolidated Income Statement and Group Statement of Financial Position.
- Audit procedures were performed over two further reporting units.

Key audit matters

- Carrying value of inventories and profit recognition (group)
- Valuation and existence of provision for legacy site costs and presentation of the associated charge in the Consolidated Income Statement (group)
- Valuation of building safety provision (group)
- Carrying value of investments in subsidiaries (parent)

Materiality

- Overall group materiality: £1,250,000 (2025: £1,095,000) based on consideration of standard benchmarks and professional judgement. It is equivalent to approximately 12% of the group's profit before tax and exceptional items (FY25: 5% of profit before tax and exceptional items).
- Overall company materiality: £2,265,000 (2025: £1,040,250) based on 1% of total assets (capped at 95% of overall group materiality in prior year).
- Performance materiality: £937,500 (2025: £821,250) (group) and £1,698,750 (2025: £780,150) (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

Independent Auditors' Report to the Members of MJ Gleeson plc continued

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.

Valuation and existence of provision for legacy site costs and presentation of the associated charge in the Consolidated Income Statement (group) is a new key audit matter this year. Otherwise, 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 inventories 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, work in progress and part exchange properties ('land and WIP') represents a significant proportion 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 set the final carrying value of land and WIP for each site to no more than its recoverable amount.	In assessing the inventories valuation and profit recognition within Gleeson Homes, we performed procedures including the following: - 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 number of valuation meetings to observe 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; - Tested a sample of site valuations for the inclusion of costs required to comply with the Future Homes Standard and performed a completeness assessment over the population of active sites to evaluate whether all relevant sites had been included; - 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 and verified for the sample selected; - Performed substantive testing over cost accruals on sites which have been substantially or fully completed, with supporting evidence obtained and verified for the sample selected; - 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 inventories 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. We also reviewed the disclosures in the financial statements in respect of the Critical accounting judgements and key sources of estimation uncertainty of 1. Margin recognition and 2. Carrying value of inventories (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 inventories as at the year-end date or profit recognition for the period.
<i>Valuation and existence of provision for legacy site costs and presentation of the associated charge in the Consolidated Income Statement (group)</i> Refer to Note 1 (Accounting policies), Note 3 (Exceptional items) and Note 18 (Provisions) of the financial statements. During the year management identified certain sites within the Gleeson Homes division, completed in previous years ('legacy sites'), for which the roads had not yet been adopted by the local authority. Management determined that, for certain of these sites, a present obligation exists in relation to remedial work required, at the expense of the group, to enable such adoption to take place. The key assumptions applied by management in determining the provision are the number of plots / units requiring remediation and the anticipated cost per plot. Management have also made a judgement as to the likelihood of economic outflow based on a number of risk factors. A judgement has also been made by management that the costs provided for are exceptional in nature and are presented as such in the consolidated income statement. We focused on this area due to the estimation uncertainty within the provision and the judgement required in presenting costs as exceptional in the consolidated income statement.	We obtained management's accounting position paper in relation to the legacy sites provision and their associated workings. Our audit procedures included the following: • Confirmed that each sampled site included in the population had not had its roads adopted between site completion and the balance sheet date by reference to external information sources or most recent correspondence with relevant authorities; • Considered the time period between site completion and year end and compared that period to our understanding of the 'normal' time period for road adoption, to assess whether there was an objective delay; • Obtained, for a sample of sites, evidence that an obligation for remedial costs was present by reference to correspondence with the relevant local authority and/or any evidence of past history for sites under the same local authority jurisdiction; • Assessed the completeness of the provision by obtaining a list of all completed sites and, for a sample of those not included in the provision, corroborating their road adoption status to external supporting evidence; • Considered management's probability weightings given to certain sites in respect of the likelihood of outflow by reference to the time since site completion and other available evidence; • Vouched the proposed cost per plot to a quote from a third-party contractor;

Independent Auditors' Report to the Members of MJ Gleeson plc continued

	- Recalculated the mathematical accuracy of the provision workings and considered the impact of discounting; - Assessed the presentation of the charge to the consolidated income statement as exceptional against IAS 1, available regulatory guidance and industry practice, also considering the adequacy and clarity of the associated narrative disclosures in the financial statements. Based on the procedures performed we did not identify any material adjustments to the provision included in the group financial statements, the disclosures related to this critical accounting estimate or the presentation of the associated charge in the consolidated income statement.
<i>Valuation of building safety provision (group)</i> 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 tall which were developed by Gleeson Homes in the past 30 years. Management have identified 18 buildings in scope resulting in a provision of £11.3m. 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.	For all identified sites, we have obtained management's reassessment of the required provision. For the majority of buildings, this is based on expert reports obtained in the current year. 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 and assessing the reasonableness of the assumptions adopted; - Reconciled the cost estimates produced by management's experts to the provision (where applicable); - Understood reasons for the inclusion of two new buildings in the provision and reassessed the completeness of the list of in-scope buildings; - Held a meeting with senior management leading the building safety remediation work to understand the current landscape and movement in the year; - Assessed the split of the provision between current and non-current liabilities; - 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 subsidiaries (parent)</i> Refer to Note 1 (Accounting policies) and Note 12 (Investments in subsidiaries) of the financial statements. The company has investments in subsidiaries of £94.0m (FY25: £94.0m). Given the magnitude of the balance, and the management judgement involved in determining whether any impairment triggers exist, we have considered the risk of impairment of these assets as a Key audit matter.	In assessing the appropriateness of valuation of investments in subsidiaries we have performed the following procedures: - We obtained management's impairment trigger assessment of the company's investments in subsidiaries as at 30 June 2026; - 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; and

- For investments 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 2026, 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.

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. All work was performed by the group audit team.

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.

Together with consolidation adjustments, 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 risk or size and contribution towards the group's profit before tax and exceptional items.

The company is comprised of one reporting unit which was subject to specific audit procedures over remuneration, finance costs, finance income, loans and borrowings, UK corporation tax and equity due to their contribution towards these group financial statement line items. The reporting unit was subject to a full scope audit for the company financial statements.

For the remaining two reporting units, we performed analytical procedures over one reporting unit to respond to any potential risks of material misstatement to the group financial statements. The final reporting unit was considered to be an inconsequential component, therefore no audit procedures were performed. This scope covered approximately 100 per cent of the group's revenue, 95 per cent of the group's profit before tax and 80 per cent of the group's total assets. These coverages are based on absolute values of the financial statement line item amounts within the Consolidated Income Statement and Group Statement of Financial Position.

Independent Auditors' Report to the Members of MJ Gleeson plc continued

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the group's and company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the group's 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
Overall materiality	£1,250,000 (2025: £1,095,000).	£2,265,000 (2025: £1,040,250).
How we determined it	Consideration of standard benchmarks and professional judgement. It is equivalent to approximately 12% of the group's profit before tax and exceptional items (FY25: 5% of profit before tax and exceptional items)	1% of total assets (capped at 95% of overall group materiality in prior year)
Rationale for benchmark applied	In determining materiality, we considered the standard benchmarks for companies within this sector, including total revenue, total assets and Adjusted profit before tax. However, we do not consider these measures to be directly proportionate to the overall scale and operations of the business. Based on our professional judgment, we consider that any misstatements identified that are lower than £1,250,000 in magnitude would not be expected to influence the economic decisions made by the users of the financial statements. An overall materiality amount of £1,250,000 represents approximately 0.3% of total revenue, 0.3% of total assets and 12% of Adjusted profit before tax for the year ended 30 June 2026.	We have used an asset-based measure for the company, which is a generally accepted auditing benchmark for a holding company.

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 £19,170 to £1,187,500, 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% (2025: 75%) of overall materiality, amounting to £937,500 (2025: £821,250) for the group financial statements and £1,698,750 (2025: £780,150) 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 £62,500 (group audit) (2025: £54,750) and £113,250 (company audit) (2025: £52,010) 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:

- Evaluating the board approved budget, challenging the adequacy and appropriateness of the underlying assumptions;
- Evaluating the 'base case' cash flow forecasts derived from the board approved budget and the reasonableness of the severe but plausible downside scenario for the period to 31 March 2028;
- Checking the mathematical accuracy of management's forecasts;
- Understanding 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;
- Evaluating 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; and
- Assessing 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.

Independent Auditors' Report to the Members of MJ Gleeson plc continued

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 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 2026 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 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.

Independent Auditors' Report to the Members of MJ Gleeson plc continued

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 regulations, fire 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, the Companies Act 2006 and UK tax legislation. 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;

- Reviewing board minutes and inquiring 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, the expected cash outflows in respect of the building safety provision and the valuation and existence of provisions for legacy site costs;
- Incorporating an element of unpredictability into our work by varying the nature, timing or extent of testing; 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.

Independent Auditors' Report to the Members of MJ Gleeson plc continued

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

We were first appointed by the company for the financial year ended 30 June 2017. Our uninterrupted engagement covers 10 financial years.

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
14 September 2026

Consolidated Income Statement

For the year ended 30 June 2026

	Note	2026 Pre- exceptional items £000	2026 Exceptional items (note 3) £000	2026 Total £000	2025 Pre- exceptional items £000	2025 Exceptional items (note 3) £000	2025 Total £000
Revenue	2	410,031	–	410,031	365,817	–	365,817
Cost of sales		(332,212)	(11,570)	(343,782)	(282,652)	–	(282,652)
Gross profit		77,819	(11,570)	66,249	83,165	–	83,165
Administrative expenses		(61,952)	(1,982)	(63,934)	(57,920)	(1,343)	(59,263)
Other operating income	5	1,857	–	1,857	137	–	137
Other operating expenses	5	(1,730)	–	(1,730)	–	–	–
Operating profit		15,994	(13,552)	2,442	25,382	(1,343)	24,039
Finance income	7	152	–	152	141	–	141
Finance expenses	7	(5,334)	–	(5,334)	(3,636)	–	(3,636)
Profit/(loss) before tax		10,812	(13,552)	(2,740)	21,887	(1,343)	20,544
Tax	8	(2,589)	3,389	800	(5,030)	309	(4,721)
Profit/(loss) for the year attributable to the equity holders of the parent		8,223	(10,163)	(1,940)	16,857	(1,034)	15,823
Earnings/(loss) per share							
Basic	10	14.09 p		(3.32)p	28.88 p		27.11 p
Diluted	10	14.08 p		(3.32)p	28.88 p		27.11 p

Consolidated Statement of Comprehensive Income

For the year ended 30 June 2026

	2026 Pre- exceptional items £000	2026 Exceptional items (note 3) £000	2026 Total £000	2025 Pre- exceptional items £000	2025 Exceptional items (note 3) £000	2025 Total £000
Profit/(loss) for the year	8,223	(10,163)	(1,940)	16,857	(1,034)	15,823
Other comprehensive (expense)/income						
Items that may be subsequently reclassified to profit or loss						
Change in value of shared equity receivables at fair value	(10)	–	(10)	67	–	67
Other comprehensive (expense)/ income for the year (net of tax)	(10)	–	(10)	67	–	67
Total comprehensive income/ (expense) for the year	8,213	(10,163)	(1,950)	16,924	(1,034)	15,890

The notes on pages 171 to 202 form part of these financial statements.

Statements of Financial Position

At 30 June 2026

	Note	Group		Company	
		2026 £000	2025 £000	2026 £000	2025 £000
Non-current assets					
Property, plant and equipment	11	11,033	8,495	–	–
Investments in subsidiaries	12	–	–	94,041	94,041
Trade and other receivables	14	1,736	3,304	–	–
Deferred tax assets	20	506	–	752	12
		13,275	11,799	94,793	94,053
Current assets					
Inventories	13	416,191	380,847	–	–
Trade and other receivables	14	12,382	18,951	125,535	102,501
UK corporation tax		3,478	1,286	3,478	1,286
Cash and cash equivalents	21	7,443	6,490	452	30
		439,494	407,574	129,465	103,817
Total assets		452,769	419,373	224,258	197,870
Non-current liabilities					
Trade and other payables	16	(14,144)	(11,287)	–	–
Provisions	18	(12,218)	(7,736)	–	–
Deferred tax liabilities	20	–	(73)	–	–
		(26,362)	(19,096)	–	–
Current liabilities					
Loans and borrowings	15	(10,000)	(5,000)	(10,000)	(5,000)
Bank overdraft	21	–	(2,269)	–	–
Trade and other payables	16	(109,335)	(79,822)	(115,002)	(140,488)
Provisions	18	(7,282)	(5,520)	–	–
		(126,617)	(92,611)	(125,002)	(145,488)
Total liabilities		(152,979)	(111,707)	(125,002)	(145,488)
Net assets		299,790	307,666	99,256	52,382
Equity					
Share capital	23	1,169	1,169	1,169	1,169
Share premium		15,843	15,843	15,843	15,843
Own shares	23	(369)	(232)	(369)	(232)
Retained earnings		283,147	290,886	82,613	35,602
Total equity		299,790	307,666	99,256	52,382

Retained earnings of the Company

The profit of the Company in the financial year amounted to £52,800,000 (2025: loss of £6,829,000).

The financial statements on pages 165 to 202 were approved by the Board of Directors on 14 September 2026 and signed on its behalf by:

Graham Prothero
Director

Stefan Allanson
Director

Company registration number: 09268016

The notes on pages 171 to 202 form part of these financial statements.

Statements of Changes in Equity

For the year ended 30 June 2026

Group

	Note	Share capital £000	Share premium £000	Own shares £000	Retained earnings £000	Total equity £000
At 1 July 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
Loss for the year		–	–	–	(1,940)	(1,940)
Other comprehensive income		–	–	–	(10)	(10)
Total comprehensive income for the year		–	–	–	(1,950)	(1,950)
Purchase of own shares	23	–	–	(216)	–	(216)
Utilisation of own shares	23	–	–	79	(80)	(1)
Share-based payments	24	–	–	–	715	715
Dividends	9	–	–	–	(6,424)	(6,424)
Transactions with owners, recorded directly in equity		–	–	(137)	(5,789)	(5,926)
At 30 June 2026		1,169	15,843	(369)	283,147	299,790

Company

	Note	Share capital £000	Share premium £000	Own shares £000	Retained earnings £000	Total equity £000
At 1 July 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
Profit for the year		–	–	–	52,800	52,800
Total comprehensive income for the year		–	–	–	52,800	52,800
Purchase of own shares	23	–	–	(216)	–	(216)
Utilisation of own shares	23	–	–	79	(80)	(1)
Share-based payments	24	–	–	–	715	715
Dividends	9	–	–	–	(6,424)	(6,424)
Transactions with owners, recorded directly in equity		–	–	(137)	(5,789)	(5,926)
At 30 June 2026		1,169	15,843	(369)	82,613	99,256

Consolidated Statement of Cash Flows

For the year ended 30 June 2026

	Note	Group	
		2026 £000	2025 £000
Operating activities			
(Loss)/profit before tax		(2,740)	20,544
Adjustments for:			
Depreciation of property, plant and equipment	11	4,317	4,272
Share-based payments	24	715	660
Profit on redemption of shared equity receivables		(15)	(57)
Increase in provisions	18	6,245	159
Loss on disposal of property, plant and equipment	11	222	414
Profit on disposal of right-of-use assets		(35)	–
Finance income	7	(152)	(141)
Finance expenses	7	5,334	3,636
Operating cash flows before movements in working capital		13,891	29,487
Increase in inventories		(35,344)	(35,613)
Decrease/(increase) in receivables		8,209	(12,708)
Increase in payables		30,123	23,313
Cash generated from operating activities		16,879	4,479
Tax paid		(1,972)	(5,061)
Finance costs paid		(4,386)	(3,364)
Net cash inflow/(outflow) from operating activities		10,521	(3,946)
Investing activities			
Proceeds from disposal of shared equity receivables		32	185
Interest received		52	138
Purchase of property, plant and equipment	11	(3,827)	(2,045)
Net cash outflow from investing activities		(3,743)	(1,722)
Financing activities			
Increase in loans and borrowings	15	5,000	5,000
Net proceeds from issue of shares	23	–	1
Purchase of own shares		(216)	(69)
Dividends paid	9	(6,424)	(6,424)
Principal element of lease payments	17	(1,916)	(1,553)
Net cash outflow from financing activities		(3,556)	(3,045)
Net increase/(decrease) in cash and cash equivalents		3,222	(8,713)
Cash and cash equivalents net of bank overdrafts at beginning of period		4,221	12,934
Cash and cash equivalents net of bank overdrafts at end of period	21	7,443	4,221

Notes to the Financial Statements

For the year ended 30 June 2026

1 Material 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

The consolidated financial statements of the Group have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

During the year, for the Company only financial statements, the Company has elected to change the basis of preparation from UK-adopted International Accounting Standards to Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"), which had no material impact on the information presented. In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (UK-adopted International Accounting Standards), but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions. At year end the Company has neither financial assets or liabilities measured at fair value through profit or loss (FVTPL) nor those measured at fair value through other comprehensive income (FVOCI).

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- The requirements of IAS 7, 'Statement of cash flows';
- The requirements of IFRS 7 Financial instruments: disclosures;
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement';
- The requirements of paragraphs 10(d), 10(f), 39(c) and 134–136 of IAS 1 Presentation of Financial Statements;
- The requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraphs 53 (a), (h) and (j) of IFRS 16;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
 - paragraph 118(e) of IAS 38 Intangible Assets;
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- The requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- The requirements of paragraphs 134(d)–134(f) and 135(c)–135(e) of IAS 36 Impairment of Assets; and
- The effects of new but not yet effective International Financial Reporting Standards.

In addition, and in accordance with FRS 101, further disclosure exemptions have been adopted because equivalent disclosures are included in the Group's consolidated financial statements. These Financial Statements do not include certain disclosures in respect of:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payments'

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. They are presented in pound sterling, rounded to the nearest thousand.

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.

The Group will complete its initial impact assessment on IFRS 18 in FY2027 in readiness for implementation in FY2028.

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").

Notes to the Financial Statements continued

For the year ended 30 June 2026

1 Material accounting policies continued

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 1 to 97. The principal risks identified are reported under Risk Management on pages 30 to 35.

The Group has a committed revolving credit facility with Lloyds Bank plc and Santander UK plc with a facility limit of £135m. In June 2026, the second uncommitted one-year extension option was exercised and the facility now expires in October 2028.

At the balance sheet date, the Group had borrowings of £10.0m (2025: £5.0m), with no overdraft (2025: £2.3m). This was offset by cash and cash equivalents of £7.4m (2025: £6.5m) giving a net debt position £2.6m (2025: £0.8m), with the total unused facility being £125.0m (2025: £127.7m).

Current forecasts are based on the latest budget and plan approved by the Board in July 2026, which extends for a period of three years to 30 June 2029. This reflected a cautious view on the trading outlook given market conditions and the degree of macro-economic uncertainty. The budget was prepared with a focus on preserving cash, retaining liquidity and protecting covenant headroom.

The Group's budget was prepared on a cautious basis and therefore already properly considered the impact of reduced customer demand, rising build costs and the reduction in demand seen from some large developers for land sites in the south of the country. The cautious approach to preparing the budget, together with the assumptions included within the severe but plausible downside scenario, in aggregate, reflect the impact of the following sensitivities:

- a reduction in Gleeson Homes completions of 15% with immediate effect, but with those plots that are reserved and secured still being delivered. No recovery is assumed;
- a phased reduction in Gleeson Homes average selling prices of 7.5% below the Group's forecasts, where the forecast assumes annualised house price inflation of 2.5% i.e. a net reduction of 5% against forecast at June 2027;

- phased increases to build cost of 2.5% over and above those included in the forecast;
- Gleeson Land sales pushed back by 6 months on average from their expected completion dates with immediate effect; and
- an immediate reduction to land values on all Gleeson Land sales assuming a 10% reduction in gross profit and remaining permanent.

In response to these conditions, the Group has a number of mitigating actions that it would take including:

- pausing land buying and site spend in response to the reduction in volumes;
- reducing administrative and overhead costs both in Gleeson Land and Gleeson Homes, with associated exceptional restructuring costs of circa £2.4m; and
- pausing dividends in order to preserve cash.

Under these sensitivities and after taking such mitigating actions, the Group continues to have a sufficient level of liquidity to meet its liabilities as they fall due and, to the extent that its bank facility is required, operate within its financial covenants over the going concern assessment period, being 18 months from the date of approval of these financial statements.

Based on the results of the analysis undertaken, the Directors therefore have a reasonable expectation that the Company and the Group have adequate resources available to continue in operation for the foreseeable future. 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. Revenue on multi-unit sales follows the same treatment, with revenue recognised on legal completion of each unit in accordance with the contracted terms. The period of sale and leasebacks ranges from six months to five years and there is no right to purchase at the end of the contract.

1 Material accounting policies continued

- 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.
- 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 enters into contracts for the construction and sale of homes to Registered Providers and other selected partners. Such contracts are typically entered into before the construction of these homes commence. Under the terms of these contracts, the Group may be entitled to payment for work done. Where a development contract is in place revenue is recognised over time, based on an input method of costs incurred to date as a proportion of total costs, which is estimated using the applicable build stage of each home being delivered under the contract. The Directors consider this method to be an appropriate measure of progress towards the satisfaction of the performance conditions in each contract.
- On the balance sheet, the Group reports the net position for each contract as either a contract asset or liability. A contract asset represents an asset where costs incurred plus recognised profits (less recognised losses) exceed the amounts billed to date. A contract liability represents a liability where the opposite is the case.

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 Directors 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.

Alternative performance measures (APMs)

The Group also presents certain adjusted performance measures in addition to the measures reported in accordance with UK adopted international accounting standards. These measures are not defined by UK IAS but are used by management to monitor the financial performance of the Group, and provide further insight into the Group's performance for the year and between reporting periods. Further details of the Group's APMs is given on page 203 of the Annual Report.

Other operating income and expenses

Properties acquired in part exchange are held for resale and included within inventories at the lower of cost and net realisable value. Proceeds from the subsequent sale of part exchange properties are recognised in other operating income upon legal completion, with the associated carrying value of the properties and related selling costs recognised within other operating expenses. Any write-down of part exchange properties to net realisable value is recognised within other operating expenses in the period in which it arises.

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

Notes to the Financial Statements continued

For the year ended 30 June 2026

1 Material accounting policies continued

income is recognised as it accrues, using the effective interest method.

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.

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. 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 seven years

Depreciation of these assets is charged to the income statement.

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.

1 Material accounting policies continued

Properties acquired in part exchange are held for resale and included within inventories at the lower of cost and 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. 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.

3. 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

Notes to the Financial Statements continued

For the year ended 30 June 2026

1 Material accounting policies continued

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. SHARE-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.

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

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 that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year 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 £4.0m lower (2025: £3.4m 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, if forecast gross margins reduced by 100 basis points across all sites as a result of additional costs to complete, inventory would be lower by £3.6m.

1 Material accounting policies continued

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 (2025: £0.6m), based on an average site. The single largest site inventory balance in the portfolio is £10.6m (2025: £10.0m), which includes freehold land purchased on a site where the option agreement was forward sold.

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 developing over the last 30 years.

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. 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 10% higher or lower, the provision in the statement of financial position would be £1.1m higher or lower (2025: £1.2m higher) with a corresponding exceptional charge in the consolidated income statement. See note 18 for further details.

4. LEGACY SITE COSTS

As set out in note 18, the Group has established a provision for the costs of rectification in order to achieve adoption of roads and other statutory services by the relevant local authorities for certain legacy sites. The Group has recorded a provision which represents the best estimate to carry out the required works over the next three to four years.

The legacy site costs provision requires a number of key estimates and judgements in its calculation. The key judgements include, but are not limited to, the identification of relevant sites, the time period and the extent of works required to achieve adoption, and whether or not these form part of normal costs of completion or whether these are exceptional in nature.

It is normal for site budgets to include an amount for remedial costs, including rectification of minor damage to road surfaces before formal adoption by the local authority following shortly after practical completion of building works. Where, in aggregate, there have been material incremental costs identified in order to achieve adoption on legacy sites to the satisfaction of local authorities, over and above that reasonably assessed in site budgets (which are costed to achieve compliance with all relevant planning requirements), these have been recognised as exceptional costs as they are not part of recurring operations, as such presentation is considered to be relevant to the understanding of the Group's financial performance.

The key estimates applied include the potential costs of remediation, the extent of remediation necessary to secure adoption given the passage of time and the timing of forecast expenditure.

If the total number of plots on sites requiring remediation or the average cost per plot increased or decreased by 20% the provision would be higher or lower, respectively, by £1.2m. See note 18 for further details.

5. 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.

Notes to the Financial Statements continued

For the year ended 30 June 2026

1 Material accounting policies continued

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.

Adoption of new and revised standards

For the year ended 30 June 2026, 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 2025:

- Lack of Exchangeability – Amendments to IAS21, 'The Effects of Changes in Foreign Exchange Rates'

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 2026:

- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" – Classification and Measurement of Financial Instruments (effective 1 January 2026)
- Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7
- 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. The impact on disclosures under IFRS 18 is currently being assessed.

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:

	2026 Pre- exceptional items £000	2026 Exceptional items (note 3) £000	2026 £000	2025 Pre- exceptional items £000	2025 Exceptional items (note 3) £000	2025 Total £000
Revenue						
Gleeson Homes	399,994	–	399,994	348,249	–	348,249
Gleeson Land	10,037	–	10,037	17,568	–	17,568
Total revenue	410,031	–	410,031	365,817	–	365,817

2 Segmental analysis continued

	2026 Pre- exceptional items £000	2026 Exceptional items (note 3) £000	2026 £000	2025 Pre- exceptional items £000	2025 Exceptional items (note 3) £000	2025 Total £000
Divisional operating profit/(loss)						
Gleeson Homes	20,129	(13,552)	6,577	22,253	(1,343)	20,910
Gleeson Land	(696)	–	(696)	6,996	–	6,996
Divisional operating profit	19,433	(13,552)	5,881	29,249	(1,343)	27,906
Group administrative expenses	(3,439)	–	(3,439)	(3,867)	–	(3,867)
Group operating profit	15,994	(13,552)	2,442	25,382	(1,343)	24,039
Finance income	152	–	152	141	–	141
Finance expenses	(5,334)	–	(5,334)	(3,636)	–	(3,636)
Profit/(loss) before tax	10,812	(13,552)	(2,740)	21,887	(1,343)	20,544
Tax	(2,589)	3,389	800	(5,030)	309	(4,721)
Profit/(loss) for the year	8,223	(10,163)	(1,940)	16,857	(1,034)	15,823

The revenue in the Gleeson Homes segment primarily relates to the sale of residential properties and includes £60,911,000 revenue recognised in respect of partnership arrangements during the year to 30 June 2026 (2025: £nil). As at 30 June 2026 there was £40.5m of transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied on contracts exchanged with customers. Based on forecasts, the Group expects to recognise £32.2m of transaction prices allocated to performance obligations that are unsatisfied on contracts exchanged with customer within one year, £8.3m within two to five years, and £nil over five years. In addition, within revenue for Gleeson Homes is £4,376,000 relating to land sales (2025: £1,215,000) 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 (2025: no single customer).

Balance sheet analysis of business segments:

	2026			2025		
	Assets £000	Liabilities £000	Net assets/ (liabilities) £000	Assets £000	Liabilities £000	Net assets/ (liabilities) £000
Gleeson Homes	380,794	(131,619)	249,175	352,143	(92,195)	259,948
Gleeson Land	59,823	(9,421)	50,402	58,805	(9,931)	48,874
Group activities	4,709	(1,939)	2,770	1,935	(2,312)	(377)
Cash and cash equivalents/ (borrowings and bank overdrafts)	7,443	(10,000)	(2,557)	6,490	(7,269)	(779)
	452,769	(152,979)	299,790	419,373	(111,707)	307,666

Other information:

	2026		2025	
	Capital additions £000	Depreciation £000	Capital additions £000	Depreciation £000
Gleeson Homes	3,814	4,175	2,002	4,154
Gleeson Land	13	142	43	118
	3,827	4,317	2,045	4,272

Notes to the Financial Statements continued

For the year ended 30 June 2026

3 Exceptional items

Exceptional items are those items which, in the opinion of the Directors, are material by size and/or non-recurring in nature. These items are excluded from underlying profit measures to provide a clearer view of the ongoing performance of the business. The Directors consider that the items below are exceptional and require separate disclosure on the face of the income statement.

Gleeson Homes restructuring

The Group has continued to seek opportunities to improve the efficiency of the overhead base and streamline its operating structure, and two further business restructures were announced in the year. The Greater Manchester and Merseyside region was combined with the Cumbria region to create a new North West region. In addition the East Yorkshire region was integrated into the Yorkshire South and West region, creating a single Yorkshire region. The total restructuring costs of £1,982,000 (2025: £1,343,000) includes redundancy costs of £1,755,000 (2025: £852,000) and legal and consultancy costs of £256,000 (2025: £491,000). These costs form part of the overall Project Transform costs and, consistent with those recognised in the prior year, these have been treated as an exceptional item in the year.

WIP impairment

The restructuring set out above was accompanied by a review of conditionally purchased sites, a number of which will no longer be progressed to purchase as a direct result of the restructuring. This has resulted in the impairment of irrecoverable WIP costs on those sites. In addition, one owned site will not be developed and will be sold. A total impairment provision of £4,475,000 (2025: £nil) has been recognised in the year as an exceptional cost.

Legacy site costs

During the year, Gleeson Homes identified issues on a number of previously completed legacy developments, which require rectification in order to achieve adoption of the roads (and other statutory services) by the relevant local authorities. Whilst these sites complied with relevant planning requirements at the time, based on the advice received we now expect there will be additional rectification costs in order to achieve adoption, over and above the normal costs of completion. As there exists an obligation to have these sites adopted, a provision has been established to carry out the required work over the next three to four years. The provision of £7,095,000 represents the Directors' current estimate of the costs to achieve adoption of these legacy sites.

	Cost of sales £000	Administrative expenses £000	Profit before tax £000	Tax £000	Profit after tax £000
Restructuring	–	1,982	(1,982)	496	(1,486)
WIP impairment	4,475	–	(4,475)	1,119	(3,356)
Legacy site costs	7,095	–	(7,095)	1,774	(5,321)
Exceptional items	11,570	1,982	(13,552)	3,389	(10,163)

4 Expenses and auditors' remuneration

Profit for the year is stated after charging/(crediting):

	Note	2026 £000	2025 £000
Staff costs	6	54,042	49,547
Depreciation of property, plant and equipment	11	4,317	4,272
Profit on redemption of shared equity receivables		(15)	(57)
Loss on disposal of property, plant and equipment	11	222	414
Auditors' remuneration:			
Audit of these financial statements		335	340
Additional fees for prior year audit		25	33
Audit of financial statements of subsidiaries pursuant to legislation		93	96
Non-audit services		2	–

5 Other operating income and expenses

Other operating income

	2026 £000	2025 £000
Profit on redemption of shared equity receivables	15	57
Part exchange income	1,723	–
Other miscellaneous income	119	80
	1,857	137

Other operating expenses

	2026 £000	2025 £000
Part exchange expenses	(1,730)	–
	(1,730)	–

6 Staff costs

	Note	Group		Company	
		2026 £000	2025 £000	2026 £000	2025 £000
Wages and salaries		43,798	41,113	1,499	1,601
Termination benefits		1,596	1,172	–	–
Share-based payment charge	24	715	660	453	484
Social security costs		6,219	4,964	293	144
Other pension costs	19	1,714	1,638	88	71
		54,042	49,547	2,333	2,300

Staff costs above includes £13.6m (2025: £13.2m) for employees directly involved in the development of build sites which have been capitalised as part of additions to inventory during the year.

The monthly average number of employees, excluding Non-Executive Directors, during the year was:

	Group	
	2026 No.	2025 No.
Gleeson Homes	664	695
Gleeson Land	28	25
Group activities	4	4
	696	724

The monthly average number of Company employees and Non-Executive Directors during the year was nine (2025: nine).

Notes to the Financial Statements continued

For the year ended 30 June 2026

6 Staff costs continued

Key management remuneration

Key management personnel, as defined under IAS 24 "Related Party Disclosures", have been identified as the Executive and Non-Executive Directors, and the Executive Leadership Team. Detailed disclosures of Directors' individual remuneration, for those Directors who served during the year, are given in the audited sections of the Remuneration Report on pages 136 to 143.

A summary of key management remuneration is as follows:

	Group		Company	
	2026 £000	2025 £000	2026 £000	2025 £000
Short-term employee benefits	2,844	2,825	1,512	1,396
Post-employment benefits	170	134	66	60
Termination benefits	296	443	–	–
Share-based payment charge ¹	492	560	414	478
	3,802	3,962	1,992	1,934

¹ Share-based payments reflect the IFRS 2 "Share-based payment" charge through the income statement.

7 Finance income and expenses

	2026 £000	2025 £000
Finance income		
Interest on bank deposits	20	63
Unwinding of discount on long-term receivables	101	3
Other interest income	31	75
	152	141
Finance expenses		
Interest on bank overdrafts and loans	(3,686)	(2,710)
Bank facility charges	(410)	(458)
Unwinding of discount on long-term payables	(948)	(240)
Unwinding of discount on lease liabilities	(286)	(228)
Other external interest	(4)	–
	(5,334)	(3,636)
Net finance expenses	(5,182)	(3,495)

8 Tax

	Note	Group	
		2026 £000	2025 £000
Current tax			
Current year expense		–	4,609
Adjustment in respect of prior years		(220)	(68)
Current tax (credit)/expense for the year		(220)	4,541
Deferred tax			
Current year (credit)/expense	20	(645)	115
Adjustment in respect of prior years	20	65	65
Deferred tax (credit)/expense for the year		(580)	180
Total tax (credit)/charge		(800)	4,721

Corporation tax has been calculated at 29.2% of assessable (loss)/profit for the year (2025: 23.0%). The applicable UK corporation tax rate is 25.0%.

The charge for the year can be reconciled to the profit before tax per the consolidated income statement as follows:

Total tax charge reconciliation

	Note	2026		2025	
		£000	%	£000	%
(Loss)/profit before tax		(2,740)		20,544	
Tax at current corporation tax rate		(685)	25.0	5,136	25.0
Effect of:					
Expenses not deductible for tax purposes		224	(8.2)	50	0.2
Non-qualifying depreciation		75	(2.7)	120	0.6
Adjustments for share-based payments		(42)	1.5	180	0.9
Land remediation relief		(119)	4.3	(741)	(3.6)
Impact of difference in deferred tax rate		(228)	8.4	14	0.1
Adjustments in respect of prior years – current tax	20	(220)	8.0	(68)	(0.3)
Adjustments in respect of prior years – deferred tax		65	(2.4)	65	0.3
Movement in deferred tax not recognised		130	(4.7)	(35)	(0.2)
Total tax (credit)/charge and effective tax rate for the year		(800)	29.2	4,721	23.0

The effective tax rate of 29.2% is higher than the headline tax rate of 25.0%, which is a factor of calculating an effective tax rate on an overall loss. The effective tax rate on profit before exceptional items is 24.1%, which better represents the underlying position. 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:

Notes to the Financial Statements continued

For the year ended 30 June 2026

8 Tax continued

Current tax charge reconciliation

	2026		2025	
	£000	%	£000	%
(Loss)/profit before tax	(2,740)		20,544	
Tax at current corporation tax rate	(685)	25.0	5,136	25.0
Effect of:				
Expenses not deductible for tax purposes	224	(8.2)	50	0.2
Non-qualifying depreciation	75	(2.7)	120	0.6
Adjustments for share-based payments	(10)	0.4	(6)	–
Land remediation relief	(119)	4.3	(741)	(3.6)
Impact of depreciation in excess of capital allowances	(150)	5.5	80	0.4
Utilisation of losses	(100)	3.6	(34)	(0.2)
Adjustments in respect of prior years – current tax	(220)	8.0	(68)	(0.3)
Other short-term timing differences	765	(27.9)	4	–
Current tax (credit)/charge and effective tax rate for the year	(220)	8.0	4,541	22.1

A 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. The majority of the 'adjustment in respect of prior years – current tax' is made up of additional land remediation relief claimed in respect of prior periods.

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.

8 Tax continued**Tax taken to equity on share-based payments**

	Note	Group		Company	
		2026 £000	2025 £000	2026 £000	2025 £000
Deferred tax taken to equity on share-based payments	20	–	210	–	210
Total tax taken to equity on share-based payments		–	210	–	210

9 Dividends

	2026 £000	2025 £000
Amounts recognised as distributions to equity holders:		
Interim dividend for the year ended 30 June 2026 of 4.0p (2025: 4.0p) per share	2,335	2,336
Final dividend for the year ended 30 June 2025 of 7.0p (2024: 7.0p) per share	4,089	4,088
	6,424	6,424

A final dividend of 1p per share has been proposed for the year ended 30 June 2026, equating to £584,000 (2025: £4,089,000). This is subject to approval by shareholders at the AGM on 6 November 2026 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:

	2026 £000	2025 £000
(Loss)/profit for the year	(1,940)	15,823
Adjust for exceptional items (note 3)	13,552	1,343
Adjust for tax on exceptional items	(3,389)	(309)
Profit for the year – pre-exceptional items	8,223	16,857

	2026 No. 000	2025 No. 000
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	58,378	58,370
Effect of dilutive potential ordinary shares:		
– Share-based payments	42	–
Weighted average number of ordinary shares for the purposes of diluted earnings per share	58,420	58,370

	2026 pence	2025 pence
Basic earnings per share	(3.32)	27.11
Diluted earnings per share	(3.32)	27.11
Basic earnings per share – pre-exceptional items	14.09	28.88
Diluted earnings per share – pre-exceptional items	14.08	28.88

Notes to the Financial Statements continued

For the year ended 30 June 2026

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 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	–
Additions	–	3,827	3,827	–
New leases entered in the year	1,132	2,830	3,962	–
Leases exited in the year	(2,489)	(1,692)	(4,181)	–
Disposals	–	(1,858)	(1,858)	–
At 30 June 2026	5,021	18,401	23,422	–
Accumulated depreciation				
At 1 July 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	–
Charge for the year	893	3,424	4,317	–
Leases exited in the year	(1,808)	(1,661)	(3,469)	–
Disposals	–	(1,636)	(1,636)	–
At 30 June 2026	1,922	10,467	12,389	–
Net book value				
At 1 July 2024	3,204	6,065	9,269	–
At 30 June 2025	3,541	4,954	8,495	–
At 30 June 2026	3,099	7,934	11,033	–

The Group has recorded a depreciation charge of £4,317,000 (2025: £4,272,000), of which £558,000 (2025: £718,000) has been charged in cost of sales and £3,759,000 (2025: £3,554,000) in administrative expenses.

At 30 June 2026, the net book value of right-of-use assets was £6,303,000 (2025: £4,921,000), of which £3,099,000 (2025: £3,541,000) is within property and £3,204,000 (2025: £1,380,000) is within plant and equipment. The depreciation charge recorded for right-of-use assets was £1,869,000 (2025: £1,519,000). Refer to note 17 for further details.

The Company recorded a depreciation charge of £nil (2025: £nil).

12 Investments in subsidiaries

	Company £000
Carrying amount	
At 1 July 2024	94,041
Impairment	–
At 30 June 2025	94,041
Impairment	–
At 30 June 2026	94,041

Investments in subsidiaries are assessed annually to determine if there is any indication that these investments may be impaired. The indicators of impairment and subsequent calculations of recoverable amount are set out below, with no impairment losses incurred in the year.

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 incurs costs 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 value-in-use 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 these two companies individually made losses, the Gleeson Homes division as a whole was profitable. The recoverable amounts of Gleeson Developments Limited and Gleeson Developments (North East) Ltd were determined based on fair value less cost to sell 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 2026

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
Vale Croft (Bolsover) Management Company Limited ⁴	Dormant*	06455753

¹ Shares held by Gleeson Developments Limited.

² Shares held by MJ Gleeson Group Limited.

³ Shares held by Gleeson Properties Limited.

⁴ Non-trading management company limited by guarantee.

* Exempt from audit by virtue of s480 of the Companies Act 2006.

13 Inventories

	2026 £000	2025 £000
Land held for development	148,468	145,849
Work in progress	260,598	234,998
Part exchange properties	7,125	–
	416,191	380,847

Net realisable value provisions held against inventories at 30 June 2026 were £6,290,000 (2025: £6,411,000). The amount of inventory write-down recognised as an expense in the period was £8,071,000 (2025: £2,130,000) including £4,475,000 (2025: £nil) that was treated as an exceptional item, and the amount of reversal of previously recognised inventory write-down was £71,000 (2025: £403,000). The cost of inventories recognised as an expense in cost of sales was £334,338,000 (2025: £281,241,000).

Company

The Company held no inventories at 30 June 2026 (2025: £nil).

14 Trade and other receivables

	Group		Company	
	2026 £000	2025 £000	2026 £000	2025 £000
Current receivables				
Trade receivables	6,643	11,387	–	–
Contract assets	886	–	–	–
VAT recoverable	2,982	5,029	39	57
Prepayments and accrued income	1,871	2,535	374	442
Shared equity receivables	–	–	–	–
Amounts due from subsidiary undertakings	–	–	125,122	102,002
	12,382	18,951	125,535	102,501
Non-current receivables				
Trade receivables	1,736	3,251	–	–
Shared equity receivables	–	53	–	–
	1,736	3,304	–	–

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.

Contract assets comprise balances arising on contracts with customers where revenue has been recognised in advance of the Group obtaining an unconditional right to payment. These balances principally relate to partnership contracts for which revenue is recognised over time. Contract assets are reclassified to trade receivables when the Group's right to consideration becomes unconditional.

Notes to the Financial Statements continued

For the year ended 30 June 2026

15 Financial instruments

The Group and Company's finance assets and liabilities are as follows:

Group

	Fair value		Carrying value	
	2026 £000	2025 £000	2026 £000	2025 £000
FINANCIAL ASSETS				
Cash and cash equivalents	7,443	6,490	7,443	6,490
Trade and other receivables	8,379	14,638	8,379	14,638
Shared equity receivables	–	53	–	53
	15,822	21,181	15,822	21,181

	Fair value		Carrying value	
	2026 £000	2025 £000	2026 £000	2025 £000
FINANCIAL LIABILITIES				
Loans and borrowings	(10,000)	(5,000)	(10,000)	(5,000)
Bank overdraft	–	(2,269)	–	(2,269)
Land payables	(21,718)	(20,488)	(21,718)	(20,488)
Trade and other payables	(90,080)	(62,664)	(90,080)	(62,664)
Lease liabilities	(6,690)	(5,390)	(6,690)	(5,390)
	(128,488)	(95,811)	(128,488)	(95,811)

Company

	Fair value		Carrying value	
	2026 £000	2025 £000	2026 £000	2025 £000
FINANCIAL ASSETS				
Cash and cash equivalents	452	30	452	30
Amounts due from subsidiary undertakings	125,122	102,002	125,122	102,002
	125,574	102,032	125,574	102,032

	Fair value		Carrying value	
	2026 £000	2025 £000	2026 £000	2025 £000
FINANCIAL LIABILITIES				
Loans and borrowings	(10,000)	(5,000)	(10,000)	(5,000)
Trade and other payables	(1,092)	(581)	(1,092)	(581)
Amounts due to subsidiary undertakings	(113,820)	(139,819)	(113,820)	(139,819)
	(124,912)	(145,400)	(124,912)	(145,400)

Fair values

Shared equity receivables are measured at fair value through other comprehensive income ("FVOCI"). The total fair value movement recognised in other comprehensive expense was £10,000 (2025: income £67,000).

15 Financial instruments continued

Loans and borrowings

	Group and Company	
	2026 £000	2025 £000
Revolving credit facility	10,000	5,000
	10,000	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 2028.

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 2026, borrowings covered by these guarantees amounted to £10,000,000 (2025: £5,000,000) 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 on deposit 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 cash and liquidity within the Group.

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 management based on prior experience, forward-looking assessments of the economic environment and relative counter-party 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.

The ageing of gross trade receivables at the reporting date was:

	Group	
	2026 £000	2025 £000
Not past due	7,530	14,610
Past due 0–30 days	810	1
Past due 31–120 days	71	–
Past due 121–365 days	113	2
Past due more than one year	21	290
	8,545	14,903

All trade receivables are with UK customers. The amounts due are included at expected realisable value.

Included in trade receivables not past due are £1,736,000 (2025: £3,251,000) receivables due in more than one year.

In addition to the above, the Company has intercompany receivables which are repayable on demand.

Notes to the Financial Statements continued

For the year ended 30 June 2026

15 Financial instruments continued

The movement in the allowance for impairment of trade receivables during the year was as follows:

	Group	
	2026 £000	2025 £000
Balance at 1 July	61	78
Impairment loss recognised	23	11
Release of impairment allowance	(25)	(28)
Balance at 30 June	59	61

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.

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	
	2026 %	2025 %
Bank borrowings	6.02	6.71
Bank overdraft	5.89	6.68

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 £754,000 (2025: £399,000).

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 and will expire in October 2028.

At the balance sheet date, the total unused committed amount of the facility was £125,000,000 (2025: £127,731,000) and cash and cash equivalents net of bank overdrafts held by the Group were £7,443,000 (2025: £4,221,000).

The following are the contractual maturities of financial liabilities:

15 Financial instruments continued**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 2026							
Loans and borrowings	10,000	10,000	10,000	–	–	–	–
Bank overdrafts	–	–	–	–	–	–	–
Trade and other payables	111,798	112,963	101,563	1,500	5,100	4,800	–
Lease liabilities	6,690	7,659	1,181	1,074	1,663	2,751	990
	128,488	130,622	112,744	2,574	6,763	7,551	990

	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

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.

Notes to the Financial Statements continued

For the year ended 30 June 2026

16 Trade and other payables

	Group		Company	
	2026 £000	2025 £000	2026 £000	2025 £000
Current payables				
Trade payables	34,403	17,705	58	57
Land payables	12,874	12,663	–	–
Lease liabilities	1,899	1,928	–	–
Other taxation and social security	3,222	2,567	90	88
Contract liabilities	6,103	6,937	–	–
Accruals and deferred income	50,834	38,022	1,034	524
Amounts due to subsidiary undertakings	–	–	113,820	139,819
	109,335	79,822	115,002	140,488
Non-current payables				
Land payables	8,844	7,825	–	–
Contract liabilities	509	–	–	–
Lease liabilities	4,791	3,462	–	–
	14,144	11,287	–	–

Amounts due to subsidiary undertakings are unsecured, repayable on demand, and interest free.

Contract liabilities relate to customer deposits and exchange monies as well as balances arising from partnership contracts where cash received or amounts billed exceed revenue recognised to date. These balances are recognised as revenue when the Group satisfies the relevant performance obligations. Of the prior year balance £1,790,000 (2025: £811,000) has been recognised in revenue in the current year as the performance obligations were met.

17 Leases

Right-of-use assets

	2026			2025		
	Property £000	Plant and equipment £000	Total £000	Property £000	Plant and equipment £000	Total £000
Cost	5,020	4,400	9,420	6,186	3,261	9,447
Accumulated depreciation	(1,921)	(1,196)	(3,117)	(2,645)	(1,881)	(4,526)
Net book value	3,099	3,204	6,303	3,541	1,380	4,921

Lease liabilities

	2026 £000	2025 £000
Current liabilities	1,899	1,928
Non-current liabilities	4,791	3,462
Total lease liabilities	6,690	5,390

17 Leases continued**Amounts recognised in the consolidated income statement**

	2026 £000	2025 £000
Depreciation on right-of-use property assets	893	616
Depreciation on right-of-use plant and equipment assets	976	903
Interest on lease liabilities	287	228
Total	2,156	1,747

Amounts recognised in the statement of cash flows

	2026 £000	2025 £000
Principal element of lease payments	1,915	1,553
Interest element of lease payments	287	228
Total cash outflow	2,202	1,781

18 Provisions

	Dilapidations £000	Building safety £000	Restructuring £000	Legacy site costs £000	Total £000
Group					
As at 1 July 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
Provisions made during the year	–	2,902	2,187	7,095	12,184
Provisions used during the year	(30)	(580)	(2,185)	–	(2,795)
Provisions released during the year	(38)	(2,902)	(205)	–	(3,145)
As at 30 June 2026	635	11,348	422	7,095	19,500

	2026 £000	2025 £000
Current provisions	7,282	5,520
Non-current provisions	12,218	7,736
	19,500	13,256

Notes to the Financial Statements continued

For the year ended 30 June 2026

18 Provisions continued

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 over the last 30 years. 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. 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 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.

Of the 18 buildings, qualifying assessments on seven buildings have been submitted to the Ministry of Housing, Communities and Local Government ("MHCLG") and these are awaiting audit. On the remaining buildings, the Group has continued to make progress in the assessment and remediation work required, but this has been slowed by engagement from building owners, management companies, contractors and in some cases the relevant regulatory body where approvals are required. 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 £11,348,000 (2025: £11,928,000) represents the Directors' 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 £580,000 in the year (2025: £467,000) 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 an external third party to carry out updated assessments in June 2026 of the remediation works required on 10 of the remaining buildings, which supports the provision recognised at the balance sheet date.

Restructuring

As set out in note 3, the restructuring of the Gleeson Homes business resulted in exceptional costs of £1,982,000 (2025: £1,343,000) in relation to redundancy costs and legal and consultancy costs, made up of £2,187,000 of additional provisions offset by a release of £205,000. Of this expenditure and the brought forward provision, £2,185,000 (2025: £718,000) was paid out in the year, with the remaining £422,000 (2025: £625,000) provided for at the year end.

Legacy site costs

As set out in note 3, Gleeson Homes identified issues on a number of previously completed legacy developments, which require rectification in order to achieve adoption of the roads and other statutory services by the relevant local authorities. Whilst these sites complied with relevant planning requirements at the time, based on the advice received we now expect there will be additional rectification costs in order to achieve adoption, over and above the normal costs of completion. As there exists an obligation to have these sites adopted, a provision has been established to carry out the required work over the next three to four years. The provision of £7,095,000 represents the Directors' current estimate of the costs to achieve adoption of these legacy sites.

Company

At 30 June 2026, the Company did not have any provisions (2025: £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 £1,714,000 (2025: £1,638,000) represents contributions payable to the defined contribution pension plan by the Group at rates specified in the plan rules. At 30 June 2026, contributions of £256,000 (2025: £257,000) 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.

Company

The total pension cost charged to the income statement of £88,000 (2025: £71,000) represents contributions payable to the defined contribution pension plan by the Company at rates specified in the plan rules. At 30 June 2026, contributions of £2,000 (2025: £2,000) 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	Losses £000	Short-term timing differences £000	Share- based payments £000	Total £000
At 1 July 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)
Adjustment in respect of prior year	35	–	(100)	–	(65)
(Charge)/credit to income	(137)	3	722	56	644
Charge to equity	–	–	–	–	–
Impact of rate change	–	–	–	–	–
At 30 June 2026	(393)	3	840	56	506

At the balance sheet date, the Group has unrecognised tax losses of £8,182,000 (2025: £8,575,000) available for offset against future profits. 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 £899,000 are offset by £393,000 of liabilities to arrive at a net deferred tax asset of £506,000 (2025: £73,000 net deferred tax liability). Of the total deferred tax asset, £175,000 (2025: £206,000) is expected to be recovered within 12 months of the balance sheet date.

Notes to the Financial Statements continued

For the year ended 30 June 2026

20 Deferred tax (liabilities)/assets continued

Company

	Plant and equipment £000	Losses £000	Short-term timing differences £000	Share- based payments £000	Total £000
At 1 July 2024	2	–	27	426	455
Adjustment in respect of prior year	(1)	–	(13)	(1)	(15)
(Charge)/credit to income	–	–	(3)	(215)	(218)
Charge to equity	–	–	–	(210)	(210)
At 30 June 2025	1	–	11	–	12
Adjustment in respect of prior year	–	–	–	–	–
Charge to income	–	–	722	18	740
Charge to equity	–	–	–	–	–
At 30 June 2026	1	–	733	18	752

21 Net cash/(debt)

	Group		Company	
	2026 £000	2025 £000	2026 £000	2025 £000
Cash and cash equivalents	7,443	6,490	452	30
Bank overdrafts	–	(2,269)	–	–
Cash and cash equivalents, net of bank overdrafts	7,443	4,221	452	30
Borrowings	(10,000)	(5,000)	(10,000)	(5,000)
Net borrowings	(2,557)	(779)	(9,548)	(4,970)
Lease liabilities	(6,690)	(5,390)	–	–
Net debt	(9,247)	(6,169)	(9,548)	(4,970)

At 30 June 2026, monies held by solicitors on behalf of the Group and included within cash and cash equivalents were £5,094,000 (2025: £6,490,000).

No monies were held by solicitors on behalf of the Company at the balance sheet date (2025: £nil).

21 Net cash/(debt) continued

	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 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)
Cash flows	3,222	(5,000)	(1,778)	2,202	424
New leases	–	–	–	(3,962)	(3,962)
Leases exited in the year	–	–	–	747	747
Finance expenses	–	–	–	(287)	(287)
Net cash/(debt) at 30 June 2026	7,443	(10,000)	(2,557)	(6,690)	(9,247)

22 Bonds and securities

At 30 June 2026, the Group had bonds and securities of £63,987,000 (2025: £64,503,000) 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 2024	58,381,973	1,168
Shares issued during year	46,153	1
At 30 June 2025	58,428,126	1,169
Shares issued during year	–	–
At 30 June 2026	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 no ordinary shares (2025: 46,153 ordinary shares) in settlement of share-based payments as set out in note 24.

Notes to the Financial Statements continued

For the year ended 30 June 2026

23 Share capital continued

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 £216,000 (2025: £69,000) represents the purchase of shares by the EBT for shares to be granted to employees in future periods.

Utilisation of own shares of £79,000 (2025: £293,000) 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.

	2026		2025	
	Number	£000	Number	£000
Own shares held by the EBT	91,426	369	53,986	232

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. During the current financial year, senior management have been granted restricted share awards ("RSA") which do not have performance conditions attached, other than the requirement to remain within the employment of the Group over the vesting period. Additional information regarding the share-based payment arrangements for the Executive Directors is set out in the Report on Remuneration on pages 136 to 144. All schemes are equity-settled.

DATE OF GRANT	Share purchase plans 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	LTIP 23/10/25 No. of shares	RSA 23/10/25 No. of shares
Outstanding at 1 July 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	–	–
Granted in the year	14,279	–	–	–	–	–	400,753	308,494
Forfeited	(3,076)	–	(472,743)	(363,532)	(91,406)	(86,291)	–	(114,493)
Exercised	(4,545)	–	–	–	–	–	–	–
Outstanding at 30 June 2026	43,646	–	–	–	495,437	331,274	400,753	194,001

24 Share-based payments continued

REMAINING CONTRACTUAL LIFE	Rolling scheme	nil	nil	nil	nil	12 months	24 months	24 months
Weighted average exercise price	–	–	–	–	–	–	–	–
Weighted average share price at date of exercise – current year	£4.41	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Weighted average share price at date of exercise – prior year	£4.69	n/a	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 13 months (2025: 9 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.

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 27/09/21	LTIP 20/10/22	LTIP 22/02/23	LTIP 01/10/23	LTIP 28/10/24	LTIP 23/10/25	RSA 23/10/25
The model inputs were:							
Share price at grant date	£8.14	£3.94	£4.56	£4.23	£6.07	£3.63	£3.63
Total shareholder return target	n/a ³	n/a ³	n/a ³	n/a ³	n/a ³	n/a ³	n/a
Exercise price	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Expected volatility ¹	34%	43%	44%	39%	34%	35%	n/a
Expected dividends ²	n/a 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	30 months	33 months	33 months	33 months	33 months
Risk-free interest rate	0.5% ⁴	3.7% ⁴	3.7% ⁴	4.4% ⁴	4.0% ⁴	3.74% ⁴	n/a
Fair value of one option	£5.35 ⁵	£2.20 ⁵	£3.95 ⁵	£3.45 ⁵	£5.63 ⁵	£2.53 ⁵	£3.63 ⁶

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 allow, 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, relative TSR and carbon reduction targets for the Executive Directors as set out on page 139 together with non-market, performance 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.

⁶ The RSA has no performance conditions attached and therefore the fair value equates to the value of the share at the date of grant.

The total share-based payment charge to the consolidated income statement was £715,000 (2025: £660,000).

Notes to the **Financial Statements** continued

For the year ended 30 June 2026

25 Contingent liabilities

As set out in note 18, the Group is undertaking remediation assessment and works to remediate life-critical fire-safety issues on buildings which the Group had some involvement in developing over the last 30 years. 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. The Group is not aware of any other buildings that require remediation for which a provision has not already been established.

Also as set out in note 18, the Group has identified remediation obligations in relation to a number of legacy developments for which provision has been made. In addition to those obligations, liabilities may arise in the future in relation to further remediation work at legacy developments, but the Directors consider that the likelihood of such liabilities arising had not met the 'probable' threshold to recognise a provision at the balance sheet date.

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. The Group is not aware of any other claims for which a provision has not already been established or that are considered to be anything other than remote.

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 2026, the Group had no material capital commitments (2025: £nil). The Company had no capital commitments (2025: £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 104 to 105, and the Executive Leadership Team.

During the year Gleeson Homes sold 32 units to Harwood Property Investments Limited for £6,500,000. Christopher Mills, a Non-Executive Director of MJ Gleeson Plc, is a director of Harwood Property Investments Limited.

Other than disclosed above, there were no other transactions with key management personnel in either the current or prior year.

Glossary

Alternative performance measures

The Group uses certain alternative performance measures (“APMs”), which whilst not defined by IFRS are considered useful to provide additional insight into the Group’s performance for the year.

Adjusted gross profit

Gross profit before exceptional costs.

Adjusted operating profit

Operating profit before exceptional costs.

Adjusted gross margin

Gleeson Homes adjusted gross profit divided by total Homes revenue.

Adjusted unit gross margin

Gross profit on completions divided by Homes revenue on completions only, excluding land or other sales.

Adjusted profit before tax

Profit before tax before exceptional items.

Adjusted earnings per share

Profit after tax before exceptional items divided by the weighted average number of shares in issue throughout the year.

Dividend cover

Adjusted earnings per ordinary share for the period divided by total dividends payable for the financial year.

Net asset value per ordinary share

Net assets divided by the number of shares in issue at the balance sheet date.

Return on capital employed

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, cash and cash equivalents net of borrowings.

Average net borrowings

Average month end closing net cash/borrowing balances throughout the year.

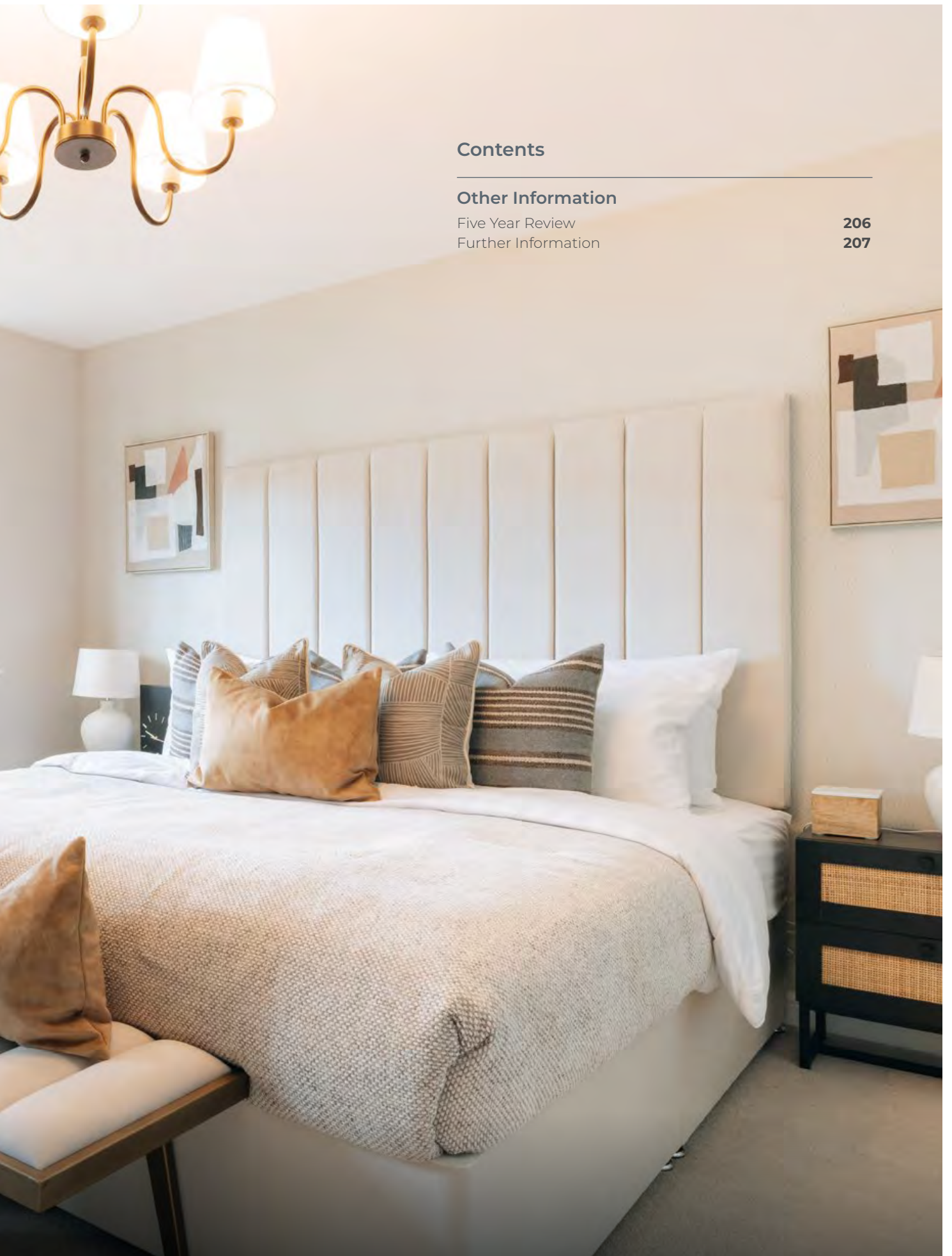
TSR

Total appreciation in share price plus dividends over a period of three years. Relative TSR compares this return on investment to a specified peer group as set out in the Remuneration Report.

Other Information



4 bedroom Dublin,
St Patrick's Vale, Cumbria



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Five Year Review

	2026 £000	2025 £000	2024 £000	2023 £000	2022 £000
Revenue	410,031	365,817	345,345	328,319	373,409
Operating profit pre-exceptional items	15,994	25,382	28,553	33,559	56,797
Net finance expense	(5,182)	(3,495)	(3,704)	(2,070)	(1,310)
Profit before tax and exceptional items	10,812	21,887	24,849	31,489	55,487
Exceptional items	(13,552)	(1,343)	–	(1,022)	(12,867)
Profit before tax	(2,740)	20,544	24,849	30,467	42,620
Tax charge	800	(4,721)	(5,543)	(6,298)	(7,531)
Profit after tax	(1,940)	15,823	19,306	24,169	35,089
Total assets	452,769	419,373	378,047	376,328	367,558
Total liabilities	(152,979)	(111,707)	(80,305)	(90,312)	(95,382)
Net assets	299,790	307,666	297,742	286,016	272,176
	pence	pence	pence	pence	pence
Total dividend per share for the year	5.0	11.0	11.0	14.0	18.0
Earnings per share	(3.3)	27.1	33.1	41.5	60.2
Earnings per share – pre-exceptional items	14.1	28.9	33.1	42.9	78.1
Net assets per share	513	527	510	490	467

Further Information

Corporate directory

Registered office

MJ Gleeson plc

6 Europa Court
Sheffield Business Park
Sheffield S9 1XE

Registered number

09268016

Incorporated in England and Wales

Company Secretary

Leanne Johnson

Independent auditors

PricewaterhouseCoopers LLP

Central Square
29 Wellington Street
Leeds LS1 4DL

Bankers

Lloyds Bank plc

10 Gresham Street
London EC2V 7AE

Santander UK plc

2 Triton Square
Regent's Place
London NW1 3AN

Solicitors

Addleshaw Goddard

One St Peter's Square
Manchester
M2 3DE

Registrars and transfer office

Equiniti

Aspect House
Spencer Road
Lancing BN99 6DA

Financial calendar

Financial year end	30 June 2026
Full year results announced	15 September 2026
Annual General Meeting	6 November 2026

Stockbrokers

Singer Capital Markets

One Bartholomew Lane
London EC2N 2AX

Peel Hunt LLP

100 Liverpool Street
London EC2M 2AT

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

Investor relations

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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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